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94TH CONGRESS } HOUSE OF REPRESENTATIVES } REPORT  
1st Session } } No. 94-311

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DEPARTMENTS OF LABOR, AND HEALTH, EDUCATION,  
AND WELFARE, AND RELATED AGENCIES APPRO-  
PRIATION BILL, 1976

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

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

REPORT

together with

ADDITIONAL VIEWS

[To accompany H.R. 8069]



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

(1)

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SUMMARY OF ESTIMATES AND APPROPRIATIONS

The following table compares, on a summary basis, the appropriations for 1975, the estimates for 1976, and the amounts carried in the bill.

	1975 appropriation	1976 estimates	1976 bill	1976 bill compared with—	
				1975 appropriation	1976 estimates
Department of Labor.....	\$11,563,787,000	\$3,478,703,000	\$3,475,558,000	-\$8,088,229,000	-\$3,145,000
Department of Health, Education, and Welfare:					
Health Services Administration.....	483,226,000	426,782,000	522,736,000	+39,510,000	+95,954,000
Center for Disease Control.....	96,045,000	99,601,000	107,115,000	+11,070,000	+7,514,000
National Institutes of Health.....	1,939,282,000	1,681,354,000	2,150,755,000	+211,473,000	+469,401,000
(NIH Research Institutes), Alcohol, Drug Abuse, and Mental Health Administration.....	1,890,106,000	1,629,553,000	2,009,328,000	+119,222,000	+379,775,000
Health Resources Administration.....	658,087,000	524,343,000	608,218,000	-59,869,000	+83,875,000
Assistant Secretary for Health.....	306,319,000	339,329,000	374,709,000	+68,390,000	+35,380,000
Social and Rehabilitation Service.....	70,192,000	68,301,000	68,155,000	-2,037,000	-146,000
Social Security Administration.....	14,117,049,000	15,387,894,000	15,387,878,000	+1,270,829,000	-16,000
Assistant Secretary for Human Development.....	9,160,165,000	10,713,556,000	10,641,664,000	+1,481,499,000	-71,892,000
Departmental Management.....	1,445,595,000	1,404,682,000	1,500,049,000	+54,454,000	+95,367,000
Related agencies.....	132,235,000	147,442,000	138,275,000	+6,040,000	-9,161,000
Total, HEW.....	28,418,195,000	30,793,284,000	31,499,554,000	+3,081,359,000	+706,270,000
Grand total.....	40,696,660,000	35,153,357,000	35,873,492,000	-\$4,823,168,000	+720,135,000

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

In addition to the amounts in the accompanying bill, which are reflected in the table above, very large sums are automatically appropriated each year for labor, health, education, and welfare programs without consideration by the Congress during the annual appropriations process. The principal items in this category are the unemployment compensation, social security, and railroad retirement trust funds. The details of the budget authority estimated for 1975 and 1976 for the trust funds are reflected in a table appearing on pages 82-83 of this report. In fiscal year 1975, the new budget (obligational) authority for the trust funds is estimated to total \$94,953,300,000. The estimate for fiscal year 1976 is \$101,621,146,000, a net increase of \$6,667,846,000.

The House has already passed the 1976 appropriation bill for the Education Division and related agencies totaling \$7,158,995,000 (H.R. 5901). The amounts recommended in the accompanying bill, together

with trust funds, and education appropriations already passed by the House provide total budget authority for fiscal year 1976 for labor, health, education, and welfare programs of \$139,792,251,000, an increase of \$5,086,771,000 over the comparable 1975 amounts, as shown in the following table:

LABOR AND HEALTH, EDUCATION, AND WELFARE BUDGET AUTHORITY, 1975 AND 1976

	1975	1976	Change
Labor-HEW appropriation bill.....	\$40,696,660,000	\$35,873,492,000	-\$4,823,168,000
Education Division appropriation bill.....	6,527,608,000	7,158,995,000	+631,387,000
Trust funds.....	94,953,300,000	101,621,146,000	+6,667,846,000
Deduct: Federal fund payments to trust funds.....	-7,472,088,000	-4,861,382,000	+2,610,706,000
Total.....	134,705,480,000	139,792,251,000	+5,086,771,000

## HIGHLIGHTS OF THE BILL

*Comprehensive manpower assistance.*—The bill includes \$2,388,400,000 to carry out the Comprehensive Employment and Training Act, including \$400,000,000 for public service employment.

*Grants to States for unemployment insurance and employment services.*—The Committee has added \$48,600,000, of which \$41,300,000 is from trust funds, to restore State employment service staffs to the fiscal year 1974 level of 30,000 man-years; and added \$20,000,000 to expand computerized job matching.

*Occupational safety and health.*—The bill provides continued support for 300 additional enforcement positions recently approved by the Committee through a reprogramming of 1975 appropriations, and \$6,852,000 over the budget request for the National Institute of Occupational Safety and Health, to more effectively carry out the provisions of the Occupational Safety and Health Act.

*Bureau of Labor Statistics.*—The Committee has added \$5,000,000 over the budget to improve the accuracy of calculating unemployment rates.

*Maternal and child health.*—The Committee has added \$77,029,000 over the budget to provide expanded health services for mothers and children.

*Emergency medical services.*—The bill includes \$32,125,000, an increase of \$10,425,000 over the budget, to accelerate the development of emergency medical services systems.

*Public Health Service hospitals.*—An increase of \$6,000,000 over the request, to restore 393 positions eliminated from the budget.

*National Institutes of Health—Research Institutes.*—An increase of \$379,775,000 over the budget to provide a 10 percent increase over the 1975 level for extramural research programs. For the National Cancer Institute, this results in a total of \$703,564,000, an increase of \$34 million over 1975.

*National Institutes of Health—Buildings and Facilities.*—An increase of \$26 million over the budget for construction of the Lister Hill building, and \$64 million over the budget for new facilities for the National Institute of Environmental Health Sciences (North Carolina).

*Mental health.*—The Committee has added \$44,719,000 to restore most of the proposed budget cuts in research and training grants and staffing of the National Institute of Mental Health.

*Drug abuse.*—The bill includes \$69,933,000, an increase of \$9,398,000 over the budget request, for currently authorized programs aimed at prevention and treatment of narcotic addiction.

*Alcoholism.*—The Committee has added \$27,819,000 to maintain the current level of effort to deal with the Nation's No. 1 drug abuse problem.

*St. Elizabeths Hospital.*—An increase of \$2,500,000 for buildings and facilities to correct deficiencies in the physical plant.

*Health planning.*—An increase of \$20,000,000 over the budget to support the comprehensive health planning agencies and the regional medical programs during transition to the new health planning law.

*D.C. medical programs.*—An increase of \$9,050,000 over the budget for George Washington Medical School and Georgetown University Schools of Medicine and Dentistry, to cover operating deficits; an increase of \$7,575,000 over the budget for facilities at Children's Hospital and Georgetown concentrated care center.

*Public assistance.*—The bill includes \$15 billion, the full amount of the budget request for welfare payments, medicaid, and social services. This is an increase of almost \$1.2 billion over the 1975 appropriation.

*Vocational rehabilitation.*—The bill includes \$790,600,000 an increase of \$55,000,000 over the budget request, to expand rehabilitation services to the handicapped.

*Nutrition for the elderly.*—The Committee added \$25.4 million over the budget request, to assure the operation of the program at a level of \$150 million.

*Head Start.*—An increase of \$15,700,000 over the budget to cover additional operating cost and to adequately serve handicapped children.

*Community Services Administration.*—An increase of \$36,185,000 over the budget for state economic opportunity offices, senior opportunities and services, and emergency energy conservation. The request of \$295 million to continue community action agencies has been approved.

## BUDGET REQUESTS NOT CONSIDERED

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

Item	Amount
Department of Health, Education, and Welfare:	
Health services (portions of request).....	\$269,754,000
Preventive health services (portions of request).....	33,710,000
National Institutes of Health (portions of request).....	123,646,000
Alcohol, drug abuse, and mental health (portions of request)...	177,348,000
Health resources (portions of request).....	286,158,000
Human development (portions of request).....	138,625,000
Related agencies: Corporation for Public Broadcasting.....	70,000,000

Total, budget requests not considered..... 1,099,241,000

EFFECT OF COMMITTEE ACTION ON PROJECTED BUDGET EXPENDITURES (OUTLAYS) IN FISCAL YEAR 1976

The Committee estimates that the recommended increase of \$720,135,000 in new budget (obligational) authority from the amount requested will increase expenditures projected in the budget for fiscal year 1976 by approximately \$270 million.

TRANSITION PERIOD

Appropriations have been provided throughout the bill for the three-month transition period between the end of fiscal year 1976 and the beginning of fiscal year 1977. In accordance with the Budget and Impoundment Control Act (P.L. 93-344), fiscal year 1977 will begin on October 1, 1976, instead of July 1, 1976. The one-time three-month appropriation for the period July 1, 1976 to September 30, 1976, will be a feature of most, if not all, regular appropriation bills for fiscal year 1976.

The following summary table compares the amounts recommended in the bill with the budget estimate for the transition period:

	Estimates	Bill	Bill compared with estimates
Department of Labor.....	\$880,702,000	\$880,976,000	+\$274,000
Department of Health, Education, and Welfare.....	7,900,938,000	7,883,129,000	-17,809,000
Related agencies.....	150,013,000	158,479,000	+8,466,000
Total.....	8,931,653,000	8,922,584,000	-9,069,000

TITLE I—DEPARTMENT OF LABOR

MANPOWER ADMINISTRATION

PROGRAM ADMINISTRATION

The bill includes \$66,632,000 from general funds, an increase of \$194,000 from the budget request, and a decrease of \$377,000 from the 1975 appropriation. In addition, \$29,866,000, the amount of the budget request, and an increase of \$1,201,000 over the fiscal year 1975 amount, is authorized to be expended from the Unemployment Trust Fund. The total amount recommended is \$96,498,000, compared with the budget request of \$96,304,000, and the 1975 appropriation of \$95,674,000.

The Committee has restored 100 of the 270 positions that were proposed for elimination in the budget. Restoration of these positions requires an increase of \$810,000 over the budget. The Committee believes that the Manpower Administration requires adequate staffing to effectively perform its task of monitoring the expenditure of funds appropriated under the Comprehensive Employment and Training Act; and to assist the States in administering the various unemployment compensation programs, particularly the ones that are either partially or entirely Federally financed. Even with the restoration of 100 positions provided in this bill, the Manpower Administration will still have 823 fewer positions than it had in fiscal

year 1973, before the enactment of the Comprehensive Employment and Training Act.

The amount included in the bill provides for a reduction of 10% (\$616,000) in funds requested for reimbursement to the General Services Administration for office space, consistent with the policy followed throughout the bill. The Committee has approved the remainder of the budget request, which consists of such near-mandatory items as within-grade promotions, the annualization of Federal pay raises granted in fiscal year 1975, and the annualization costs of new positions received in 1975.

For the interim period (July 1, 1976 to September 30, 1976), the bill includes \$24,125,000, of which \$16,748,000 is from Federal funds and \$7,377,000 is to be derived from the Unemployment Trust Fund. The increase over the budget for the interim period is \$553,000.

COMPREHENSIVE MANPOWER ASSISTANCE

The bill includes \$2,388,400,000, a decrease of \$6,000,000 from the budget request, and a decrease of \$464,050,000 from the amount expected to be appropriated in 1975. This account provides financial assistance to State and local prime sponsors to design and operate comprehensive manpower services programs under Titles I and II of the Comprehensive Employment and Training Act; and supports activities administered at the national level by the Department of Labor under Titles III and IV of the Act.

For Title I, which includes classroom and on-the-job training, work experience programs, vocational education and counseling, remedial education, and job placement services, the bill includes \$1,580,000,000, the amount of the budget request, and the same amount as was appropriated in 1975. It is projected in the budget that the number of many years of training provided in 1976 will increase by 58,000 over 1975. This is due to the slow start-up of Title I programs in 1975, the first year in which the Comprehensive Employment and Training Act was fully operational, and the resulting carryover of higher on-board enrollments into 1976.

The bill includes \$400,000,000 for public service employment under Title II of the Act, the amount of the budget request and the same as the 1975 appropriation. This amount, together with \$1,625,000,000 that is expected to be available in 1976 under Title VI of the Act and an estimated unexpended balance of \$610,000,000 on June 30, 1975, will provide a total availability for public service employment in fiscal year 1976 of \$2,635,000,000.

For national programs under Title III of the Act, which consist primarily of national contracts directed toward those groups whose needs cannot be adequately met through State and local prime sponsors, the bill includes \$190,960,000, a reduction of \$6,000,000 from the budget request and the 1975 appropriation. The Committee has reduced the request of \$12,000,000 for "target group model development" by \$6,000,000. The Department was not able to justify the amount requested for this new program. For program support activities under Title III, the bill includes \$42,440,000, the amount of the request and the same as the 1975 appropriation, consisting of \$16,300,000 for research, development, and evaluation, \$15,080,000

for technical assistance and training, and \$11,060,000 for labor market information.

The bill includes \$175,000,000, the amount of the budget request and the same as the 1975 appropriation, for the Job Corps (Title IV of the Act). The amount in the bill will provide about 20,000 man-years of training.

Virtually all of the decrease of \$464,050,000 from the expected 1975 appropriation for this account is attributable to not including summer youth employment funds for the summer of 1976 in this bill. There was no budget request for this program, and the Committee is deferring consideration of it at this time.

The Committee wishes to call the attention of the Department to section 710 of the Comprehensive Employment and Training Act which prohibits the use of funds appropriated under the Act for any political activities. Particularly with respect to Title II of the Act, the Committee directs the Department to assure that this section of the law is enforced.

The Committee is concerned that the Department has failed to promulgate regulations under section 301(b) of the Comprehensive Employment and Training Act. The lack of adequate guidelines has adversely affected the development of programs designed to increase employment and training opportunities for unemployed and underemployed persons of limited English-speaking ability. The Committee directs the Secretary to speed the preparation, promulgation, and implementation of effective regulations for section 301(b).

The Committee recognizes the accomplishments made by community-based organizations in dealing with the manpower problems of Americans of limited English-speaking ability. SER, Jobs for Progress Inc., has performed in an efficient manner for the past decade in providing services to this group of Americans through its national network. The Committee also recognizes the effectiveness of the Opportunities Industrialization Centers (OIC) in providing manpower services to the disadvantaged. The Committee urges the Department to take steps to ensure that the funding of SER and OIC for fiscal year 1976 is adequate to maintain the existing programs, through a combination of support by State and local sponsors and national contracts awarded under the Comprehensive Employment and Training Act.

For the interim period, the bill includes \$597,500,000, a decrease of \$1,500,000 from the budget request. The reduction was made in the national training programs under Title III of the Act.

#### FEDERAL UNEMPLOYMENT BENEFITS AND ALLOWANCES

The bill includes \$410,000,000, the amount requested in the budget, and a decrease of \$1,955,000,000 from the 1975 appropriation. The 1975 appropriation included \$2 billion in an urgent supplemental appropriations bill that was passed at the end of the Ninety-third Congress, primarily to carry out the Special Unemployment Assistance program for previously uncovered workers. In addition, the Second Supplemental Appropriations Bill for 1975 contains \$5 billion to provide general revenue advances for payment of unemployment compensation, including approximately \$2.1 billion that is expected to be advanced to this appropriation account. As a result of these other

appropriations, which are to remain available for obligation until September 30, 1976, the 1976 budget contains no request for the Special Unemployment Assistance program.

The \$410,000,000 included in this bill provides for the payment of unemployment compensation to former Federal employees, ex-Postal Service employees, and ex-servicemen, and for the payment of trade adjustment benefits to workers who become unemployed or underemployed as a result of foreign trade agreements.

At the time the 1976 budget was prepared, the estimated cost of benefits for former Federal employees and ex-servicemen was \$384,000,000. The current 1976 estimate for these benefits, according to the Department, is \$615,000,000, an increase of \$85,000,000 over estimated 1975 obligations. At the time the budget was prepared, trade adjustment payments were estimated to be \$26,000,000. The current 1976 estimate, according to the Department, is \$145,000,000, an increase of \$130,000,000 over estimated 1975 obligations. In light of these current estimates, it will be necessary for the Department to utilize the aforementioned advances account contained in the Second Supplemental for 1975, together with the funds included in this bill, to meet the increased benefit payments that will be required.

The Committee has included language in the bill to preclude the payment of Special Unemployment Assistance benefits during the summer months to teachers who have contracts for the next academic year. The language is similar to the language included in the Second Supplemental Appropriations Bill for 1975.

For the interim period, the bill includes \$95,000,000, the amount of the budget request.

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

The bill includes \$1,137,600,000, an increase of \$68,600,000 over the budget request, and a decrease of \$104,700,000 from the 1975 appropriation. The total budget authority includes an appropriation from Federal funds of \$81,300,000, an increase of \$7,300,000 over the budget, together with authorization to expend \$1,056,300,000 from the Employment Security Administration account in the Unemployment Trust Fund, an increase of \$61,300,000 over the budget.

These funds are used to pay the administrative costs of the unemployment insurance and employment service activities in State employment security offices. For employment services, the bill provides \$562,200,000, including \$81,300,000 from general funds and \$480,900,000 from trust funds, representing a total increase over the budget of \$68,600,000. General revenue financing is required to comply with a provision of the Employment Security Amendments of 1970 limiting the use of Federal Unemployment Tax Act revenues to services for those individuals covered by State unemployment insurance laws. The amount in the bill, together with \$10,000,000 expected to be carried forward from 1975, will provide an estimated total of \$572,200,000 for employment services in fiscal year 1976, an increase of \$57,200,000 over the amount obligated in fiscal year 1975. The Committee provided an increase of \$48,600,000 over the budget to increase the number of employment service man-years funded from

27,300 in the budget to 30,000. The level of 30,000 man-years represents a restoration of the fiscal year 1974 level. The Committee does not believe it is reasonable to continue to reduce the employment service staff in the midst of a serious economic recession. The Committee has also provided an increase of \$20,000,000 over the budget to enable the Employment Service to greatly expand its computerized job-matching systems in both urban and rural areas. The expansion of these systems should substantially improve the job placement process.

For unemployment insurance services, the Committee has approved the budget request of \$575,400,000. That amount, together with approximately \$125,000,000 expected to be carried forward from 1975 to 1976, provides a total amount available in 1976 of \$700,400,000, an increase of \$50,400,000 over the amount expected to be obligated in 1975.

For the interim period, the bill includes \$140,550,000 for employment services, an increase of \$17,150,000 over the budget. For unemployment insurance services, the bill includes \$143,850,000, the amount of the budget request.

#### LABOR-MANAGEMENT SERVICES ADMINISTRATION

##### SALARIES AND EXPENSES

The bill includes \$41,232,000, a reduction of \$768,000 from the budget request, and an increase of \$4,387,000 over the 1975 appropriation. The Labor-Management Services Administration carries out statutory responsibilities of the Department of Labor under the Labor-Management Reporting and Disclosure Act and the Employee Retirement Income Security Act, as well as programs for veterans reemployment rights and for Federal labor-management relations. The budget proposed an increase of \$5,352,000 for "mandatory" cost increases, including \$4,415,000 for annualization of the 350 new positions received in fiscal year 1975. The Committee has reduced the annualization figure of \$4,415,000 by \$400,000 because the agency has been filling the new positions at a much slower rate than originally anticipated. The Committee has reduced the requested increase of \$358,000 for travel by \$100,000. The request for payment of standard level user charges to the General Services Administration has been reduced by 10% (\$268,000). No new positions were requested for 1976.

For the interim period, the bill includes \$10,047,000, the amount of the budget request.

#### PENSION BENEFIT GUARANTY CORPORATION

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

primary purpose of the Corporation is to guarantee the payment of pension plan benefits to participants in the event that covered plans fail or go out of existence.

The Corporation's budget program for 1976 includes benefit payments of \$20,000,000 and administrative costs of \$9,337,000. The Committee recognizes that the workload of the Corporation is accelerating, and that the estimate of administrative costs projected in the budget may be inadequate. The Committee directs the Corporation to keep the Committee fully informed of any significant changes made from the program as presented in the 1976 budget.

#### EMPLOYMENT STANDARDS ADMINISTRATION

##### SALARIES AND EXPENSES

The bill includes \$81,560,000, an increase of \$1,845,000 over the budget, and an increase of \$5,444,000 over the 1975 appropriation. The bill also contains authority to expend \$225,000 from the Special Fund established by the Longshoremen's and Harbor Workers' Compensation Act, the amount requested in the budget. The Employment Standards Administration administers a number of laws aimed primarily at the protection of workers.

The Committee has deleted appropriation language proposed in the budget concerning administrative costs related to the Longshoremen's and Harbor Workers' Compensation Act. Deletion of the requested language makes it necessary to restore 106 positions, at a cost of \$2,278,000, which were eliminated in the budget. If the Department requires more positions than this to adequately administer the Act, a formal budget request for them should be submitted to the Congress.

The Committee has approved the request for 19 new positions and \$513,000 to expand the compliance effort under the Farm Labor Contractor Registration Act. The bill also includes \$250,000 as requested to provide additional funding for increased survey costs and expansion of the wage data base for the Service Contract Act wage survey program. The budget proposed increases of \$6,684,000 for items which are generally considered mandatory, the largest of which are \$3,327,000 to provide full-year costs for new positions funded for part of the year in 1975 and \$2,138,000 for the annualization of the Federal pay raise which was effective for only part of the year in 1975. The Committee has approved the mandatory increases. Consistent with the policy followed throughout the bill, the Committee has reduced the request for payment of standard level user charges to the General Services Administration by 10% (\$433,000).

The Committee continues to be concerned about the large backlog of work in the Federal Employees Compensation Act program. The Committee has provided for the continuation in fiscal year 1976 of 74 temporary clerical positions that were added in the Supplemental Appropriations Act for 1975. The Committee directs the Department to utilize these 74 temporary positions to reduce the backlog in this program.

For the interim period, the bill includes \$20,390,000, an increase of \$461,000 over the budget, together with authority to expend \$56,000 from the Special Fund established by the Longshoremen's and Harbor Workers' Compensation Act, as requested in the budget.

## SPECIAL BENEFITS

The bill includes \$201,000,000, the amount of the budget request, and an increase of \$36,000,000 over the 1975 appropriation. This appropriation provides benefits under the Federal Employees Compensation Act, the Federal Coal Mine Health and Safety Act, and the Longshoremen's and Harbor Workers' Compensation Act.

Due to an increase in anticipated reimbursements from Federal agencies, the total amount estimated to be available in fiscal year 1976 is \$415,909,000, an increase of \$68,709,000 over the total amount estimated to be obligated in 1975. The estimate reflects increases of \$68,514,000 in Federal civilian employees benefits and \$195,000 in longshoremen's and harbor workers' compensation benefits. The payments in this appropriation are prescribed by law.

For the interim period, the bill includes \$70,000,000, the amount of the budget request.

## OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION

## SALARIES AND EXPENSES

The bill includes \$108,221,000, a reduction of \$7,804,000 from the budget request, and an increase of \$6,215,000 over the 1975 appropriation. In a letter dated May 30, the Secretary of Labor advised the Committee that the activity distribution in the 1976 budget was being revised as a result of a reduced need for State grant funds in fiscal years 1975 and 1976. The Secretary stated that several large States were withdrawing from participation in State plans under the Occupational Safety and Health Act.

The Committee has approved the reprogramming of funds in fiscal year 1975 to enable OSHA to hire 300 additional field compliance personnel to offset the effect of these States' withdrawal. This action brought the total number of enforcement positions in OSHA, including clerical and support personnel, to 1,989. No additional positions were requested for 1976. The Committee reduced the request for annualization costs in 1976 for the new positions granted in 1975 by \$4,770,000. This action was taken to reflect a more realistic hiring schedule than was estimated in the budget.

The Committee has not approved \$2,700,000 requested in the Secretary's May 30 letter for a community college training program in 1976. The Committee has had no opportunity, in view of the lateness of the reprogramming request, to hold hearings on this proposed new training program. The budget requested increases of \$1,500,000 to undertake economic, cost-benefit, and inflation impact studies before final promulgation of new safety and health standards, and \$400,000 to conduct the annual national survey of occupational injuries and illnesses in States which are withdrawing from the State grant statistical program. The Committee has approved these two increases. The remaining increases in the budget over 1975 are for items that are generally considered mandatory, such as within-grade promotions and the full-year cost of the Federal pay raise effective for part of the year in 1975. Included in the bill is \$5,000,000, as requested in the budget, for reimbursement to States for the furnishing of consultation services to employers. A total of \$35,600,000 is included for State grant pro-

grams, the amount requested in the budget as revised by the Secretary's May 30 letter, and a slight increase of \$365,000 over estimated 1975 obligations. The Committee has reduced the request for payment of standard level user charges to the General Services Administration by 10% (\$334,000).

For the interim period, the bill includes \$27,000,000, a reduction of \$2,000,000 from the budget request.

## BUREAU OF LABOR STATISTICS

## SALARIES AND EXPENSES

The bill includes \$64,846,000, an increase of \$3,163,000 over the budget request and \$10,424,000 over the 1975 appropriation. The budget proposed near-mandatory increases of \$3,518,000 which the Committee has approved. A total of 164 new positions was requested in the budget, of which the Committee has approved 110. The requested increase of \$4,529,000 for the new positions and other costs related to the Bureau's statistical programs has been reduced by \$1,600,000. The request for payment of standard level user charges to the General Services Administration has been reduced by 10% (\$237,000). The budget proposed several small program decreases totaling \$1,032,000, which the Committee has approved. The Committee has added \$5,000,000 over the budget to enable the Bureau to expand the Current Population Survey, the principal unemployment index published by the Bureau, beyond the 60,000 households provided in the budget and to enable the survey to include the impact of unemployment on the family. The Committee has added these funds to improve the accuracy and substance of unemployment data.

For the interim period, the bill includes \$16,210,000, an increase of \$960,000 over the budget request.

## DEPARTMENTAL MANAGEMENT

## SALARIES AND EXPENSES

The bill includes \$32,297,000, a reduction of \$945,000 from the budget request, and an increase of \$1,958,000 over the 1975 appropriation. The bill also includes authority to transfer \$881,000 from the Unemployment Trust Fund, the amount requested, and an increase of \$61,000 over the 1975 amount. The budget proposed increases totalling \$2,820,000 for generally mandatory cost increases, such as within-grade promotions, the full-year cost of the Federal pay raise effective for only part of the year in 1975, and the annualization cost of new positions received during 1975. The Committee has approved the increases, with the exception that the cost of annualizing new positions received in 1975 has been reduced by \$500,000 from the amount requested. The budget assumed that the Congress would approve 80 new positions in 1975 to carry out the Department's responsibilities under the Trade Act of 1974. Since the Congress approved only 60 new positions in 1975, the Committee has deleted 20 positions from the 1976 budget and reduced the amount requested accordingly. A further reduction in annualization costs has been made to reflect a more realistic recruitment schedule than that estimated in the budget. The request for payment of standard level user charges to the General

Services Administration has been reduced by 10% (\$283,000). The Committee has approved the request for 13 new positions for the Office of Equal Employment Opportunity, but has reduced the amount requested by \$162,000 to reflect a more realistic recruitment date.

The Committee directs the Department to in the future reflect in this appropriation account all attorneys who are assigned to, or performing work for, the Office of the Solicitor.

The Committee further directs the Department to return to the Occupational Safety and Health Administration all of the supergrade positions to which it is entitled by law. It is the Committee's understanding that most of these positions are currently being used for purposes unrelated to the Occupational Safety and Health Act.

For the interim period, the bill includes \$7,781,000, the amount requested in the budget, together with authority to transfer \$221,000 from the Unemployment Trust Fund, the amount of the request.

#### SPECIAL FOREIGN CURRENCY PROGRAM

The bill includes \$70,000, a reduction of \$130,000 from the budget request and from the 1975 appropriation. The amount in the bill, together with a carryover balance of \$130,000 from 1975, will support two regional conferences for American labor attaches, economic officers, and labor reporting officers stationed in Asia, Africa, and Europe.

No appropriation is required for the interim period.

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

#### HEALTH SERVICES ADMINISTRATION

##### HEALTH SERVICES

The bill provides \$522,736,000, an increase of \$95,954,000 over the budget request and an increase of \$28,751,000 over the comparable 1975 appropriation. The budget request included \$269,754,000 which was not considered by the committee due to the absence of authorizing legislation.

The mission of the Health Services Administration is to provide health services to the underserved or disadvantaged, to build health services delivery capacity in medically underserved areas, to assure quality of health care, to foster effective and efficient health services delivery, and to provide services to statutorily defined populations. The amounts recommended by the Committee for each of the programs and activities funded by this appropriation, together with the budget request and comparable appropriation for fiscal year 1975, are shown in the following table.

#### HEALTH SERVICES

Activity	1975 comparable appropriation	1976 budget	1976 bill
1. Community services:			
(a) Comprehensive health grants to States.....	(\$90,000,000)	(.....)	( <sup>1</sup> )
(b) Community health centers.....	(196,648,000)	(\$155,190,000)	( <sup>1</sup> )
(c) Maternal and child health:			
(1) Grants to States.....	266,951,000	193,922,000	\$266,951,000
(2) Research and training.....	25,917,000	17,500,000	19,500,000
(3) SIDS information dissemination.....	2,000,000	.....	2,000,000
(d) Family planning.....	(100,615,000)	(79,435,000)	( <sup>1</sup> )
(e) Migrant health.....	(23,750,000)	(19,200,000)	( <sup>1</sup> )
(f) Health maintenance organizations.....	3,597,000	18,612,000	18,612,000
(g) National health service corps.....	(17,131,000)	(12,529,000)	( <sup>1</sup> )
2. Quality assurance:			
(a) Medical care standards.....	5,055,000	4,537,000	6,537,000
(b) Professional standards review organizations.....	36,204,000	50,145,000	50,145,000
3. Patient care and special health services.....	118,451,000	115,468,000	121,468,000
4. Emergency medical services.....	32,125,000	21,700,000	32,125,000
	(4,875,000)	(3,400,000)	( <sup>1</sup> )
5. Buildings and facilities.....	1,300,000	.....	.....
6. Program direction.....	33,752,000	29,569,000	32,069,000
Less: Trust fund transfer.....	(31,367,000)	(24,671,000)	(26,671,000)
Total, Health Services.....	493,985,000	426,782,000	522,736,000

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

The bill includes \$288,451,000 for maternal and child health, an increase of \$77,029,000 over the budget request and a reduction of \$6,417,000 from the 1975 appropriation. The increase in Grants to States will permit the program to implement the following five categories of maternal and child health services: Maternity and Infant Care, Comprehensive Health Care for Children and Youth, Intensive Infant Care, Dental Care for Children and Youth and Family Planning. To date, only eight States have fully implemented the five categories of service as required by Title V of the Social Security Act. The budget assumed that a portion of the funds to support the five categories of care would come from third party reimbursement and from public and private sources. However, the Department of Health, Education and Welfare could not provide the Committee with convincing data to substantiate the budget assumption. The Committee believes that some support from third party reimbursement may be available to this program, and to the extent that it is, such funds should be used to expand the delivery of health care services to mothers and children. The increase provided for research and training will support the ten on-going pediatric pulmonary centers which were not provided for in the budget. The overall reduction in research and training was made on the basis that many of the activities supported under this program appear to overlap with the research activities of the National Institute of Child Health and Human Development and the manpower development activities of the Health Resources Administration. The Committee recommendation for the sudden infant death syndrome restores this program to the 1975 level.

For Health Maintenance Organizations, the bill provides \$18,612,000, the same amount as the budget request and an increase of

\$15,015,000 over the comparable 1975 appropriation. In addition to the amount in this bill the program will carry over \$3 million of 1975 funds into Fiscal Year 1976. Another source of funds available to the Health Maintenance Organizations is the \$35,000,000 revolving loan fund established in fiscal year 1974 to cover operating deficits incurred by an HMO during its first three years of operation.

The bill provides \$6,537,000 for Medical Care Standards an increase of \$2,000,000 over the budget request and \$1,482,000 over the comparable 1975 appropriation. This program has responsibility for the professional health aspects in carrying out the quality assurance provisions of Title XVIII (Medicare) and Title XIX (Medicaid) of the Social Security Act. The Committee recommendation provides for the implementation of the End-stage Renal Disease Treatment program established by the 1972 amendments to the Social Security Act.

For Professional Standards Review Organizations the bill includes \$50,145,000 the same amount as the budget request and an increase of \$13,941,000 over the comparable 1975 appropriation. This program supports a nationwide network of voluntary, nonprofit groups of local physicians to regulate the quality and cost of health care services financed by and provided to beneficiaries of Medicare, Medicaid and Maternal and Child Health Programs. The country has been divided into 203 PSRO areas designated by the Secretary of DHEW. To date, 105 areas are under contract and 70 more are expected to apply during fiscal year 1976.

The bill provides \$121,468,000 for patient care and special health services, an increase of \$6,000,000 over the budget request and \$3,017,000 over the comparable 1975 appropriation. The 1976 budget was based upon the assumption that the Congress would accept a rescission proposal of 393 positions in 1975. Since the Congress did not accept the rescission proposal, the Committee has added funds to essentially cover the 1976 annualization cost of these positions. The Committee directs that there be no reduction in the 1975 position level and that the employment ceiling be raised to permit the hospitals to render services at a level and range comparable to the January 1, 1973 level in accordance with the provisions of Public Law 93-155.

For Emergency Medical Services, the bill provides \$32,125,000, an increase of \$10,425,000 over the budget request and the same level as the comparable 1975 appropriation. This program provides support for the coordination of personnel, facilities, and equipment for the effective delivery of emergency medical care within a geographical area. The Committee is impressed with the success of the program. For example, in one area with an operational Emergency Medical System, deaths from traumatic injury were reduced by 29%. The funds provided in the bill will restore this program to the 1975 level.

The bill includes \$32,069,000 for program direction, an increase of \$2,500,000 and 50 positions over the budget and a reduction of \$1,683,000 from the comparable 1975 appropriation. The Committee recommendation restores 50 of the positions cut from the budget and provides for technical assistance to the various programs of the Health Services Administration. The Committee is concerned about the need to improve the management of the Community Health Center, the Migrant Health, Family Planning and Maternal and Child Health

programs. The need for improved management of these programs was identified in reports prepared by the General Accounting Office and the Committee's Surveys and Investigation Staff. The Committee expects a report from the Health Services Administration, prior to the hearings on the 1977 budget, on the steps it has taken to improve the management of its programs as well as the steps taken to improve reimbursements from third party sources.

For the interim budget, the bill includes \$135,501,000 a decrease of \$1,155,000 from the estimate. These funds will continue the operation of the various Health Service programs during the transition period from the old to the new fiscal year.

CENTER FOR DISEASE CONTROL

PREVENTIVE HEALTH SERVICES

The bill includes \$107,115,000, an increase of \$7,514,000 over the budget request and an increase of \$11,117,000 over the comparable 1975 appropriation. The budget request included \$33,710,000 which was not considered by the Committee due to a lack of authorizing legislation. This appropriation provides support for the Center for Disease Control which is a national center of competence in the prevention and control of infectious diseases and certain other conditions. The principal mission of the Center for Disease Control is to assist State and local authorities and other health related organizations in stemming the spread of communicable diseases, in providing protection from some environmental hazards, and improving occupational safety and health. In addition, this agency is charged with the licensing of clinical laboratories engaged in interstate commerce and also it is responsible for foreign quarantine activities aimed at preventing the introduction of disease into this Nation. The amounts recommended by the Committee for each of the programs and activities funded by this appropriation, together with the budget request and comparable appropriations for fiscal year 1975, are shown in the table below.

PREVENTIVE HEALTH SERVICES

Activity	1975 comparable appropriation	1976 budget	1976 bill
1. Disease control:			
(a) Project grants:			
(1) Venereal diseases.....	(\$28,000,000)	(\$19,840,000)	(1)
(2) Immunization.....	(6,200,000)	(4,960,000)	(1)
(3) Rat control.....	(13,100,000)	(5,410,000)	(1)
(4) Lead-based paint.....	(9,000,000)	(3,500,000)	(1)
(b) Laboratory improvement.....	9,573,000	9,989,000	\$10,601,000
(c) Health education.....	3,027,000	3,013,000	3,013,000
(e) Disease surveillance.....	42,251,000	43,429,000	43,429,000
2. Occupational health.....	31,986,000	32,181,000	39,033,000
3. Program direction.....	9,161,000	10,989,000	10,439,000
4. Buildings and facilities.....			1,100,000
Total, CDC.....	95,998,000	99,601,000	107,115,000

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

For laboratory improvement, the bill includes \$10,601,000, an increase of \$612,000 over the budget request and an increase of

\$1,028,000 over the comparable 1975 appropriation. The increase is intended to support 40 additional positions and the Committee expects the Department of Health, Education, and Welfare and the Office of Management and Budget to provide the necessary employment ceiling to fill these positions. Data derived from implementation of The Center for Disease Controls National Laboratory Improvement Program indicates that laboratory diagnostic test results continue to be unreliable and, thus, could result in improper medical diagnoses. Many instances of unacceptable performance in clinical laboratories result from the use of poor quality commercial products. Total market value for diagnostic products in 1974 in the United States alone exceeded \$400,000,000, a high percentage of which were consumed in physician's office laboratories. The increasing demands of clinicians for specific diagnostic products in new areas will encourage commercial firms to increase their marketing of laboratory materials. An additional 40 positions and \$612,000 in fiscal year 1976 will be used to develop performance standards for *in vitro* diagnostic products and related laboratory improvement activities, including: (a) Evaluation of commercial products in their developmental stages, (b) Production and distribution of reference and/or control reagents, and (c) Evaluation of commercial reagents on a lot-to-lot basis. The result would be an increase of approximately 50 percent in activities related to the evaluation and use of commercial diagnostic products.

The bill includes \$3,013,000 for health education, the same amount as the budget request and a reduction of \$14,000 from the comparable 1975 appropriation. This activity supports health education programs designed to meet the needs of special target populations such as ethnic and linguistic minority groups, the urban and rural poor, the elderly and the handicapped. Currently, the program is identifying and cataloging Health Education activities in HEW and other Federal agencies as the initial step in implementing a national program of health education. The Committee still believes that the involvement of the private sector is essential if a national program to provide education to consumers of health services is to be successful.

The Committee approved the budget request of \$43,429,000 for disease surveillance, an increase of \$1,178,000 over the comparable 1975 appropriation. This program supports a wide spectrum of public health activities aimed at control of a multitude of diseases and conditions. The Committee approved the request in order that the disease control unit may continue its effective surveillance which provides current intelligence on disease developments.

For Occupational Health the Committee recommends \$39,033,000, an increase of \$6,852,000 over the budget request and an increase of \$7,047,000 over the comparable 1975 appropriation. The National Institute of Occupational Safety and Health (NIOSH) conducts research, develops criteria for occupational safety and health standards, and provides technical services to government, labor and industry. These functions are designed to reduce the high economic and social costs of occupational illness and injury through the prevention and control of occupational diseases and hazards. The Committee has provided \$2,000,000 for the training grant program which was eliminated from the budget. The shortage of trained individuals

is a severe hindrance both to voluntary programs for worker protection on the part of employers and to expanded government research and regulation of occupational health hazards. The need for additional Occupational Health manpower was clearly identified during the hearings and the funds included in the bill will maintain the 1975 program level. The Committee recommendation includes \$4,852,000 and 100 positions to fund the National Institute of Occupational Safety and Health's program in the field of occupational carcinogenesis. Although the National Cancer Institute has catalogued over 1,600 chemicals which are suspected as possible causes of cancer, the Department of Labor is currently regulating only 14 of those chemicals. The occupational carcinogenesis program will be aimed at determining the prevalence in the workplace of those chemicals suspected as carcinogens for which there is no standard, and determining if ample evidence exists to impose tighter regulation on the use of individual chemicals. The Committee is also directing the National Cancer Institute to participate in the occupational carcinogenesis program by working with and through the National Institute of Occupational Safety and Health to initiate this important new program.

For Program direction the bill provides \$10,439,000 a reduction of \$550,000 from the budget request and an increase of \$1,278,000 over the comparable 1975 appropriation. The reduction of \$550,000 represents a cut in the payment to the General Services Administration. The balance of the funds will provide for the executive direction and resource management staff necessary for planning, directing and evaluating all CDC program activities in 1976.

For buildings and facilities the bill includes \$1,100,000. No budget request was submitted for this item. These funds will be used to plan a modern and safe facility at a suitable location for the research activities of the National Institute of Occupational Safety and Health presently located in Cincinnati, Ohio. Currently, NIOSH employees are conducting research in a rental facility that has been found to be unsafe and inadequate for research purposes. The Committee will expect a full report from the Department of Health, Education, and Welfare by January 1, 1976 on the various cities considered for location of the NIOSH facility, the basis for final site selection, the size and cost of the building to be constructed, and plans for improving working conditions for NIOSH employees in Cincinnati, Ohio until the new facility is constructed.

An interim budget of \$28,032,000 was approved by the Committee in order to support the program activities of the Center for Disease Control during the transition from the old to the new fiscal year.

Although the Committee took no action on the lead base paint poisoning program due to a lack of authorizing legislation, it wishes to express its disappointment with the effort expended by the Center for Disease Control in assisting the other service and health financing programs of the Department to incorporate routine lead screening as an integral part of the delivery of health care. The Committee directs the Center for Disease Control and the Assistant Secretary for Health to redouble their efforts to encourage the community health centers, the maternal and child programs, the family health centers, the Health Maintenance Organizations and the medicaid program, especially

through its early periodic, screening, diagnosis and treatment program, to perform routine screening of their patients to detect lead poisoning. The Committee will expect a full report on this matter when it conducts hearings on the budget for the lead base paint poisoning program.

#### NATIONAL INSTITUTES OF HEALTH

The bill includes \$2,150,755,000 an increase of \$469,401,000 over the budget request and an increase of \$211,473,000 over the 1975 appropriations.

The budget estimates for the National Institutes of Health were designed to provide a very small net increase in 1976 over the reduced amounts that would have been available in 1975 under the President's proposed rescissions in the appropriations for fiscal year 1975. However, as the Congress did not concur in these rescissions, the full amount of the appropriations is, in fact, available for obligation in fiscal year 1975 and the funds requested in the budget to continue these activities in fiscal year 1976 are therefore inadequate. No evidence was presented during the hearings to indicate that the Administration actually intended to make such a drastic cut in Federal support for medical research. On the contrary, official witnesses—while loyally, though somewhat vaguely, maintaining that programs could be accommodated to the decreased funds—tacitly admitted that the program levels envisaged in the budget estimates were no longer relevant or tenable in the light of the actual current program levels.

Enquiry during the hearings revealed that, with the amounts requested in the budget, most of the Institutes would have no funds at all to support any new research projects and would, indeed, not even be able to meet their moral commitments to provide continued support for work already in progress. For NIH as a whole, the budget request would make it necessary to renege on commitments or implied promises of support totaling more than \$106 million. Such an unprecedented withdrawal of support by NIH would be a serious blow not only to the research projects directly affected but to the institutions in which they are conducted and, most importantly, to the pace of progress in health-care capability.

In order to maintain the stability of support for biomedical research the Committee has included in the NIH appropriations sufficient funds to bring the regular research grant programs, the research and development contract programs, and the cancer control program to their 1975 appropriation levels plus an increase of 10 percent to provide for rising costs and to permit the support of a number of new endeavors. Funds for General Research Support Grants, for which the budget estimates made no provision, and for the support of multidisciplinary research centers and special research programs have also been restored to their 1975 levels.

The Committee wants it to be clearly understood that a portion of the increases over the budget estimates may be used, at the discretion of the Institutes, to finance additional positions to administer the grant and contract programs and to conduct and support intramural research. During the hearings the committee took special care to

enquire into the personnel situation at NIH and was not surprised to discover that the shortage of adequate staff was the most serious managerial problem, because personnel ceilings have repeatedly been lowered while program and administrative responsibility have grown. To meet the staffing needs of the newer Institutes and the expansion of programs, as required by new legislation, in some of the older ones, it has been necessary to take people or positions away from the intramural research programs. This procedure seems to be penny-wise-pound-foolish management: NIH is one of the world's outstandingly successful medical research institutions; its productiveness cannot be maintained nor can its extensive research facilities be effectively used if its staff of scientists and technicians is gradually eroded in order to cope with the unmet needs for administrative and grant- or contract-management personnel.

The Committee is reluctant to provide specific numbers of additional personnel for specific Institutes because it does not wish to be in the position of having to assess needs with a precision for which it has neither the detailed knowledge nor the time. However, the Committee has examined the personnel matter with sufficient thoroughness to be certain that a serious problem exists at NIH and that steps should be taken immediately to make additional positions and employment ceilings available in both the extramural and intramural programs.

The Committee has not included funds for the NIH research-training programs because the authorization expires on June 30, 1975. Action has therefore been deferred until renewal legislation, now before the Congress, has been enacted.

The Committee has included in the NIH Buildings and Facilities account construction funds for the Lister Hill National Center for Biomedical Communications (an adjunct to the National Library of Medicine on the NIH campus) and for a building for the National Institute of Environmental Health Sciences on land donated to the Federal Government at Research Triangle Park, North Carolina. The amounts provided are \$26 million and \$64 million, respectively. Architectural and engineering plans for both of these buildings have been completed and it is expected that contracts for construction can be put out for bids immediately. Since planning for these buildings was authorized the estimated building costs have risen sharply and further delay in constructing these badly needed facilities will only result in greater expense. The Committee wants to emphasize that the amounts provided are maxima: if either of these buildings, as now planned, can not be built for the amount provided, the plan of the building must be changed to stay within the appropriation—and not the other way round. The Committee will not authorize a cost overrun.

During the hearings, the Committee received from the Acting Director of NIH a copy of a report on NIH's plans for improving the communication of clinically useful research results to practicing physicians and other health personnel and, as appropriate, to the general public. The Committee shares the general concern that the benefits of medical research be applied as quickly and widely as possible to patient care. As the object of medical research is to improve the diagnoses, treatment or prevention of disease, the job of a

medical research institution, such as NIH, is not done until the usable results of such research have been made available to those in a position to use them. The steps that NIH now proposes to take seem well designed to accomplish this and the Committee is glad to note that their effectiveness will be continually monitored so that changes and further improvements can be made as needed. The Committee also notes that the task will be undertaken in cooperation with other components of the Public Health Service, particularly the Health Services Administration and the Center for Disease Control in Atlanta. It is appropriate that responsibility for promoting the application of new techniques and procedures be placed with the organizations, both within and outside the Federal Government, that are most directly involved with health practitioners and in the health education of the general public. The primary mission of NIH is to conduct and support research and—except as specifically required by law, as in the case of the separately-funded Cancer Control Program—it should not divert its energies or its funds into activities that lie within the purview of other agencies.

During the hearings the Committee repeatedly expressed its concern about the need for a more coordinated diabetes research program, and accordingly, the Committee directs the Director of the National Institutes of Health to fully implement the provisions of the National Diabetes Mellitus Research and Education Act.

#### NATIONAL CANCER INSTITUTE

The bill includes \$703,564,000, an increase of \$116,727,000 over the amount requested and \$34,366,000 over the comparable 1975 appropriation. For the interim appropriation, the bill includes \$149,700,000, the amount requested.

The National Cancer Institute has made significant progress in advancing the national effort to reduce the impact of cancer. The Committee is impressed with the direction in which the program is going but feels that additional funding and manpower are imperative if all research leads are to be pursued so that the most promising avenues for the attack on man's most dreaded disease will be intensively explored. Recent advances against the major cancers—of the lungs, the breasts and the colon—have been particularly significant.

In breast cancer, the first results from the nationwide demonstration projects for the detection of breast cancer, sponsored jointly with the American Cancer Society, have shown that there is a 28% increase in the number of women whose breast cancer is diagnosed before it has spread to the lymph nodes of the armpit. This evidence of earlier diagnosis is encouraging because there is a high five-year survival rate if the disease is detected while the lymph nodes are still free of cancer. In treatment of breast cancer in patients with positive lymph nodes, encouraging results have been obtained by less radical surgery and the use of a drug (LPAM) which has resulted in a significant decrease in recurrence up to two years after surgery for removal of the cancer.

For lung cancer, progress was noted in a large clinical study using a combination of cell examination of sputum and chest x-ray to detect lung cancer while it is still localized in symptom-free smokers. These preliminary results raise hopes for an effective method for early

diagnosis of lung cancer for which treatment has, thus far, had little success.

Use of an improved flexible fiber-optic colonoscope has greatly enhanced the capability for locating cancer in the large bowel. If this form of cancer were detected in its earlier, more curable stage, a great many lives might be saved.

Advances against cancers other than in the breast, lung and colon have also been made. Splendid work has been accomplished in research that has led to a 20 to 80 percent increase in the survival rate of patients with osteogenic sarcoma. Efforts to markedly reduce uterine cervical cancer throughout the country have continued under the cancer control program which has established 29 projects in cooperation with State and Territorial Health Departments. Research is also in progress to improve the Pap test because the number of technicians and laboratories presently available are inadequate to conduct the volume of testing required with the existing technique. Efforts are underway to evaluate machines developed for the automated analysis of specimens. The instruments are designed to scan specimens rapidly and select those with abnormal cells for subsequent analysis by trained personnel.

Progress through fundamental research has produced a number of significant advances in our understanding of the cancer process. NCI scientists have, for the first time, successfully isolated a virus from leukemic cells of a patient with acute myelogenous leukemia (AML). The isolation of the virus is scientifically important because it provides a basis for further steps to identify the one or more factors that cause AML. Immunologic research has provided information about the basic mechanism of the body's immune response and holds much promise for the future in the development of innovative methods of treatment and control.

The Institute's cancer control activities progressed dramatically in fiscal year 1975. These activities now reach into all corners of the United States. The projects are conducted through demonstration, a newly formed communications network conducted through each of the 17 Comprehensive Cancer Centers, and other educational projects. These projects are organized to assure active involvement of the medical community, voluntary agencies, local hospitals and public groups; all activities are closely coordinated with the related activities of other Federal agencies and State and local governments. The Committee is deeply interested in the greater involvement of community physicians in their continuing education and is pleased that the Cancer Control Program is taking steps in this direction.

A Comprehensive Cancer Center Communications Network is being developed in conjunction with the NCI's Office of Cancer Communications and the American Cancer Society. Each Center will have its own communications office whose activities will include a telephone response system and a directory of cancer services available in the region.

The 17 Comprehensive Cancer Centers are part of a developing nationwide network of strategically located institutions whose purpose is to serve both as a national resource for basic research, clinical research and a multidisciplinary approach to patient treatment, and as a community resource through outreach and communication efforts. It

is expected that two or three additional such centers will be designated before the end of the fiscal year 1975.

The International Cancer Research Data Bank (ICRDB) Program has developed a computer-based cancer information system called Cancerline in collaboration with the National Library of Medicine. Cancerline makes available information on cancer chemotherapy to scientists and will provide information on cancer-causing agents and clinical cancer protocols.

Recently, wide public attention has been drawn to the number of known and potential environmental carcinogenic hazards, such as vinyl chloride, pesticides, water pollutants and certain gene combinations that could result from certain types of research. The Committee understands the pervasive nature of the problem of environmental carcinogens and urges the NCI to dedicate a substantial effort to determination of cancer hazards in the general environment. The Committee directs the Cancer Institute to work closely with the National Institute for Occupational Safety and Health in initiating that Institute's occupational carcinogenesis program and to provide direct support for this new important program.

A program of research and dissemination of information on the effect of nutrition and diet on the cause and treatment of cancer has been planned for implementation during fiscal year 1976 and the Committee will watch the development of this program with special interest.

The NCI's new Clinical Education Program plays an important role in developing innovative cancer teaching and improving cancer education in the medical curricula throughout the nation. The program is designed to expand and enhance cancer education for graduate and undergraduate medical students and promote continuing cancer education of physicians, dentists, and other health professionals.

The Committee notes that a critical manpower shortage at the NCI continues to exist even though Congress has mandated that sufficient positions be provided to manage the National Cancer Program. As stated elsewhere in this report, the Committee expects that adequate personnel will be made available to develop and maintain an expanded cancer effort effectively and efficiently.

A proposed increase of over half a million dollars for travel expenses for the Cancer Institute has been disallowed because it seems to the Committee that an allowance of \$2,900,000, the same as the amount provided in 1975, should be sufficient for all necessary travel.

#### NATIONAL HEART AND LUNG INSTITUTE

The bill includes \$329,059,000, an increase of \$57,219,000 over the amount requested and \$25,790,000 over the comparable 1975 appropriation. For the interim appropriation, the bill includes \$58,015,000, the amount requested.

The diseases on which the National Heart and Lung Institute conducts and supports research continue to be the primary health problems in the United States. Some twenty-eight million Americans are afflicted with some form of heart or blood vessel disease. Each year, over one million Americans die from these diseases—more than half the deaths from all causes. Moreover, they cost the economy more than

thirty billion dollars per year in lost productivity and expenses for medical care. Diseases of the lung also constitute a major national health problem of increasing dimensions. They account for some 150,000 deaths each year, cause sixty million days lost from work, forty million days of bed-restricted activity, and cost the economy some twelve billion dollars a year.

Despite these statistics, it is encouraging that, for the first time since the beginning of this century, there is a decline in the mortality rate from heart attacks in the United States. The initial change is not dramatic but even a modest decrease means that thousands of lives are being prolonged as a result of progress in research leading to improved diagnostic methods, treatment, and preventive measures. Contributing to this overall trend in the mortality figures for heart disease have been steady long-term decreases in the death rates for stroke, hypertension, and rheumatic heart diseases. Another encouraging fact is that the incidence of emphysema, which during the 1950's and early 1960's was the single fastest rising cause of death in the United States, began to level off during the mid 1960's. There has been no further increase in mortality from emphysema since 1969.

Many studies indicate that more aggressive application of existing knowledge will materially reduce disability and death from the complications of heart, blood vessel, lung, and blood diseases. A Prevention, Control, and Education Program in each of these diseases has therefore been initiated. The aim is to develop better mechanisms, using all media of communication for disseminating knowledge about diseases to the general public and to the medical profession.

The National High Blood Pressure Education Program, which NHLI coordinates, involves about 100 National, State, and local organizations. It has already done much to increase public awareness of the importance of regular blood pressure checks and of regular medication for those found to be hypertensive. Many communities have launched high blood pressure detection and follow-up programs. The Institute offers a "community consultation" service to provide general guidelines, advice on pitfalls to be avoided, and suggestions about other resource groups to aid in total community efforts. Educational materials are available to such groups from the Institute's High Blood Pressure Information Center. To date, over 300 communities have taken advantage of this service.

Grants for the establishment of the first three National Research and Demonstration Centers were awarded during the past year—one each in heart and vascular diseases, lung diseases, and blood resources. Each center includes programs in fundamental research, clinical research and application, and provides an environment conducive to the training of young scientists. Their purpose is to facilitate and expedite the application of research findings to practical patient care and to conduct an active program of public and professional education.

Other specific education approaches are being newly supported. In lung diseases, for example, an educational program is being developed for professional and para-professional personnel who are likely to be the first contact with patients suffering from acute respiratory insufficiency. In blood diseases and blood resources, a similar effort is being made advising physicians on the most efficient use of blood products for blood component therapy.

For a number of years the Institute has supported an extramural, research program directed specifically to improving understanding, prevention, and treatment of myocardial infarction or heart attack. A major element of this program has been the Myocardial Infarction Research Units which combine broad programs of clinical research with fundamental laboratory studies and the development of relevant technology and investigative methods. Much of the improvement in the understanding and treatment of heart attack over the past several years has come from these units. In order to broaden the scope of these successful efforts, the Institute has now launched a program for Specialized Centers of Research on Ischemic Heart Disease which will conduct multidisciplinary clinical and fundamental research directed at the reduction of death and disability from all forms of the disease including angina pectoris, rhythm disturbances, and heart failure, including techniques for rehabilitation following heart attack.

As has been noted in previous years, the Institute has underway a number of clinical trials concerning arteriosclerosis and high blood pressure. One of these, the Lipid Research Clinics program, was established to determine what proportion of the population has abnormalities of their blood fats, known as hyperlipoproteinemias, and who are, thereby, at a markedly increased risk of a heart attack during their early adult years. In July, 1973, these clinics began a study to determine whether reducing blood cholesterol levels, the most common form of lipid disorder, can slow down or prevent the development of premature coronary heart disease. By January, 1976, about 4,000 volunteers will be enrolled in this seven-year trial.

The purpose of the Multiple Risk Factor Intervention Trial is to determine whether or not a preventive program directed, simultaneously, at a reduction of elevated blood lipids (cholesterol), a reduction of high blood pressure, and reduction or elimination of cigarette smoking will result in a significant reduction in deaths from coronary heart disease. The enrollment of 12,000 men with higher than average risk of developing heart disease is expected to be completed during calendar 1975 in this six-year effort.

In 1973 another major epidemiological and community study, the Hypertension Detection and Follow-Up Program, was started. Cross-sections of ethnic, racial and socio-economic groups in 14 communities are being studied for the prevalence of all ranges of high blood pressure. The purpose of the program is to assess the effectiveness of long-term antihypertensive therapy in reducing mortality and morbidity from high blood pressure and its clinical manifestations. The enrollment goal of 10,500 individuals for this study has been attained. The study includes health education and behavioral research as personal attitude affects adherence to therapy. A large-scale clinical study to determine if the regular ingestion of aspirin reduces the incidence or recurrent heart attacks or strokes is just getting underway. Pilot studies have been successfully undertaken and some 4,200 patients who have experienced acute heart attacks will be enrolled in the Aspirin-Myocardial Study during the next year in 30 clinical centers. These patients will be observed for three years while on study medication.

The Institute's lung research programs have been expanded dramatically over the past few years into a coordinated national program. Research findings now exist which promise to revolutionize future

approaches to the prevention and treatment of respiratory diseases. For example, membrane oxygenators that combine adequate gas exchange with minimal blood destruction have been developed. If respiratory support can be provided without the threat of oxygen toxicity during the period of respiratory crisis, the lung may recover and the auxiliary oxygen support removed. These oxygenators have demonstrated sufficient promise to warrant intensive evaluation.

Numerous ongoing studies are concerned with the development of biological methods for separating lung cells and studying their cellular structure, metabolism, and function. This is an especially formidable task as the lung has some 40 different types of cells, making it one of the most heterogeneous organs of the body.

A primary complication of respiratory failure is a low oxygen content in the blood, despite the presence of normal oxygen in the inhaled air (a condition called hypoxia). Because of the dire consequences of blood hypoxia, a recently developed technique for rapid identification of physiologic changes that are associated with hypoxia and the extent to which they contribute to the patient's condition, offers great promise. Although still in the developmental phase, the technique has given encouraging results at several centers and should lead to therapy that can be directed to the causes, rather than the effects, of hypoxia.

The committee heard testimony concerning research on blood, and comment on needed improvements in the blood delivery system in the nation. Particularly interesting was the testimony concerning the development of a *control* for bleeding diseases such as hemophilia, which permits hemophiliacs and others to have an essentially normal life if the missing clotting factor is administered on a preventive basis. The committee was interested to learn that hemophilia is unique among genetic diseases, in that it can be controlled by the introduction of a missing genetic factor in the blood. The high cost of the factor now prevents all hemophiliacs from having their disease controlled, and the committee learned that the poor blood distribution network, in combination with an out of date technology for fractionation of the blood into various factors to treat various diseases, has prevented emergency and prophylactic care for many with blood diseases, in addition to hemophiliacs. The committee believes that emphasis should be given to research on the blood delivery system, as well as the improvement of the fractionation process.

Of great interest to the committee was the testimony of hematologists, who traced the historical development of blood research, and who indicated that many opportunities for advances in blood resources seem to be immediately available. The committee heard of the advances in leukemia research, and is concerned that the research opportunities into the fundamental mechanisms of control of blood cell production, as well as of the mechanisms of drug sensitivity and resistance for different leukemias, be pursued. The possible use of immunotherapy, and the possible viral origins of leukemia should be pursued vigorously, as well.

Opportunities for improved transfusion techniques were noted. It seems possible that in the near future, *red blood cell types* in blood to be transfused could be changed, by chemical or other means, so that any blood, regardless of type, could be used for any patient. It was also asserted that there are excellent research opportunities immediately

available in *blood storage*, so that better, simpler and cheaper storage methods can be developed by which blood may be kept alive and unfrozen (the present means of storage) for two or three times as long as is now possible. Finally, the committee heard about the possibility of the development of *artificial blood*, composed of fluids containing chemicals which carry oxygen, and which can be kept for long periods of time, at normal temperatures, and which could even be carried in emergency vehicles, ready for instant use at the scene of a disaster. The committee recognizes that the last several examples of opportunities in blood research show great promise, and should be strongly supported, but also that the entire field of blood research is burgeoning with opportunities. The committee recommends that a survey of blood research be developed so that the Congress may have a better overview of the opportunities available.

The committee also learned that the blood research projects are spread throughout a number of institutes, and believes that an inter-institute committee should be developed to pull together information on blood research programs.

The Committee expects NHLJ to use a portion of the increased funds to expand its diabetes research program and to coordinate this program with the other NIH Institutes in accordance with the National Diabetes Mellitus Research and Education Act.

#### NATIONAL INSTITUTE OF DENTAL RESEARCH

The bill includes \$45,794,000, an increase of \$7,755,000 over the amount requested and \$1,561,000 over the comparable 1975 appropriation. For the interim appropriation, the bill includes \$7,674,000, the amount requested.

The National Institute of Dental Research continues to make significant contributions both to a better understanding of the causes of various oral-facial afflictions, which bring so much pain and distress to our citizens, and to the development of preventive measures.

The Institute's efforts to minimize the ravages of tooth decay is centered on the work of the National Caries Program. For the benefit of communities that do not have the benefit of water fluoridation, other methods of providing fluoride protection are being developed. Research is also continuing on several promising new fluoride compounds, notably the amine fluorides, which may have value as mouth-washes. Efforts to develop a caries vaccine are continuing although the achievement of this goal still lies well into the future.

In the complex area of periodontal disease, there is increasing evidence that many microbes have the potential ability to initiate the affliction. The Institute supports thorough and broad experiments to seek the causes of periodontal disease which is responsible for the loss of teeth by most of the 22.6 million toothless persons in America. Studies on bone are producing better understanding of the specific bacteria, the particular cellular activities, and the precise biochemical substances associated with localized destruction of the bone which supports the teeth.

In the recent human studies of a severe form of periodontal disease where there is little inflammation of the gums, the finding of specific bacteria in areas of bone destruction seems to be significant. It is

suspected that under-reactions of the immune system, as well as over-reactions associated with inflammation, can destroy the bone. There are now indications that scientific knowledge may develop during the next few years to the point where a concerted national effort in the area of periodontal disease, similar to the National Caries Program, can be undertaken.

Many other areas of dental research are showing promise of developing knowledge that could provide better oral health for Americans. One of these is the protective function of saliva. Another is the Institute's recent demonstration that the herpes simplex virus can be isolated from the sensory ganglia of the nervous system of mice months after the acute infection of the lips, cornea, skin, or vagina has subsided. These experiments in mice provide a model for studying the different kinds of herpetic infections in humans including the oral (fever blisters) and genital lesions produced by herpes type 1 and type 2, respectively.

The Committee is interested to learn that the handling and treatment of children with cleft lip and palate is improving. It has now been demonstrated that it is desirable to defer the repair of a severe double cleft of the lip until the upper jaw has been expanded orthodontically and all its parts lined up and stabilized. These studies show that it is possible to reduce the average number of operations by half without compromising the patient's welfare.

The work in standardizing a laboratory procedure for measuring the wearability of restorative materials, is significant and could enable scientists to determine how new materials will withstand use without resorting to long clinical trials.

Work is also continuing on the role of nutrition in oral health and on efforts to prevent and solve problems of oral pain.

The five grant-supported dental research centers have extended their collaborative efforts with other institutions, as well as with other units in the individual universities to which they are attached, and continue to make significant contributions to the advancement of the dental sciences.

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

The bill includes \$173,972,000, an increase of \$29,907,000 over the amount requested and \$13,073,000 over the comparable 1975 appropriation. For the interim appropriation, the bill includes \$43,052,000, an increase of \$8,000,000, for a technical adjustment, over the amount requested.

The National Institute of Arthritis, Metabolism, and Digestive Diseases (NIAMDD) conducts and supports research in a broad array of diseases: various arthritic diseases and related rheumatic, connective tissue and musculoskeletal disorders, diabetes and other inherited errors of metabolism, diseases of the digestive tract including diseases of the liver and gall bladder, endocrine disorders, diseases of the blood and bone, urological and kidney diseases, and such fields as orthopedic surgery, dermatology, nutrition and others.

The committee heard testimony describing advances made in digestive diseases. Progress in the development of a medication for

*gallstone dissolution* was reported, as the first long-term collaborative study began several months ago, which will involve ten medical centers and 900 patients. Patient recruitment, in fact, began on June 1 of this year. This area of research, we were told, has great promise. Presently, 16 million people in the nation have gallstones, and over 5 million are operated on each year at an estimated cost (including hospitalization and loss of productive capacity) of \$1.5 billion annually.

In the area of diarrhea and related diseases, we learned that a new test for the detection of ileitis was developed in the last year, which will permit physicians to distinguish it from other inflammatory bowel conditions, to improve treatment, and to monitor success of therapy for ileitis patients. Additionally, progress was made in diarrheal research, which indicates that many forms of that disease are the result of a chemical product, or toxin, which is produced by a type of bacteria that was not recognized heretofore. The discovery, we were told, should revolutionize both the prevention and treatment of many forms of diarrhea.

In the area of endoscopy research, which this committee supported last year, we learned that the use of endoscopic equipment is evolving rapidly from the relatively crude instrument of a few years ago, when the flexible light tube for the digestive system was developed. Currently endoscopes can suture, apply clips, and apply adhesives. Promising developments are within the grasp of scientists which would permit the cauterization of bleeding ulcers with endoscopic laser beams, and the inquiry into the nature of pancreatic diseases.

Institute research on digestive diseases, which afflict millions of Americans each year, recently has centered on peptic ulcer with the establishment, by the Institute, of a Peptic Ulcer Center in Los Angeles, to be operated jointly by the UCLA School of Medicine and the VA Wadsworth Hospital Center. A five-year study will be undertaken involving ten key investigators with multi-disciplinary expertise who will study peptic ulcer from various approaches.

Diseases of the kidney and urinary tract afflict some eight million Americans, 50,000 of whom die annually of irreversible kidney failure. The Institute's extramural grants program supports a major research effort in diseases of the kidney and the urinary tract to develop better methods of treatment and prevention which would obviate the large number of patients who develop kidney failure. Simultaneously, the Institute's Artificial Kidney-Chronic Uremia Contract Program is making a major effort to develop improved artificial kidneys and dialysis methods and to eliminate clinical complications of long-term dialysis in order to prolong the productive lives of afflicted individuals, and to decrease the high cost of this type of treatment--most of which is funded by medicare.

Citizen witnesses have emphasized to the Committee the importance of increased funding for this type of research and development since it represents the only hope to decrease the immense and increasing cost of Medicare's End-Stage Kidney Disease Treatment Program and to make it clinically more effective.

In arthritis research the Committee was informed of a new program of cooperative studies involving teams of rheumatologists from the U.S. and U.S.S.R. This new US-USSR Arthritis Research Program

is part of an overall, bilateral health agreement between the two countries. The Institute expects that during the coming year cooperative clinical trials in arthritis will be launched, such as an evaluation of the efficacy of penicillamine treatment and treatment with cytotoxic drugs in rheumatoid arthritis.

One of the most prevalent disorders of the skin include psoriasis, a disfiguring disease affecting four million Americans. Medical management of psoriasis generally has been unsatisfactory and systemic drugs, which are effective, may cause serious side effects. Recently, however, grant-supported scientists have reported clearing of skin lesions in a significant number of patients following ingestion of the drug methoxsalen and exposure to a newly developed, long-wave, ultraviolet light source. This apparent interaction of light and drug, termed "photochemotherapy" by the investigators, has been well tolerated by all patients. Although it is not a permanent cure for psoriasis, inasmuch as such therapy must be repeated periodically, "photochemotherapy" has shown much promise in early clinical trials. The Institute is planning to subject such therapy to intensive, controlled investigation for long-term effectiveness versus late toxicity, which is always of great concern in any new form of therapy that looks so promising at the outset.

Diabetes research has been focused upon the insulin-antagonist hormone glucagon which, apparently, is causally involved in some of the symptomatology of diabetes. Other studies of interest involve transplantation of the insulin-producing beta cells of the pancreas which, in theory, might ultimately provide an "internal" supply of insulin and, thus, improved control of diabetes. At the present time, however, many hurdles are faced and further extensive animal research must be conducted. Of significance, also, is the review by a blue-ribbon panel of international biostatistics experts of the data resulting from a ten-year study by the University Group Diabetes Program of the efficacy and safety of two oral anti-diabetic drugs. This review generally upheld the original conclusion of the NIAMD-financed study of potential danger of an increased death rate from heart disease. Thus, such agents should be used only for patients with adult-onset diabetes whose disease cannot be handled by dietary control or by insulin.

The passage of the National Diabetes Mellitus Research and Education Act and the National Arthritis Act, with their provisions calling for increased and broadened efforts in these two disease fields, may well provide the impetus for the burgeoning of new ideas and opportunities, such as the creation of a significant number of Comprehensive Centers in arthritis and diabetes, for research, education, demonstration and control. The Committee is particularly interested in the initiation of Arthritis Centers as called for in the National Arthritis Act. These new centers should be interrelated as closely as possible in their basic and clinical endeavors through the National Arthritis Data Bank. Some of the increased funds provided in the bill should be used for the purpose of implementing the Arthritis Act and the Diabetes Act.

NATIONAL INSTITUTE OF NEUROLOGICAL AND COMMUNICATIVE  
DISORDERS AND STROKE

The bill includes \$136,546,000, an increase of \$29,491,000 over the amount requested and \$7,535,000 over the comparable 1975 appropriation. For the interim appropriation, the bill includes \$32,964,000, an increase of \$5,000,000, for a technical adjustment, over the amount requested.

The National Institute of Neurological and Communicative Disorders and Stroke (NINCDS) is celebrating its 25th anniversary this year. To mark the occasion, the Institute will publish a two-volume compendium of research advances since 1950 growing out of research conducted or supported by the Institute.

Among these advances are the conquest or amelioration of a number of disorders of the nervous system such as phenylketonuria (PKU), Parkinson's disease, epilepsy, myasthenia gravis, otosclerosis, laryngeal cancer, congenital rubella, and Gaucher's disease. To these accomplishments must be added many new techniques, improved instrumentation, and significant advances in the basic neurosciences which are certain to play an important role in research in the next decade. Perhaps most important of the accomplishments is the training which has been given the basic neuroscientists and clinical researchers with Institute support. To a very large extent, these are the persons who are now conducting the research so necessary to conquer scores of other yet unsolved neurological and communicative disorders.

Among the unsolved problems are stroke and injuries to head and spinal cord. These rank as the third and fourth leading causes of death in this country. Together they are responsible for the largest group of disabled and crippled adults in America. Altogether, neurological and communicative disorders afflict more than one-fifth of the population.

A highlight of the past year was the work of the Institute's Advisory Subcommittee on Regeneration of the Central Nervous System. Five workshops have been held and promising new avenues of research are emerging. Scientists no longer consider the problem of regeneration insoluble. They know that two kinds of regeneration occur following injury to the central nervous system. In one, an injured nerve simply regrows its severed part. In the other, intact nerve fibers sprout additional outgrowths which reinnervate the adjacent denervated cells and thereby may re-establish function. To maintain the momentum of these advances, the NINCDS plans to foster projects on neuronal development and regeneration within its extramural grants programs.

Recent evidence indicates that the first few hours after spinal cord injury are critical if progression of spinal cord degeneration is to be halted. Already some investigators have modified paraplegia in animals by the use of hypothermia (cooling), corticosteroid drugs, and the blocking of norepinephrine production by injections of alpha methyl tyrosine. The Institute's targeted research program on acute spinal cord injury is exploiting these new developments. Acute Spinal Cord Injury Clinical Research Centers are being supported in five cities and targeted and multidisciplinary spinal cord research in three other areas.

In the field of stroke, the latest available mortality rates indicate a significant decrease from 88.8 per 100,000 population in 1950 to 68.5

per 100,000 in 1969. In the future, even lower figures may be expected as a result of more recent advances in diagnostic and therapeutic measures. These include the new computerized axial tomography, a most effective noninvasive technique; ultrasonic monitoring of cerebral blood flow; radioisotope scintiscanning; and X-ray angiographic and tomographic techniques. In addition it is now possible to correct malformed blood vessels in either the brain or in carotid arteries with microsurgical techniques. Superficial temporal or scalp arteries can now be linked surgically to the middle cerebral artery to restore blood flow to the brain. Helpful also is the use of anticoagulant drugs, blood pressure lowering regimes, clot dissolving agents, and drugs for control of brain edema and of blood vessel spasm.

A new two-drug combination therapy for Parkinson's disease is about to be released for clinical use, and several new drugs for epilepsy should be ready for clinical release next year.

In multiple sclerosis research, studies on immunosuppressive therapy, use of transfer factor, evaluation of HLA-antigen profiles, and use of immuno-electron microscopy and viral probes exemplify the surge in research following the workshops and report of the National Multiple Sclerosis Commission last year. To give more attention to these and other problems, the Institute has established laboratories of neuro-immunology and neuro-pharmacology.

One in every 10 Americans is handicapped, to some extent, by a hearing or speech disorder. Since most of these people do not appear to be handicapped, much less attention has been given to the problem than it warrants. This past year special attention has been given to the status and future research needs in such problem areas as secretory otitis media, a prime cause of childhood deafness; laryngeal papillomatosis, recurring benign tumors of the vocal cords in children; and cochlear or auditory implants to restore a measure of hearing to the profoundly deaf. Among other major concerns the problem of noise, as it affects hearing and speech, will be assessed through contracts now underway.

The Institute maintains liaison with some 60 voluntary health agencies and professional societies because of the large number of disease categories for which it is responsible. Early in 1975 representatives of these organizations were brought together in Bethesda. As plans for the future were reviewed, need for greater coordination and cooperation, rather than the hitherto fragmented approach, emerged.

The Institute has been involved in two new areas this past year: spinal manipulative therapy and autism. A workshop in the former has already been held and the one on autism is now in the planning stage. Leaders from the chiropractic, osteopathic, physical medicine, and neuroscience professions discussed the state-of-the-art with respect to back pain at the workshop on spinal manipulative therapy. Professional and lay experts will soon review the problem of autism and identify directions of research.

The Committee expects NINCDS to use a portion of the increased funds provided in this bill to expand its research efforts on diabetes and to coordinate its diabetes research program with the other NIH Institutes in accordance with the National Diabetes Mellitus Research and Education Act.

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The Committee expects NINCDS to use a portion of the increased funds provided in this bill to expand its research efforts on diabetes and to coordinate its diabetes research program with the other NIH Institutes in accordance with the National Diabetes Mellitus Research and Education Act.

## NATIONAL INSTITUTE OF ALLERGY AND INFECTIOUS DISEASES

The bill includes \$118,918,000, an increase of \$18,141,000 over the amount requested and \$8,509,000 over the comparable 1975 appropriation. For the interim appropriation, the bill includes \$26,974,000, the amount requested.

The National Institute of Allergy and Infectious Diseases conducts and supports research to diagnose, treat and prevent a wide variety of diseases attributed to infectious agents or to abnormal immunologic or allergic responses.

There has been dramatic progress in the area of hepatitis research. Institute scientists have developed a prototype vaccine for the prevention of hepatitis B, the type of hepatitis that is frequently traced to inoculation with blood or blood products from infected persons. Sometimes called serum hepatitis, it is the type that causes most viral hepatitis deaths. The prototype vaccine has protected chimpanzees against hepatitis B virus. If extensive animal tests yield unequivocal results, the Institute hopes this research will lead to a hepatitis B vaccine for human populations at high risk, such as hospital operating room personnel and hemodialysis patients.

There is a critical shortage of imported animal models for hepatitis research—chimpanzees for hepatitis B and marmosets, a small South American monkey, for hepatitis A. However, interagency efforts are under way to develop breeding colonies in this country.

Institute investigators have also suggested that there may be a third type of viral hepatitis agent, tentatively called hepatitis C, transmitted by blood transfusions. They found post-transfusion hepatitis in patients in whom no laboratory evidence of hepatitis A (infectious hepatitis) or hepatitis B could be found.

The Institute has been supporting clinical trials with experimental vaccines against other important diseases. Pneumonia and influenza still rank fourth among diseases causing death in the U.S. Experimental pneumococcal pneumonia vaccines, developed by NIAID, are undergoing extensive field trials in California and North Carolina. Results should be known within two years. A vaccine against mycoplasma pneumonia, an illness which usually affects young adults, is being tested at a Marine facility in South Carolina. And the Institute is evaluating a vaccine to protect young children against meningococcal meningitis for which a vaccine trial is being conducted in Finland where the disease has been epidemic in recent years. The Committee anxiously awaits the results of all these vaccine activities.

World-wide, a leading cause of infant deaths is acute diarrhea. Institute scientists, working with colleagues at the University of Nebraska, have shown a relationship between the virus that causes human infant diarrhea and a virus which causes serious illness in newborn calves. Using the calf virus, they have developed a diagnostic test to demonstrate infection with the human agent. The similarity of the two agents may also lead to the development of a way to protect infants from the disease. There already is an oral vaccine to protect calves.

The Committee was gratified to learn of the Institute's expansion in venereal disease research—from \$128,000 in 1971 to approximately \$3 million in 1975. This expansion included the establishment this

past year of the first two interdisciplinary VD research centers—at the University of Washington and the Harvard School of Public Health. In addition to gonorrhea and syphilis, the NIAID effort now covers other sexually-transmitted infections such as those caused by herpes simplex virus, mycoplasmas, trichomonas vaginalis, cytomegalovirus, chlamydia, and certain fungi. Some of the increased funds provided in this bill should be used to further expand the Institute's work on venereal disease.

The Institute supports 17 Asthma and Allergic Disease Centers and the quality of their work is commendable but additional well-qualified researchers are needed to tackle the problems facing 35 million Americans with one or more serious allergic conditions. Astonishing advances in the basic science of immunology during the past decade have brought within sight the means for safe and effective relief for many of those who suffer allergies and other immunologic diseases. An improved test-tube method of diagnosing pollen, mold, insect, and animal allergy is now beginning to be offered in the care of patients. Some occupational diseases have an important allergic component and NIAID-supported investigators are studying a variety of these conditions, such as farmer's lung disease and meat wrapper's asthma. Yet a stronger effort is needed in both immunology and allergy research in view of the potential opportunities to improve the Nation's health.

## NATIONAL INSTITUTE OF GENERAL MEDICAL SCIENCES

The bill includes \$146,461,000, an increase of \$25,682,000 over the amount requested and \$11,038,000 over the comparable 1975 appropriation. For the interim appropriation, the bill includes \$32,961,000, the amount requested.

The National Institute of General Medical Sciences fosters and supports research and research training in sciences basic to medicine and in certain clinical disciplines central to progress in the whole spectrum of biomedical problems. A major purpose is to elucidate the complex fundamental cellular and molecular disturbances and pathologies that occur in nearly all forms of disease. In other fields, support is directed toward clinical research into nationally significant health problems that fall outside the responsibility of the categorically-oriented Institutes. Substantive programs are thus conducted in genetics, on the problems of diverse hereditary disorders; in trauma research, to improve the care of severely injured patients, including burn victims; in pharmacology and toxicology, on the problems of hazardous and ineffective drugs; and in biomedical engineering, to develop new instruments and medical devices broadly applicable in health care.

The Institute's trauma and burn research centers program has initiated support for one specialized burn research center and now has under review requests to support several additional such centers. At the existing center, a 40 percent reduction in burn mortality has already been achieved through the development and judicious use of such procedures as restoration of body fluids, sterile environment, skin grafting and intravenous feedings. The proposed new centers would provide support for other urgently needed studies on little-

understood biochemical and physiological changes induced by thermal injury, and on wound healing processes which could mitigate the aftermath of burn scarring, disfigurement and disablement. Research on these problems clearly marks the beginning of a coordinated multidisciplinary attack on the manifold problems of third-degree burns which take the lives of some 12,000 victims in the United States each year and severely damage thousands more, and for whom the cost of hospital care alone is said to exceed \$300,000,000.

The Institute's program in genetics is a far-reaching effort to uncover the basic lesions responsible for human genetic diseases, improve the diagnosis of such disease and lay the groundwork for prevention and therapy. The research is concerned not only with a great variety of tragic genetic disorders evident at birth, or shortly thereafter, but also with conditions which become manifest as severe chronic diseases in later life, many of which are determined by genetic factors. While many striking advances have been reported by this program over the past few years, the Committee is greatly impressed by a grantee's recent disclosure of the underlying defect in familial hypercholesterolemia and the prospect for specific diagnosis and therapy. Persons affected by this disorder manifest a two-to-threefold elevation of plasma cholesterol from birth and the great majority die prematurely from coronary disease. In this study, it was found that the cell membranes of affected persons do not permit the entry of certain lipid (fat) molecules needed to suppress the synthesis of cholesterol, which is then continuously overproduced. Experiments with these cells, grown in the laboratory, have shown that several lipid-like chemicals can penetrate the cell membranes and inhibit cholesterol production. Whether these chemicals can be used in patients and the evidence of their safety remain to be determined. Nonetheless, such studies should be accorded a very high priority, since familial hypercholesterolemia is now recognized to occur in one in 500 persons of the general population.

Studies supported by the Institute's program in pharmacology and toxicology have recently shown that the concentration of the tranquilizer drug Valium in the blood of elderly patients is markedly increased compared to that in younger patients after the same dose. This has been shown to be due to the fact that the elderly excrete the drug four times more slowly than do younger persons, and that it is stored in their tissues in greater quantities for much longer periods of time, posing a distinct hazard in terms of prolonged sedation and delayed toxic effects. As Valium is today the most widely used prescription drug in the United States, the Committee commends the Institute for promptly communicating its findings to the Food and Drug Administration and to the medical community at large, so that physicians throughout the nation may carefully reconsider and moderate dosage schedules for older patients and thus lessen the risks of this otherwise beneficial drug.

In the area of biomedical engineering research, the Institute reports a new development which offers the important prospect that the diagnostic aid of X-ray pictures read by experts in a central location can be extended economically, rapidly and accurately, via ordinary telephone lines, to physicians and patients in many remote areas of the country where direct services by highly trained radiologists have

long been lacking. This has come about with the development and feasibility testing of a prototype device for the electronic transmission and reproduction of X-ray films with such high quality that they are indistinguishable from the originals.

The Committee last year commended the Institute for launching a new program on the cellular and molecular basis of disease. This program seeks to consolidate and extend the already substantial but exceedingly diverse knowledge concerning the complex structure and function of the cell and its molecular machinery, and to relate this knowledge of specific abnormalities to human disease in order to strengthen the foundation for diagnosis and rational treatment. The Committee is pleased that a new center for studies in molecular pathology, the first of its kind in the United States, was established during the year at Yale University under Dr. George Palade, a winner of the 1974 Nobel Prize in Physiology and Medicine. The work of this center is focused on cellular membranes, their composition, mechanisms of repair and changes associated with the transport into and out of the cell of nutrient materials, enzymes, hormones and the great variety of other life-sustaining molecules. Because a large number of hereditary disorders, typified by the problem of familial hypercholesterolemia, already are linked to membrane transport defects, and also because cell membrane aberrations are now recognized as a distinct characteristic of cancer cells, the Committee will follow with much interest the progress and findings achieved in these new investigations and would encourage the establishment of other molecular pathology centers.

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

The bill includes \$126,889,000, an increase of \$30,342,000 over the amount requested and \$10,210,000 over the comparable 1975 appropriation. For the interim appropriation, the bill includes \$23,566,000, the amount requested.

The National Institute of Child Health and Human Development conducts and supports research on the health problems of the whole person from infancy to adulthood rather than studying a particular disease or biologic system. The transfer of the aging research program to the new National Institute on Aging does not disrupt this essential human development approach but instead allows the NICHD to focus its resources on special problem areas to promote good health during pregnancy and infancy as the best foundation for adult health. To emphasize this redirection and concentration of mission, the NICHD has recently established a Center for Research for Mothers and Children.

This new Center for Research for Mothers and Children, which will constitute the Institute's extramural program in maternal and child health, will focus its attention on the special health problems, arising from birth, that cause much human suffering and result in later diseases and disabilities whose costs are inestimable. It will approach these problems through research in three broad areas: perinatal biology and infant mortality; mental retardation; and growth and development. Research in perinatal biology and infant mortality concentrates on the low birth weight infant, congenital malformations, sudden infant

death syndrome, maternal complications, and the development of knowledge to assure maternal health and infant well-being.

There are approximately 250,000 infants born each year, weighing less than five and one-half pounds, who are born too soon or too small. Approximately 45,000 of these babies die, constituting a major factor in this Nation's relatively high neonatal infant mortality rate. In addition, these infants have the highest probability of suffering from neurological or physiological deficiencies, such as mental retardation, epilepsy, cerebral palsy, and learning difficulties.

Recent findings regarding the sudden infant death syndrome, or crib death, indicate that babies, many of them premature, who succumb to SIDS were not completely healthy but had suffered from stress. The occurrence of SIDS mainly during sleep is probably related with physiological sleep phenomena, particularly periodic breathing. These babies exhibit a thickening of the muscles around the small pulmonary arteries, indicating a previous lack of oxygen. Efforts to identify babies at risk of SIDS, as well as research into the causes of SIDS, remains a high priority.

The Committee is distressed with the high infant mortality rate of this Nation and the fact that in 1974 the U.S. dropped from fourteenth to fifteenth position in infant mortality rate among developed countries. Such a situation is intolerable, and it is the Committee's hope that more research on high risk pregnancies and high risk infants will significantly lower this Nation's infant mortality rate. The reduction of the high infant mortality rate must be a national priority not only in the area of research but also in perinatal care practices. The Committee believes that the Institute must move ahead with its plans to develop 12 major research programs for mothers and infants to be distributed throughout the United States.

The Committee is also concerned that the Perinatal Biology Center, located in the NIH Clinical Center, in Bethesda, and designed to study pregnancy, and infant mortality and morbidity, is only partially operational. Adequate resources, including the necessary positions, must be made available to the Institute so that this new facility can be effectively utilized in the pursuit of the national goal of reducing infant mortality.

Research continues on the causes and the methods for amelioration and prevention of mental retardation. The causes of this major health problem range from genetic errors of metabolism, such as phenylketonuria (PKU) and galactosemia, to reproductive casualty resulting from maternal and pregnancy disorders and complications at birth. The possible effect of nutrition supplements as related to mental retardation is being vigorously pursued. Detection in the developing fetus within the uterus of Down's syndrome (mongolism) and other genetically determined disorders is now possible through new diagnostic techniques and this fact is being widely disseminated to the public. On the behavioral level, investigators have developed a successful program that enables severely retarded children to communicate with geometric forms rather than conventional language. Many of these recent accomplishments were achieved through research conducted at the 12 Mental Retardation Centers supported by the Institute. Further research will be conducted both in the Centers and in other research institutions to further identify the complex factors that are responsible

for mental retardation so that more effective preventive action and treatment may follow.

The growth and development program encompasses research in immunology, nutrition, and the learning process and the study of the behavioral and biomedical aspects of child health and human development. The nutrition efforts are focused on maternal and infant nutrition, particularly on the effects of malnutrition on the mental and physical development of the child. Zinc deficiency has been found to cause failure to thrive in infancy and results in a condition called pica, in which a child eats unnatural substances. Specific learning disabilities, both reading and speech, will be further investigated to find the biological causes, as well as the social factors, that influence these problems. Relatively little is known about chronic illness in childhood, and this problem will be vigorously attacked to discover its developmental causes.

The Center for Population Research of the Institute continues to focus its research on the effects of population growth and change, development and evaluation of contraceptive methods, and fundamental research in reproductive biology. Studies concerning the motivation for the number and spacing of children, women's changing role in society, and related issues are yielding valuable data toward understanding the social and behavioral aspects of population growth and changes. Significant advances have been made in the development of more effective and safer contraceptive methods. Basic research in reproductive biology has shown that sperm production is controlled by two hormones which suggests new possibilities for male contraceptives. Another major accomplishment is the identification and synthesis of hormones in the brain that control the hormones responsible for ovulation. Clinical trials of both oral contraceptives and vasectomy are being performed. A six-fold increase in high blood pressure among users of oral contraceptives has been demonstrated. Investigations to identify users most likely to develop such complications will continue. Two types of antibody to sperm are produced after vasectomy and the medical significance of this will be investigated. Special emphasis will be placed on the possible relationship of contraceptives to congenital malformation.

The Committee expects NICHHD to use a portion of the increased funds provided in the bill to expand its research program on diabetes, and to coordinate its diabetes research program with the other NIH Institutes in accordance with the National Diabetes Mellitus Research and Education Act.

#### NATIONAL INSTITUTE ON AGING

The bill includes \$15,526,000, an increase of \$1,098,000 over the amount requested and \$1,621,000 over the comparable amount available for research on aging in 1975. For the interim appropriation, the bill includes \$3,943,000, the amount requested.

On May 31, 1974 the Research on Aging Act of 1974 (Public Law 93-296) authorized the establishment of a National Institute on Aging, and this Institute was formally established on October 7, 1974. The mandate of the NIA is to give greater emphasis to research on the biomedical, behavioral and social aspects of aging, in order

to slow or ameliorate the degenerative processes and ensure a healthier and more productive later life.

The Committee has on several occasions expressed its concern over health problems of the elderly and is very pleased with the establishment of the new Institute whose research will directly affect the 20 million Americans who are age 65 or older. Of this number, approximately one million live in institutions and many more are incapacitated by age-related diseases. This population currently utilizes about two-thirds of all Federal health care monies. It is expected that the number of persons over 65 will reach 30 million by the end of the century. Obviously, research on these disabilities, in order to develop more effective treatment and prevention where possible, is a matter of national importance.

The nucleus of the new Institute will be the Adult Development and Aging Branch, which administers the extramural grants and contracts program, and the Gerontology Research Center, which houses the intramural program, both of which will be transferred from the National Institute of Child Health and Human Development. Both of these organizational components will continue to conduct and promote research into the biological, medical, psychological, social, educational, and economic aspects of aging.

The Committee is pleased to learn of the progress that has been made in research on aging. For example, in 1975, the Longitudinal Study of Human Aging will complete its sixteenth year of comprehensive study of the physiology of normal human aging. This research has yielded numerous results, including the effect of age on the metabolism of drugs (which affects the dosage that should be prescribed for older patients) and the development of a diagnostic chart to show to what extent a decrease of creatinine clearance, which is an indication of proper kidney function, is a function of age rather than an indication of kidney disease. Basic research will continue at the molecular and cellular levels to learn why the functions of the physiological control system, the genetic information transfer system, and the immune system decrease with aging, so that such degenerative processes may be slowed or ameliorated.

Research into the causes of senile dementia has yielded important data that correlate biological phenomena, such as the loss of synaptic contacts between brain cells, loss of neurons, and alterations of protein structure, with the loss of brain function and mental capacity. These leads plus research in the social and behavioral fields will be pursued so that the problems of senile dementia may be alleviated.

The Committee directs that all resources necessary be made available to make this new Institute viable and effective. The Committee is seriously concerned that the search for a Director of the NIA has thus far been unsuccessful. Since the Director must play an important role in establishing research scope and direction, the NIA can currently only maintain its status quo and cannot vigorously pursue its mission.

The Committee is most anxious to see the comprehensive plan for a research program on aging when it is submitted, as required by the Act. The Committee hopes that this plan will provide for intensive coordination between all Federal agencies involved with the aged, and timely dissemination of research findings to the service community.

The bill includes \$42,608,000 an increase of \$8,054,000 over the amount requested and \$3,215,000 over the comparable 1975 appropriation. For the interim appropriation, the bill includes \$9,103,000, the amount requested.

The great toll taken each year in the United States by eye diseases is not measured in terms of mortality, for few disorders originating in the eye cause death, but rather in degrees of physical limitation and financial burden. Yet such measures are inadequate, for they cannot convey the hardship of functioning without normal vision in a complex environment. It is perhaps for these reasons that a public opinion poll has shown that Americans fear blindness more than any other physical affliction, with the single exception of cancer. The National Eye Institute has been charged with the responsibility for developing and supporting a national attack on these disabling diseases.

To help the NEI make the most efficient use of its resources for supporting vision research and research training, during the past year and a half, a Committee of the National Advisory Council, aided by expert consultants and Institute staff, systematically analyzed and evaluated the current status of vision research support in the United States. It is the first comprehensive assessment of major needs and opportunities in vision research, one which is expected to have considerable impact on the future course of the National Eye Institute's support in this field. The Committee was pleased to learn of the progress which has been made over the past few years against leading causes of blindness and visual disability, and of the Institute's program planning and evaluation activities.

One area in which significant progress is being made and in which major research needs and opportunities exist is that of cataract. More than 3 million people in the United States have cataract. In most cases, the cause of cataract cannot be determined, but the most common form of the disease is related to processes associated with aging. It is tragic that this disorder should account for so much visual disability when one considers that cataract removal is one of the most successful major surgical procedures performed today. Yet, because of psychological, social, and economic factors, cataract remains a leading cause of blindness. Approximately 400,000 cataract extractions are performed annually, for an estimated total cost of about \$1 billion. Discovering means of preventing cataract, and thus alleviating the disability, financial burden, lost productivity, and human suffering associated with this disorder, is therefore a high priority goal of vision research. In this regard, the Committee was impressed by the fact that NEI supported scientists have discovered a possible means of slowing down a form of cataract associated with diabetes. Additionally recent findings indicate the possibility of retarding the development of the most common form of cataract, that associated with aging, within the next 5 to 10 years.

Disorders of the retina account for more blindness and uncorrectable visual disability than any other cause. More than 147,000 Americans are blind as a result of retinal and choroidal diseases, and an estimated 15,000 additional people become blind each year from these disorders.

Neither a method of prevention nor means of cure has been developed which will effectively deal with macular degeneration, a common cause of impaired vision among the elderly. The same is true for retinitis pigmentosa, a usually hereditary, progressive loss of vision which occurs in children and young adults. For this reason, a considerable amount of research is aimed at discovering the underlying causes of these disorders. As a result of newly developed research techniques, investigators have discovered that a thin layer of tissue at the back of the eye plays a vital role in the visual process. Efforts are now being made to determine the key part played by this single layer of cells both in normal retinal function and the development of certain retinal diseases. We expect that this new research opportunity will be fully exploited and that basic research studies will result in some of the most important contributions to clinical vision research within the next five years.

Diabetic retinopathy is now one of the most common causes of new adult blindness, and much more basic research is needed before the cause can be determined and a cure developed. However, the Institute is supporting a national Diabetic Retinopathy Study, which is a controlled clinical trial designed to determine whether photocoagulation can prevent or retard visual loss in proliferative diabetic retinopathy. Additionally, a new surgical procedure, vitrectomy, developed with NEI support, has demonstrated its usefulness in restoring sight to patients who have lost vision from diabetic retinopathy. The Committee was also pleased to learn that the NEI has initiated a multi-institutional clinical trial to measure the efficacy and safety of this new surgical technique. The Committee expects the National Eye Institute to use a portion of the increased funds provided in the bill to expand its research program on Diabetes and to coordinate its research efforts on this disease with the other Institutes of NIH in accordance with the provisions of the National Diabetes Mellitus Research and Education Act.

The Committee believes NEI should explore the awarding of core center grants to institutes of high research productivity potential. Some centers are currently overburdened with routine care because of the need to generate funds to support research activities. These core center grants will provide researchers with expanded support for creative activity in furtherance of the new vision research program plan.

#### NATIONAL INSTITUTE OF ENVIRONMENTAL HEALTH SCIENCES

The bill includes \$35,915,000, an increase of \$6,547,000 over the amount requested and \$4,031,000 over the comparable 1975 appropriation. For the interim appropriation, the bill includes \$7,540,000, the amount requested.

It is now fifteen years since this Committee first held hearings specifically on environmental health problems. Those hearings were for the purpose of discussing a report which had been prepared by the Public Health Service at the request of this Committee.

In making its request the Committee had stated:

Over the past several years a number of environmental factors affecting health have become increasingly significant.

The development of industrial processes and industrial products has taken place at a rate so rapid that direct and indirect effects on the health of the worker, the user of the processed product, and the general environment have not been adequately evaluated. The considerably expanded use and diversity of sources of radioactive products is a technical development of particular significance to health. The continued growth of gigantic metropolitan complexes has created special problems related to communicable disease, problems of mental health, and, to a certain extent, has made it increasingly difficult to deliver health services. Related to the growth of metropolitan areas and the expansion of industrial production are the increasing problems of air and water pollution and their effects on the health of the population, which are at present inadequately understood.

Thus, this Committee has been in the forefront of concern with the adverse effects resulting from man's interaction with his environment. However, looking back, it is clear that while work in this area has increased dramatically, that most of the increased emphasis has been on the application of existing knowledge and technology to existing problems. Not enough attention has been paid to anticipating new problems or to developing new knowledge to cope with either new or existing problems.

The National Institute of Environmental Health Sciences is the direct result of the continuing interest in this important area though it was not created until almost seven years after the hearings. Now, eight years later, the Institute continues to reflect the Executive Branch's continuing lack of awareness of these important problems.

Soon after its establishment and in recognition of the need for development of effective long-range plans and priority setting, the NIEHS established the Task Force on Research Planning in Environmental Health Science. For a year and a half this group, through a series of Sub-Task Forces met and considered specific areas of research opportunity. The Final Report of this Task Force, published in 1970, remains the only thorough overview of this broad area of research opportunity. However, there have been many important developments in this important field since the Task Force last met in 1969.

Accordingly, the Committee believes it is appropriate that the NIEHS develop a new Task Force to identify, review, and evaluate the needs in this area. In view of the broad sweeping nature of this task, and the time necessary to accomplish the original study, the Committee believes that two years will be required for this study, and directs the Institute to report to it in January 1977. The Committee directs the Institute also to charge the Task Force with responsibility for identifying specialized manpower requirements in this area. In order to assure adequate funding for this study, and because of its relevance to the entire field of environmental health research, the study should be funded from amounts available for research grants.

The Committee heard ample testimony to demonstrate that this Institute has made remarkable progress in the years of its existence.

regardless of size, to use the most advanced technologies.

However, much remains to be done and too little is available for its doing. A year ago the Committee added a million dollars to the NIEHS and directed that it undertake a study of the effects of orally ingested asbestos. While progress on this important study was delayed until the proposed rescission was resolved, the NIEHS is proceeding with the implementation of these studies. Now the Committee is informed that the continuation of these studies is jeopardized as there are not sufficient funds to permit their continued funding in the coming year. The Committee is including an additional one million dollars to permit continued funding of these important studies.

With the enormous number of untested compounds in widespread use, and hundreds more being placed into commercial use each year, it is vital that faster, more effective methods of testing be developed. To this end, NIEHS scientists have been working to develop new tests which will make it possible to screen new compounds in order to prevent wide-spread deleterious effects. These new tests cover a wide range of human health effects—mutagenesis, carcinogenesis, and teratogenesis.

Short of the dramatic killer diseases of childhood, probably no health related disorders are as tragic as those which result in severely malformed babies. Thus, since its inception, the NIEHS has been working on fast, reliable tests to help prevent another tragedy like thalidomide. NIEHS scientists have been looking in depth at the effects of environmental agents on reproduction and development. The Committee learned of a promising development which may permit the more rapid testing of compounds for their teratogenic activity using a laboratory animal model which will also be useful for studying factors associated with birth defects. It will, hopefully, lead to the development of a way to predict toxic effects.

Perhaps even more important than teratogenic effects are those which effect succeeding generations (mutagenic effects). Genetic effects may take many forms. They may result in an increase in spontaneous abortions or an increase in inheritable diseases such as hemophilia or sickle cell anemia. Tests newly developed by NIEHS scientists provide promise of a practical solution to the problem of how to test the thousands of untested compounds already in the environment. These short-term tests promise to be a sensitive initial method of quickly and cheaply screening chemicals and consumer products for possible toxic effects, and of singling out suspect compounds for more detailed evaluation in higher organisms. Because of the importance of these new tests, the Committee will expect the NIEHS to continue its emphasis on this important, but previously neglected area of research.

The NIEHS center grants continue to provide an important national resource covering as they do research areas such as asbestos, heavy metals, environmental chemicals, aero toxicology, pesticides, and pesticide exposures. The Committee encourages the Institute to continue the development of these core center programs, but only at a rate which is consistent with continuing scientific excellence. The development of these programs to date represents an excellent example of cooperation between government and academic scientists and institutions.

This Committee has consistently encouraged NIEHS to develop effective methods of interagency cooperation and collaboration and NIEHS has been conscientious in carrying out its responsibilities. The Committee will continue to take a great interest in this matter and will expect to hear from NIEHS regarding any impediments to effective action.

Because of its importance as a focal point for environmental health research and its resulting need to be heavily engaged in interagency cooperation and collaboration, the NIEHS is particularly dependent upon the continued growth and vitality of its intramural program. To strengthen this vital activity, the Committee directs that \$1.5 million of the increase over the budget estimate be used for the intramural research program, including the requisite additional personnel.

It is also unsatisfactory and inimical to the proper development of the environmental research program that the Institute continues to occupy temporary rented quarters and has no permanent facilities for its programs. During the years that these facilities have been under consideration their estimated cost has more than doubled and further delay will only further increase their cost and protract the make-shift conditions in which the Institute is operating. The Committee has therefore included \$64 million in the NIH Buildings and Facilities appropriation for the construction of a research facility at Research Triangle Park, North Carolina.

#### RESEARCH RESOURCES

The bill includes \$128,731,000, an increase of \$48,007,000 over the amount requested and \$915,000 over the comparable 1975 appropriation. For the interim appropriation, the bill includes \$20,195,000, the amount requested.

The Division of Research Resources has six programs which develop and support specialized research resources such as instrumentation, animals, necessary environments, and provides funds which are used by NIH's grantees to facilitate the NIH Institutes' biomedical research missions.

The Clinical Research Program, through its 84 General Clinical Research Centers, provides clinical investigators with specialized research facilities and resources. At these Centers, the latest advances from laboratory and animal research are used to better understand and treat human diseases, and help close the gaps in medical knowledge. The Centers are miniature research centers located in 76 institutions, providing 867 research beds which represents 80 percent of all the research patient beds supported extramurally by NIH. In 1975, 42,000 out-patient visits were supported, in addition to the 215,000 in-patient days, at these centers.

The Biotechnology Research Program provides biomedical investigators access to ultra sophisticated, expensive instruments, complex methodologies, and expert staffs to operate them. This includes specialized computers, mass spectrometry, high voltage electron microscopy, nuclear magnetic resonance, and bio-engineering resources. Through the resource sharing activity recently initiated by the program, they are shared between the host institution and other geographically dispersed institutions. This enables research groups, regardless of size, to use the most advanced technologies.

The Laboratory Animal Sciences and Primate Research Program provides biomedical investigators with suitable research animal models properly maintained in an appropriate environment. It also provides special research environments for scientists to conduct biomedical and behavioral research using nonhuman primates and other animals. Special effort is being made to provide the animal resources needed to properly support the missions of the NIH's Institutes.

The Committee is concerned with the critical shortage of subhuman primates caused by the extremely small number of monkeys being exported by India and other countries. With the emphasis of research being shifted from humans to nonhuman research patients, the demand has increased far beyond the supply capacities. In 1975, \$874,000 was awarded to four commercial firms to develop primate breeding capabilities. These organizations currently have 1625 breeders and 210 infants in their breeding colonies. The estimate for 1976 is to increase the number of primates to 3200 breeders and 590 infants. Eventually these programs will produce 2300 primates annually. Domestic breeding programs must be expanded in order to meet a significant portion of the biomedical requirements for primates which are about 46,000 animals annually. NIH requirements are about 20,000 annually. The Committee has provided funds to double the size of the Domestic Breeding Program.

The Committee was informed that the seven Primate Research Centers have been engaged in primate breeding since 1960 and have been instrumental in providing basic knowledge in primate biology and husbandry. The Centers now produce approximately 50 percent of their annual requirements for experimental primates at a cost of \$1.5 million annually. The Committee agrees with the NIH Primate Steering Committee that the primate centers should eventually be self-sufficient in their capacity to breed domestically the major primate species in short supply.

The Minority Biomedical Support Program is designed to increase ethnic minority participation in biomedical research by adding to the pool of minority scientists; to strengthen biomedical research capabilities of minority institutions; and to utilize the talents of minority biomedical investigators. The Committee is pleased with the progress of this program. In 1975, a total of 71 grants were made to 75 institutions benefiting 350 faculty and 1,000 students.

The Chemical/Biological Information-Handling Research Program develops and evaluates new computer tools and systems for drug research. The computer system, called PROPHEET, is shared with a selected group of scientists who are seeking to understand how drugs work. The Committee was impressed with the growth in the number of users of the PROPHEET system with 13 groups and 100 individuals planned for 1976. The Committee also learned that the cost of operation of PROPHEET is beginning to be shared. The grantees who use the system now are requesting funds to cover the cost of their use of PROPHEET in their research grant requests.

Last year, the Committee requested that NIH submit a report on revising the formula and guidelines for eligibility, allocation, and use of the funds which are awarded under the General Research Support Program. The Committee agrees with the recommendations of the

report which emphasizes the strengths of the current General Research Support Program, and the new changes that provide: greater control over the awarded grants; greater emphasis on the smaller institutions; a new formula for the distribution of the funds; that the grantee institution obtain internal advice on the use of these funds; that the grantee institutions disseminate information on the availability and use of the funds; for the merger of the General Research and the Biomedical Sciences Support Programs into a new program called Biomedical Research Support; and for the initiation of a new sub-program, Biomedical Research Development, which will be funded by using a part of the funds appropriated (up to 10 percent) for the new Biomedical Research Support Program. The subprogram would support the development of the research capacities of the smaller, newer, or developing institutions.

The Committee believes that the Biomedical Research Support Program with its new formula, specific controls, and its targeted goals is a distinct improvement of the General Research Support Program and will more effectively provide the needed assistance to institutions engaged in biomedical research. The Committee also feels that these awards play an important role in biomedical research support provided by NIH. These flexible funds, which represent approximately five percent of the total grants awarded by NIH and the National Institute of Mental Health, enables grantee institutions to make on-site judgments, to respond to emergencies and unexpected requirements of their research projects, to fund pilot studies, promote central sharing of resources, and to support young research scientists not yet in a position to compete successfully for individual project grants.

The budget estimate makes provision only for the Minority Biomedical Support component of the General Research Support Grants. The Committee has restored the appropriation for the overall program to the full amount available in 1975. This will provide funding at the FY 1975 level for both the Minority Biomedical Support and the new Biomedical Research Support programs.

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

The bill includes \$5,345,000, an increase of \$805,000 over the amount requested and a decrease of \$61,000 from the comparable 1975 appropriation. For the interim appropriation, the bill includes \$1,135,000, the amount requested.

The mission of the Fogarty International Center, in accordance with the hopes expressed by the late John E. Fogarty in whose memory the Center was established, is to serve as a focus and facility for the international activities of NIH and to promote international cooperation and collaboration in research in biology and medicine through the exchange of scientists and the support of related seminars and studies.

The International Research Fellowship Program brings carefully selected, highly qualified young foreign biomedical scientists to the United States to obtain advanced research training and to participate in collaborative research with leading American scientists at many of

the major educational and research institutions in the United States. As the selection of participants is made on the advice of a scientific committee in each country, the program requires a lead time of many months.

A counterpart of the International Research Fellowship Program was launched this year to provide opportunities for outstanding faculty members of American schools of medicine, osteopathy, dentistry, and public health to spend a year, at mid-career, in study abroad. The initial response to this new Senior International Fellowship Program indicates that the value of such an opportunity is fully appreciated by faculty members and their institutions.

The Fogarty Center's Advanced Study Program has sponsored conferences and comparative studies in a number of subjects including such topics as preventive medicine, the status of medical research in various countries, medicine and public health, and national health care and health care delivery systems abroad.

Since 1970, the U.S. contribution to the Gorgas Memorial Laboratory in Panama has been a responsibility of the Fogarty International Center. During this period, the Center has also become involved in the management of the Laboratory. A substantial increase in the activities of the Laboratory occurred recently with the merger of the Laboratory and the Middle America Research Unit, formerly supported by the National Institute of Allergy and Infectious Diseases. The Congress, in the Foreign Assistance Act of 1974, authorized increased funding for these combined activities and suggested that the Fogarty Center assume a more formal relationship with the Gorgas Memorial Laboratory. However, some uncertainty about the optimum future size and scope of the Laboratory still exists. The Committee expects that a further request for funds will be made when the proposed level of future financial support is determined, and that, meanwhile, the on-going activities will be supported from available funds.

#### NATIONAL LIBRARY OF MEDICINE

The bill includes \$28,815,000, the amount requested and a decrease of \$33,000 from the comparable 1975 appropriation. For the interim appropriation, the bill includes \$6,572,000, the amount requested.

The National Library of Medicine is the nation's foremost resource for biomedical information and the largest research library in the world devoted to a single scientific or professional discipline. In addition to acquiring, organizing and disseminating biomedical literature and audiovisuals the NLM attempts to develop improved methods of information transfer through the application of advanced communications and computer technology.

The NLM's library services, provided either directly or indirectly through a nation-wide network of Regional Medical Libraries, include interlibrary loans and computerized bibliographic information services. The Library, with its new computerized information capabilities has expanded its on-line bibliographic retrieval system, Medline, to serve a larger segment of the health community. The Committee is pleased to note that the concept of equal access and cost-sharing by the users through a nominal fee, is operating efficiently and effectively. There is also a specialized automated retrieval system in the field of

toxicology (Toxline) which, along with other activities of the NLM's Toxicology Information Program, facilitates the flow of information on drugs, chemicals and environmental pollutants.

In the area of non-print media, NLM's National Medical Audio-visual Center supports the development of innovative instructional packages for use in the education of health professionals. It also serves as a national clearinghouse for biomedical audiovisuals to assure effective distribution of high-quality materials.

The NLM's Medical Library Assistance Program helps the nation's medical libraries develop the resources and systems necessary to bring health science information to researchers and clinicians throughout the country. By encouraging the coordination of efforts at regional and local levels, this program seeks to avoid wasteful duplication and to maximize the sharing of resources.

The major research and development arm of the National Library of Medicine is its Lister Hill Center for Biomedical Communications. It encourages the application of advanced computer and communication technologies to the solution of biomedical information problems. Microwave, cable television, computer-assisted instruction and satellite relay networks are a few of the many experimental and operational technologies applied successfully through this program. The Center also has the additional role of serving as the focal point within the Department for the development and coordination of biomedical communication networks.

The Committee was pleased to learn that the architectural and engineering drawings for the Lister Hill Center Building have now been completed. The Committee has repeatedly expressed its concern over the growing space problem within the Library and the need for the construction of a specialized communications facility so that health care services, medical education and biomedical research will benefit fully from the application of advanced communications technology. The Committee has therefore included \$26 million in the NIH Building and Facilities appropriation for the construction of the Lister Hill Center Building and its ancillary parking facility.

#### BUILDINGS AND FACILITIES

The bill includes \$93,000,000, an increase of \$90,000,000 over the amount requested and \$90,000,000 over the comparable 1975 appropriation. For the interim appropriation, the bill includes \$750,000, the amount requested.

As noted in the section of this report on the National Library of Medicine, the Committee believes that the construction of the Lister Hill National Center for Biomedical Research should not be further delayed. Accordingly, \$26,000,000 are included in this appropriation for the construction of the Lister Hill Center adjacent to the present Library. The building will contain some 200,000 gross square feet of space. As designed, the facility will consist of a large podium-type base with a ten-story tower superstructure. The podium itself will have three levels below grade and will provide linkage to the present Library. Adjacent to this podium will be a three level parking facility which will contain 400 parking spaces. The Center will contain offices,

conference rooms, an auditorium, unique biomedical communications laboratories and exhibit areas, computer and communications facilities, audio-visual production rooms and necessary service facilities.

In order to properly house the National Institute of Environmental Health Sciences, which is now occupying inadequate temporary quarters, the Committee has included in this appropriation \$64,000,000 for the construction of a permanent research facility for the Institute on land donated to the Federal government at Research Triangle Park, North Carolina. This facility will provide approximately 300,000 square feet of research space to accommodate about 1,200 people. In addition, there will be a power plant and warehouse. It is estimated that clearing, grading and developing the site and the installation of a utilities system will cost approximately \$11 million; that the construction of the power plant and warehouse will cost about \$13 million; and that the construction of the research space will cost about \$40 million.

The Committee urges that the construction of both the Lister Hill Center and the NIEHS buildings be undertaken as soon as possible to forestall any further increase in their costs. The amounts appropriated in this bill are under no circumstances to be exceeded. If, for whatever reason, the bids for construction are higher than the amounts appropriated, compensating adjustments will have to be made in the design or specifications. Supplementary construction funds will not be approved.

The remaining \$3 million is for anticipated structural improvements and modifications, directly related to program needs, and for routine repairs and improvements of the existing NIH facilities.

#### OFFICE OF THE DIRECTOR

The bill includes \$19,612,000, a decrease of \$374,000 from the amount requested and an increase of \$1,716,000 over the comparable 1975 appropriation. For the interim appropriation, the bill includes \$4,903,000, a decrease of \$94,000 from the amount requested.

This appropriation for salaries and expenses of the Office of the Director has been reduced by \$374,000 which is 10 percent of the amount included in the budget request for Standard Level User Charge payment to the General Services Administration.

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

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

The bill includes \$557,654,000 an increase of \$81,375,000 over the budget request and a decrease of \$61,703,000 from the comparable 1975 appropriation. The budget request included \$177,348,000 which was not considered by the Committee due to the lack of authorizing legislation.

This appropriation supports the activities of the Alcohol, Drug Abuse, and Mental Health Administration which is responsible for developing knowledge, manpower, and services to prevent mental illness, to treat and rehabilitate the mentally ill and to prevent the abuses of drugs and alcohol. The amounts recommended by the Committee for each of the programs and activities funded by this appropria-

tion, together with the budget request and comparable appropriations for fiscal year 1975, are shown in the table below.

#### ALCOHOL, DRUG ABUSE AND MENTAL HEALTH

Activity	1975 comparable appropriation	1976 budget	1976 bill
1. General mental health:			
(a) Research.....	\$92,650,000	\$80,189,000	\$92,908,000
(b) Training.....	75,993,000	30,266,000	60,266,000
	(18,232,000)	(15,134,000)	(1)
(c) Community programs:			
(1) Construction of centers.....	(.....)	(.....)	(1)
(2) Staffing of centers.....	172,053,000	135,363,000	135,363,000
(3) Mental health of children.....	26,844,000	24,780,000	24,780,000
(d) Management and information.....	20,429,000	20,274,000	22,274,000
Total, mental health.....	387,969,000	290,872,000	335,591,000
2. Drug abuse:			
(a) Research.....	34,063,000	31,602,000	34,000,000
(b) Training.....	13,757,000	2,803,000	9,803,000
	(278,000)	(197,000)	(1)
(c) Community programs:			
(1) Project grants and contracts.....	12,935,000	11,836,000	11,836,000
(2) Grants to States.....	(109,065,000)	(126,126,000)	(1)
(d) Management and information.....	(35,000,000)	(35,000,000)	(1)
	15,092,000	14,294,000	14,294,000
Total, drug abuse.....	75,847,000	60,535,000	69,933,000
3. Alcoholism:			
(a) Research.....	11,008,000	9,047,000	11,008,000
(b) Training.....	6,846,000	6,067,000	6,067,000
	(1,001,000)	(891,000)	
(c) Community programs:			
(1) Project grants and contracts.....	64,908,000	45,451,000	64,908,000
(2) Grants to States.....	52,000,000	45,600,000	52,000,000
(d) Management and information.....	10,328,000	7,143,000	7,143,000
Total, alcoholism.....	145,090,000	113,308,000	141,127,000
4. Program direction.....	10,451,000	11,564,000	11,004,000
Total.....	619,357,000	476,279,000	557,654,000

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

#### Mental Health

The bill includes \$92,908,000 for mental health research, an increase of \$12,719,000 over the budget request and an increase of \$258,000 over the comparable 1975 appropriation. The Committee is well aware that the cost to the economy of direct health care related to mental illness is approximately \$14.9 billion annually. Therefore, it is clear to the Committee that a national research program focusing on developing new knowledge and approaches to the causes, diagnosis, treatment, control and prevention of mental illness should be maintained if the problems of mental health are to be solved. The amount provided in the bill restores the research program to the 1975 level.

For training the bill includes \$60,266,000 an increase of \$30,000,000 over the budget and a reduction of \$15,727,000 from the comparable 1975 appropriation. The position of this Committee has not changed with respect to the need for trained mental health personnel. The Committee has heard testimony to the effect that even if the current rate of production is maintained there will be a shortage of nearly 40,000 professionals in the core disciplines by 1981. The funds provided in this bill will allow for a reasonable number of new grant awards for clinical training.

For community programs the bill provides \$160,143,000, the same amount as the budget request and a reduction of \$38,754,000 from the comparable 1975 appropriation. The amount provided in the bill allows for the support of community projects currently in operation. Due to the lack of authorizing legislation at the time of this report, the Committee took no action on making funds available for construction grants or for new staffing grants for community mental health centers.

The bill provides \$22,274,000 for management and information an increase of \$2,000,000 over the budget request and an increase of \$1,845,000 over the comparable 1975 appropriation. The Committee recommendation will restore 50 of the 97 positions cut from the budget and will partially restore support for contracts, technical assistance and monitoring of the grant programs. The Committee is aware of the need to improve the management of the Community Mental Health Centers and has provided the necessary funds and positions to achieve that purpose. The Committee expects the Department of Health, Education, and Welfare and the Office of Management and Budget to provide the National Institute of Mental Health with sufficient employment ceilings to fill these positions.

#### *Drug Abuse*

For drug abuse research the bill includes \$34,000,000 an increase of \$2,398,000 over the budget and a reduction of \$63,000 from the comparable 1975 appropriation. The research work supported by the National Institute of Drug Abuse ranges from investigating psychosocial and epidemiological factors influencing drug abuse, to studying the basic chemistry of abused drugs. The Committee is concerned about recent evidence of a national resurgence in heroin addiction and believes that a drug abuse research program is necessary to strengthen the national capability to treat drug abusers and to prevent further increases in their numbers. The amount provided in this bill restores the funds for drug abuse research to the 1975 level.

The bill includes \$9,803,000 for training, an increase of \$7,000,000 over the budget request and a reduction of \$3,954,000 from the comparable 1975 appropriation. The Committee is aware that the National Institute on Drug Abuse has begun the transfer of primary responsibility for training from the Federal to the State sector, and the committee supports this move. If the State programs continue to develop, direct Federal funding can be phased out. However, this phase-out must be gradual, rather than precipitous in order to allow for the orderly transfer of responsibility and to maintain current training capacity and quality. The Committee believes that a need still exists for short-term training of individuals in order to prepare them to deal with the special needs of the drug abuser. Furthermore, it appears to the Committee that there is a need for new Federal efforts in such activities as professional and para-professional credentialing, and training program evaluation.

The amount included for community project grants and contracts is \$11,836,000, the same amount as the budget request and \$1,099,000 below the comparable 1975 appropriation. Due to a lack of authorizing legislation, at the time of this report, the Committee took no action on making funds available for new community project grants and contracts or continuation of the grants to States program. The funds

provided in this bill will support the continuation cost of projects funded under the authority of the Community Mental Health Center Act.

For management and information the bill includes \$14,294,000, the same amount as the budget request and a decrease of \$798,000 from the comparable 1975 level. Included in this activity is the drug abuse information program which collects and disseminates scientific, technical, and programmatic information on drug abuse for Federal and State drug abuse prevention efforts.

#### *Alcoholism*

The Committee has provided \$11,008,000 for research, an increase of \$1,961,000 over the budget request and the same amount as the comparable 1975 appropriation. The Committee believes that there is still much to learn about the causes of alcoholism, and in light of the many unanswered questions about this problem we have provided funds to restore the research program to the comparable 1975 level.

For training the bill includes \$6,067,000, the same amount as the budget request and a reduction of \$779,000 from the comparable 1975 appropriation. The funds provided by the Committee will enable the National Institute of Alcohol Abuse and Alcoholism to maintain a program of training individuals in such fields as medicine, social work, public health, psychiatry and psychology.

The bill provides \$64,908,000 for community project grants and contracts, an increase of \$19,457,000 over the budget request and the same level as the comparable 1975 appropriation. The Committee recognizes that these project grants are the heart of the entire effort against alcoholism. Documentation has been received by the Committee which indicates that these grass root project grants and contracts are beginning to reduce alcoholism. The Committee is concerned, however, that NIAAA is promoting "catch-all" health and job problem programs, such as the current "troubled employee" program, instead of concentrating on the specific problem of the alcoholic worker. While the Committee supports the development of Labor-Management projects on alcoholism, it believes that NIAAA should not offer programs or guidelines which might interfere with the collective bargaining process.

The Committee included \$52,000,000 for grants to States, an increase of \$6,400,000 over the budget and the same amount as the comparable 1975 appropriation. Treatment services comprise approximately 67% of the total formula grant dollars. The remaining funds are directed to program development, State and local program administration, and prevention and educational programs. The Committee is convinced of the importance of this program and thus it has provided funds to restore the program to the 1975 level.

For management and information the bill includes \$7,143,000 the same amount as the budget request and a reduction of \$3,185,000 from the comparable 1975 appropriation. This activity includes the resources to support the staff of the Alcohol Institute who plan, direct, and execute the Institute's programs.

The bill provides \$11,004,000 for program direction for the Alcohol, Drug Abuse, and Mental Health Administration, a reduction of \$560,000 from the budget request and an increase of \$553,000 over the comparable 1975 appropriation. The Committee denied the re-

requested increase of \$304,000 for equipment requested as a line item for ADAMHA and reduced by 10% the payment to the General Services Administration.

The Committee recommends an interim budget of \$84,242,000 for the various programs of Alcohol, Drug Abuse and Mental Health. This level of funding will support these programs during the transition from the old to the new fiscal year.

#### ST. ELIZABETH'S HOSPITAL

The Committee has approved the budget request of \$48,064,000 for St. Elizabeth's Hospital and directs that the 104 positions plus the employment ceiling cut from the staff of the Hospital be restored. The Committee has been informed that these positions are required in order for the hospital to provide quality care and to meet the criteria of the Joint Commission on Accreditation of Hospitals. For the past two years the hospital has received temporary accreditation and the Committee directs the Department to provide the hospital with the necessary manpower resources to receive full accreditation from the Joint Commission on the Accreditation of Hospitals. Including reimbursements as well as appropriated funds, it is estimated that \$75,186,000 will be available for the Hospital's program in 1976. This is an increase of \$4,682,000 over the funds available in 1975.

#### BUILDINGS AND FACILITIES

For Buildings and Facilities the Committee recommends \$2,500,000 over the budget request in order for St. Elizabeth's Hospital to meet the most pressing deficiencies identified by the Joint Commission on the Accreditation of Hospitals (JCAH). These funds, along with the funds approved for reprogramming by the Committee in May 1975, will permit St. Elizabeth's to improve safety, patient privacy and services for patients, all of which have been identified by the JCAH as requiring immediate attention. The hospital is currently operating under its second temporary accreditation and unless immediate action is taken to correct these deficiencies the hospital will lose its accreditation. The Committee expects the Department to submit a report by November 1, 1975 which outlines the Department's plans for fully complying with the JCAH recommendations so that St. Elizabeth's may be awarded a full two-year accreditation.

#### HEALTH RESOURCES ADMINISTRATION

##### HEALTH RESOURCES

The bill includes \$360,709,000 an increase of \$35,380,000 over the budget and an increase of \$58,390,000 over the comparable 1975 appropriation. The budget request includes \$286,158,000 which was not considered by the Committee due to the lack of authorizing legislation.

The mission of the Health Resources Administration is to identify and correct current and anticipated imbalances, inefficiencies and deficiencies in the distribution, supply, access, utilization and costs of

health care resources and services. The amounts recommended by the Committee for each of the programs and activities funded by this appropriation, together with the budget request and comparable appropriation for fiscal year 1975, are shown in the table below.

HEALTH RESOURCES			
Activity	1975 comparable appropriation	1976 budget	1976 bill
1. National health statistics.....	\$21,997,000	\$25,636,000	\$25,636,000
2. Health planning and resources development.....	97,900,000	66,000,000	86,000,000
3. Health services research and evaluation.....	28,659,000	26,000,000	26,000,000
4. Health manpower:			
(a) Health professions:			
(1) Institutional assistance:			
(i) Capitation grants.....	(150,000,000)	(101,100,000)	(1)
(ii) Start-up and conversion assistance.....	(4,700,000)	(3,000,000)	(1)
(iii) Financial distress grants.....	(5,000,000)	(5,000,000)	(1)
(iv) Special projects.....	(37,583,000)	(45,472,000)	(1)
(2) Student assistance:			
(i) Loans.....	36,000,000	20,000,000	20,000,000
(ii) General scholarships.....	6,900,000	3,500,000	3,500,000
(iii) National health service scholarships.....	(22,500,000)	(22,500,000)	(1)
(iv) Loan repayments.....	3,000,000	6,000,000	6,000,000
(3) Dental health activities.....	7,842,000	7,842,000	7,842,000
Subtotal, health professions.....	53,742,000	37,342,000	37,342,000
(b) Nursing:			
(1) Institutional assistance:			
(i) Capitation grants.....	(34,343,000)	(—)	(1)
(ii) Start-up and conversion assistance.....	(—)	(—)	(1)
(iii) Financial distress grants.....	(4,750,000)	(—)	(1)
(iv) Special projects.....	(20,200,000)	(18,000,000)	(1)
(2) Student assistance:			
(i) Loans.....	22,800,000	9,000,000	9,000,000
(ii) General scholarships.....	6,000,000	4,000,000	4,000,000
(iii) Traineeships.....	(13,016,000)	(—)	(1)
(iv) Loan repayments.....	100,000	2,500,000	2,500,000
(3) Educational research grants and contracts.....	1,200,000	(—)	(1)
Subtotal, nursing.....	30,100,000	15,500,000	15,500,000
(c) Public health.....	(20,520,000)	(—)	(1)
(d) Allied health.....	(33,821,000)	(—)	(1)
(e) Special educational programs.....	(47,975,000)	(91,086,000)	(1)
(f) D.C. Medical manpower assistance.....	7,500,000	(—)	9,050,000
Total, health manpower.....	91,342,000	52,842,000	61,892,000
5. Health facilities construction:			
(a) Medical facilities:			
(1) Formula grants.....	78,000,000	78,000,000	78,000,000
(2) Special projects.....	22,000,000	22,000,000	22,000,000
(b) Health teaching facilities.....	(114,000,000)	(—)	(1)
(c) Interest subsidies.....	2,000,000	3,000,000	3,000,000
(d) Special medical facilities.....	22,000,000	(—)	7,575,000
Subtotal, health facilities construction.....	24,000,000	103,000,000	110,575,000
6. Program management.....	46,963,000	51,893,000	50,648,000
Less: Trust fund transfer.....	(8,542,000)	(42,000)	(42,000)
Total, Health resources.....	302,319,000	325,329,000	360,709,000

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

For health statistics the bill includes \$25,636,000 the same amount as the budget request and an increase of \$3,639,000 over the comparable 1975 appropriation. This activity provides for the collection, analysis, and publication of National Health Statistics through the operation of a number of national systems. The Committee recommendation will continue the development of the Cooperative Health Statistics System which is designed to produce comparable and uniform health information at the Federal, State and local level. The data to be produced by the Cooperative Health Statistics System will be used by Federal and State agencies as well as the new Health Planning Agencies for the planning, management and evaluation of health programs.

The Committee recommends \$86,000,000 for health planning and resources development, an increase of \$20,000,000 over the budget request and a reduction of \$11,900,000 from the comparable 1975 appropriation. This program provides for a nationwide network of State and local health planning agencies to develop and implement health plans, regulate the development of new health services facilities and support short term projects which will lead to reasonably priced quality health care. In addition, this activity supports the orderly phase-out of the Regional Medical Programs (RMP) and the Comprehensive Health Planning Agencies (CHP). The Committee provided the additional funds for the purpose of continuing the smooth and orderly phase out of RMP and CHP in accordance with the provisions of part F, section 5 of Public Law 93-641. The second supplemental appropriation for 1975 provided funds to support the RMP's and CHP's until December 31, 1975. The additional funds in this bill are intended to support the RMP's and CHP's until June 30, 1976 or until the old programs become part of a new Health Planning Agency whichever comes first. However, to the extent that these funds are not needed for support of the RMP's and CHP's they shall be used to accelerate the implementation of the Health Planning and Resources Development Act.

The bill includes \$26,000,000 for health services research and evaluation, the same amount as the budget request and a reduction of \$2,659,000 from the comparable 1975 appropriation. This program supports a broad range of research and demonstration activities in all aspects of health services delivery. The Committee has provided an additional 20 positions in order that the program may begin to comply with the legislative requirement that 25% of the funds appropriated are to be used for support of direct (intramural) research activities. The Committee expects the Department of Health, Education and Welfare and the Office of Management and Budget to provide the necessary employment ceiling to fill these positions. However, the Committee recognizes the difficulty in initiating and establishing a new intramural research program, and therefore recommends that the National Center for Health Services Research and Evaluation utilize, to the extent possible, the staff and facilities of the Public Health Service Hospitals and clinics and the Indian Health Service as a part of its intramural research program.

The Committee approved the budget request of \$29,500,000 for health professions student assistance. Loans and scholarships are awarded to students of limited financial resources. The Committee did not consider funds for new loans and scholarships due to a lack of authorizing legislation. The committee recommendation continues support of students who received prior assistance under this program. Loan repayments are used to repay a portion of a student's educational loan if the student agrees to serve at least two years in the National Health Service Corps or practice in a medically underserved area.

For Dental Health Services the bill provides \$7,842,000 the same amount as the budget request and the comparable 1975 appropriation. This program is the Federal focus with regard to dental education, practice and manpower research. It provides the professional expertise to plan and coordinate the development of the nation's dental health

manpower. The funds in this bill will maintain the current program level.

The Committee approved the budget request of \$15,500,000 for Nursing Student Assistance. Loans and scholarships are awarded to students of exceptional financial need. The Committee took no action on funds for new loans and scholarships due to a lack of authorizing legislation. The funds in this bill will continue support of students who received prior assistance under these programs. Loan repayments are used to repay the educational loans of students who agree to serve in a medically underserved area.

For D.C. Medical Manpower Assistance the Committee recommends \$9,050,000, an increase of \$1,550,000 over the comparable 1975 level. No funds were requested in the President's budget for this item. These funds are awarded to private medical and dental schools in the District of Columbia which have demonstrated critical financial need but which also plan management improvement activities to overcome continued reliance on this form of support. The Committee is pleased to note that both George Washington and Georgetown Universities have emphasized the development of faculty practice plans for their schools of medicine and dentistry and urges the schools to continue to take the necessary steps to maximize their revenues and to better manage their budgets.

The bill provides \$100,000,000 for medical facilities construction the same amount as the budget request. These funds will be used to implement the new title XVI provisions of the Health Planning and Resources Development Act. Priority will be given to modernizing outdated hospital and long-term care facilities and to the construction of outpatient facilities.

For special medical facilities the Committee recommends \$7,575,000. No budget request was submitted for this item. These funds will be used to complete construction of Children's Hospital in the District of Columbia and will support construction of parking facilities for the Georgetown University Concentrated Care Center.

The bill includes \$50,648,000 for program direction, a decrease of \$1,245,000 from the budget request and an increase of \$3,685,000 over the comparable 1975 appropriation. This activity provides the funds for maintaining the operation and staff of the Health Statistics, Health Manpower, Health Services Research and the Health Planning and Resources Development extramural programs. The Committee directs that hereafter, the budget should detail the direct operation budgets of the nursing, dental and other programs of the Health Resources Administration. The level of detail shall be such that salaries, positions, travel, and consultation will be clearly identified for each component rather than lumping the division budgets into one overall program direction component. The funds cut by the Committee are for the standard level user charge payment to GSA and \$1,000,000 and 50 positions from the Health Planning and Resource Development program. The Committee disallowed these positions in the second supplemental, however, the 1976 budget included the annualized cost of the disallowed positions.

The Committee recommends an interim budget of \$78,790,000 for the programs of the Health Resources Administration. This level of funding will support these programs during the transition from the old to the new fiscal year.

## MEDICAL FACILITIES GUARANTEE AND LOAN FUND

The bill includes \$10,000,000 for the Medical Facilities Guarantee and Loan Fund, the same amount as the budget request. These funds will pay interest subsidies on guaranteed loans to nonprofit sponsors and for making direct loans. The budget request plus funds available from prior fiscal years will award approximately \$43,000,000 in direct loans for medical facilities and will pay \$19,000,000 in interest subsidies.

## PAYMENT OF SALES INSUFFICIENCIES AND INTEREST LOSSES

The bill provides \$4,000,000 for Payment of Sales Insufficiencies and Interest Losses, the same amount as the budget request and the comparable 1975 appropriation. This appropriation provides for the mandatory interest payments to the Treasury Department and the Government National Mortgage Association which arise from two student loan revolving funds.

## ASSISTANT SECRETARY FOR HEALTH

## ASSISTANT SECRETARY FOR HEALTH

The bill includes \$23,142,000 for the Office of the Assistant Secretary for Health, a reduction of \$146,000 from the budget request and an increase of \$1,120,000 over the comparable 1975 appropriation. This appropriation supports the administrative staff of the 10 Regional Health Administrators, and staff for the Assistant Secretary for Health. The reduction was made against the payment to the General Services Administration.

The Committee recommends an interim budget of \$5,785,000 for the transition period from the old to the new fiscal year.

## RETIREMENT PAY AND MEDICAL BENEFITS FOR COMMISSIONED OFFICERS

For retirement pay and medical benefits the bill provides \$45,013,000 the same amount as the budget and an increase of \$5,813,000 over the comparable 1975 appropriation. This activity provides for mandatory payments to public health service commissioned officers who have retired for age, disability or specified period of service in accordance with provisions of law. Provision is also made for the cost of medical care provided in non-Public Health Service Facilities to dependents of officers of the Public Health Service Commissioned Corps.

## SOCIAL AND REHABILITATION SERVICE

## PUBLIC ASSISTANCE

The bill includes \$15 billion, an increase of \$1,159 million over the amount appropriated for fiscal year 1975. The Committee has approved the overall amount requested in the budget but has rounded off the total to more accurately portray the fact that the amount is a gross estimate of the funds required for the public assistance programs during fiscal year 1976. Within the total amount in the bill,

relatively small sums have been shifted among the requests for child welfare services, research, and training programs.

With the exception of funds for child welfare services, research, and training this appropriation covers mandatory payments authorized under various provisions of the Social Security Act calculated on the basis of State and local expenditures for welfare assistance, medicaid, and social services. Estimates of requirements for this appropriation are based primarily on estimates submitted to HEW by the States in November 1974, adjusted by HEW for certain factors not reflected in the States' calculations. More recent information from the States suggests that the estimated Federal funds required for fiscal year 1976 may be understated. After a fairly steady decline since March 1973, the number of recipients in the aid to families with dependent children (AFDC) category started to increase in August 1974 and reached a record high of 11.2 million recipients in February 1975. In addition, the impact of inflation and increasing unemployment on the Federal funds to be required in fiscal year 1976 cannot be determined with any certainty at this time.

Maintenance assistance benefits—mostly cash payments to AFDC recipients—are estimated to total \$5.2 billion, an increase of \$300 million over the amount appropriated for fiscal year 1975. The increase relates primarily to a higher average number of recipients and a rise in the average monthly payment. HEW efforts to improve the administration of the welfare program have produced minimal results. Estimated cost savings from management improvements have been consistently overstated. Any effort designed to reduce errors in overpayments and remove ineligible from the welfare rolls are certainly worthwhile and should be vigorously pursued.

The medicaid program, authorized by Title XIX of the Social Security Act provides about 55 percent of the total cost of medical services to eligible needy persons. Federal requirements for fiscal year 1976 are estimated to reach almost \$7.8 billion, an increase of \$800 million over the amount available for 1975. The main reason for this increase is inflation in the prices paid for medical care. Following the removal of wage and price controls last year, many States increased reimbursement rates to physicians and other practitioners. Hospital costs have also been rising and are expected to increase by 12 percent next year. The number of medicaid recipients is estimated to grow from 24.7 million to 25.6 million in fiscal year 1976.

Social services are estimated at \$1.9 billion, an increase of \$56 million over the amount available for 1975. This estimate does not fully reflect the impact of the new Title XX legislation which becomes effective on October 1, 1975. Social services are directed toward helping welfare families become self-sufficient. The new legislation gives the States wide latitude and flexibility in determining eligibility and types of services available. States are required to develop and make available to the public an annual comprehensive service plan. This approach is expected to result in a social services program that is more responsive to the needs of eligible persons. About 8.4 million persons are expected to receive services in fiscal year 1976.

The Social Security Act authorizes 75 percent Federal funding for the cost of training State and local personnel in public assistance agencies. The cost of this program is expected to continue at \$54

million, about the same level as in fiscal year 1975. About 190,000 individuals would receive training through workshops and seminars, 1,600 individuals would be in full-time training courses, and 4,700 individuals would be in part-time training.

The bill includes \$50 million for child welfare services authorized under Title IV-B of the Social Security Act. This amount is \$4 million over the budget request, and the same amount as appropriated for fiscal year 1975. These funds are used by child welfare agencies to provide services for the protection and care of homeless, dependent, and neglected children. Such services include foster care in foster homes or institutions, adoption placement services, services to prevent the abuse, neglect or exploitation of children, homemaker services, and day care. About 400,000 children would be served by this program in fiscal year 1976.

For research and evaluation of public assistance programs, the Committee recommends \$9.2 million, the same amount as appropriated for fiscal year 1975. The recently enacted Title XX of the Social Security Act, as well as the child support provisions of Title IV-D, require additional evaluation studies of State social services and child care programs. These added responsibilities can be initiated by cutting back existing projects in income maintenance and social services. In addition, the Committee notes the variety of research and evaluation projects in welfare and social services now being supported through the "Policy research" appropriation available to the Office of the Secretary.

The Committee has provided \$6 million for child welfare training authorized by Section 426 of the Social Security Act. No justification was presented for terminating this program as the budget suggests. There continues to be a need for trained social work manpower to provide adequate child care and foster care services. The funds provided should be sufficient to continue both long-term and short-term training at approximately the current levels.

The bill includes \$3,965 million, approximately the amount requested to maintain the program during the interim period.

#### WORK INCENTIVES

The bill includes \$330 million, the amount requested, and an increase of \$120 million over the amount appropriated for fiscal year 1975.

The work incentives program authorized by Title IV of the Social Security Act, provides manpower and employment services to about 1.3 million recipients of aid to families with dependent children (AFDC) who are expected to be registered for employment or training during fiscal year 1976. This is a State administered program designed to assist welfare recipients to achieve self-support through training, work experience, employment, child care, and other supportive services.

For many years the budget had overstated the numbers of participants and job placements, but improvements have been noted in recent years. The 1971 amendments to the work incentives legislation expanded and redirected the program by requiring most AFDC recipients to participate in the program and accept jobs or job training. The program now focuses on employment rather than training and emphasizes on-the-job training and public service employment.

The Department of Labor has the major responsibility for determining employability and placement of participants. Of the 1.3 million individuals registered in the program at employment service offices, about 800,000 are expected to be appraised for either direct job placement or job preparation. It is estimated that 200,000 individuals will be placed in jobs during fiscal year 1976, the same number placed in the previous year. Despite rising unemployment and a fairly tight job market throughout the country, the placement record for this program appears to be holding steady.

The Department of Health, Education, and Welfare has responsibility for determining eligibility and providing participants with supportive services which include child care and homemaker services. Child care may be provided in the participant's home or in day care homes or centers. About 72,000 man-years of services are expected to be provided to participants during fiscal year 1976.

The bill includes \$80 million, the amount requested, to maintain the program level during the interim period.

#### SALARIES AND EXPENSES

The bill includes \$57,878,000, a decrease of \$1,183,000 from the amount requested, and an increase of \$6,365,000 over the amount available for fiscal year 1975, adjusted for comparability. The budget request and the amount in the bill reflect the transfer of 484 positions and \$13,714,000 from this appropriation to the "Human development" appropriation in connection with the recent transfer of the Rehabilitation Services Administration.

The Committee has approved the request for 108 new positions to expand efforts in improving the management of the medicaid program. Over the past several years, the medicaid program has grown rapidly. Federal medicaid funds have risen from \$3.2 billion in fiscal year 1971 to \$7.8 billion estimated for fiscal year 1976. The Committee is supportive of efforts to control medicaid cost and last year approved 100 new positions for administering the program. During the recent hearings on the budget request for more new positions, the Administrator of the Social and Rehabilitation Service made the following statement:

Basically they are building the capacity to utilize the additional staff we have requested for fiscal year 1976 who will be out in the field to start to embrace the major problems we have identified in the medicaid program. A year from now, whoever is here will have some good answers for you as to what we are doing about starting to control these runaway costs and some of these very questionable practices that we see in the medicaid program.

The Committee intends to pursue this matter next year and will expect "some good answers" concerning the control of medicaid costs.

The Committee has reduced the amount requested for payment to GSA of standard level user charges by 10 percent (\$360,000) consistent with the policy followed throughout the bill. Additional travel funds associated with the 108 new positions have been allowed but the total travel funds requested have been reduced based on maintaining the average cost per man-year at the current rate. In addition, the

amount available for project contracts has been reduced with the understanding that the additional funds required for technical assistance contracts related to medicaid can be partially achieved by cutting back existing contracts which were inadequately justified.

The bill includes \$14,470,000 for salaries and administrative costs accruing during the interim period. This is \$296,000 below the budget request and relates to changes made by the Committee to the request for fiscal year 1976.

#### SOCIAL SECURITY ADMINISTRATION

##### PAYMENTS TO SOCIAL SECURITY TRUST AND OTHER FUNDS

The bill includes \$4,123,363,000, a decrease of \$51,892,000 from the amount requested, and an increase of \$778,040,000 over the amount appropriated for fiscal year 1975. The budget incorrectly requested \$11,953,000 to cover estimated underfinancing of 1974 costs for hospital insurance for the uninsured. These funds are not needed because other funds have since become available. This appropriation provides for payments from Federal funds to the social security trust funds for certain benefits and related administrative costs not financed by contributions from workers and employers.

The Committee has not allowed the amount requested for standard level user charges related to social security trust fund programs. The amount requested represents charges imposed by GSA in excess of the actual cost of space and maintenance services. The Committee continues to believe that the social security trust funds should not participate in the financial support of a general buildings fund used for constructing facilities having no relationship to trust fund operations. Facilities required for social security trust fund programs should be financed directly from the trust funds, the way it has been done in previous years.

The bill provides \$2.9 billion in payments for supplementary medical insurance under part B of the medicare program. These funds together with the premiums paid by aged and disabled enrollees finance supplementary medical insurance benefits and administrative costs. The amount included in the bill is an increase of \$612 million over the 1975 funding. Most of the increase is attributable to increases in physicians' fees, number and type of services rendered, and greater use of hospital outpatient services.

Payments to cover the costs of hospital and related care for certain aged persons who are not insured under the social security or railroad retirement systems are estimated to reach \$610 million in fiscal year 1976. This is an increase of \$139 million over the amount estimated for fiscal year 1975 and results mainly from expected increases in medical care costs and utilization.

An amount of \$295 million is estimated to be required for reimbursement of benefits paid on the basis of military service credits of veterans of World War II and certain other veterans. Retirement benefits paid to persons who retired before the enactment of social security legislation or before their occupations were covered by social security are estimated to be \$268 million in fiscal year 1976, a decrease

of \$39 million from the amount for 1975 and relates primarily to the declining number of persons receiving benefits.

The bill includes \$880,940,000 to cover matching payments of premiums related to supplementary medical insurance during the interim period.

##### SPECIAL BENEFITS FOR DISABLED COAL MINERS

The bill provides \$999,778,000, the amount requested, and an increase of \$42,038,000 over the amount appropriated for fiscal year 1975. Of the total amount, \$987,000,000 is for benefit payments and \$12,778,000 is for administrative costs. This appropriation provides for cash benefits to miners who are disabled because of black lung disease, and to widows and children of miners who were entitled to these benefits or whose deaths were caused by black lung disease.

The Social Security Administration was responsible for the taking, processing and payment of claims from December 30, 1969 through June 30, 1973. Since that time, it has continued to take claims, but forwards most of them to the Department of Labor for adjudication and payment. The Social Security Administration still has jurisdiction for some new claims from survivors of miners or widows who were on its rolls at the time of death; and will continue to pay benefits and to maintain the beneficiary roll for the lifetime of all persons who filed during its jurisdiction.

At the end of fiscal year 1976, there are expected to be 502,000 miners, widows and dependents who will be receiving monthly benefits which are paid by the Social Security Administration from this appropriation.

The amount included for benefit payments is an increase of \$54 million over the amount available for fiscal year 1975. Of this amount, \$11,000,000 is for the annualization of the October 1974 Federal employee pay raise increase of 5.52 percent. The basic black lung benefit is 50 percent of the amount paid to a disabled Federal employee in step 1 of grade GS-2. Based on existing law there will be a further benefit increase in fiscal year 1976 amounting to \$58,000,000 to reflect a projected 9 percent increase in salaries to be paid to Federal employees effective October 1975. The actual cost will depend on the increase granted for Federal salaries. These increases, amounting to \$69,000,000 are partially offset by a \$15,000,000 decrease due to a decline in the number of claims with retroactive payments. Administrative expenses are expected to decline from \$24,740,000 to \$12,778,000 in 1976. Of this decrease, almost \$11,000,000 results from a 56 percent decrease in the total black lung workload.

For the interim period, the bill includes \$234,600,000, the amount requested to maintain benefit payments and related administrative costs at approximately the fiscal year 1976 program level.

##### SUPPLEMENTAL SECURITY INCOME

The bill includes \$5,518,523,000, a decrease of \$20 million from the amount requested, and an increase of \$661,421,000 over the 1975

appropriation. The Social Security Amendments of 1972 established this federally administered program of basic cash payments for aged, blind and disabled people with very low income. It replaced the State and local programs of aid to these groups, and the first payments under Federal administration were made in January, 1974. Thus, as a Federal program it has been in operation for about a year and a half.

The Committee has made a net reduction of \$20 million in the budget estimate based on updated information on projected cost-of-living increases. The budget assumed an 8.7 percent projected increase in the cost-of-living, but the actual increase as measured by the latest consumer price index shows a projected increase of 8 percent. Thus the budget for benefit payments is overstated by \$35 million, which is offset by an additional \$15 million required for hold harmless protection.

The number of beneficiaries on the rolls is expected to increase from 4 million to 4.5 million by the end of fiscal year 1976. Total benefit payments are estimated to be \$4,760 million, a net increase of \$680 million over the amount estimated for fiscal year 1975. Most of the increase results from the rise in payments to recipients and the additional number of recipients expected to be enrolled during fiscal year 1976.

The bill provides \$205 million in Federal contributions toward State supplementary payments designed to protect beneficiaries against reductions in income (so-called hold harmless protection); \$54.9 million for vocational rehabilitation services provided by State agencies to blind and disabled recipients; and, \$498.6 million for repayments to the social security trust funds for the cost of administering the program.

The bill includes \$1,503,541,000 for program costs and administration during the interim period. This amount is a reduction of \$5 million from the budget request and relates to the net reduction made in the estimate for benefit payments for fiscal year 1976.

#### LIMITATION ON SALARIES AND EXPENSES

The bill includes authority to spend \$2,373,132,000 from the social security trust funds for administrative costs. This is the amount requested and an increase of \$247,145,000 over the limitation approved for fiscal year 1975. Of the total amount provided, \$1,142 million is for administering the cash benefit programs of old-age, survivors and disability insurance, \$707.5 million is for medicare, and \$498.6 million is for the supplemental security income program. Workloads for fiscal year 1976 include 4.1 million new claims for benefits from retired workers, dependents of retired workers, and survivors of deceased workers; 1.8 million new claims from disabled workers and their dependents; and new social security account numbers to be issued to over 15 million individuals. The total manpower available would be the equivalent of 90,000 man-years, an increase of 4,848 man-years over the number available in fiscal year 1975.

The bill also includes the requested authority to spend \$629.9 million from the trust funds to provide for administrative costs during the interim period.

#### LIMITATION ON CONSTRUCTION

The bill provides authority to spend \$6,300,000 from the social security trust funds for purchase contract payments on three new program center buildings. The amount authorized in the bill, together with \$3,600,000 provided in fiscal year 1975, would cover the estimated purchase contract costs for buildings expected to be occupied during fiscal year 1976. In addition the Committee has approved the reprogramming of \$1,147,876 of previously authorized program center funds for use in completing several headquarters projects in Baltimore.

#### OFFICE OF HUMAN DEVELOPMENT

##### HUMAN DEVELOPMENT

The bill includes \$1,500,049,000, an increase of \$95,367,000 over the budget request, and \$41,347,000 over the amount available for fiscal year 1975 adjusted for comparability. Also included is authority to spend \$600,000 from the social security trust funds. This appropriation now includes the vocational rehabilitation programs formerly shown as a separate appropriation account under the Social and Rehabilitation Service. The Rehabilitation Act Amendments of 1974 mandated the transfer of the vocational rehabilitation program to the Office of the Secretary. The Committee has deferred consideration of funds requested under the Older Americans Act (except Title VII nutrition program) and the Developmental Disabilities Services and Facilities Construction Act until the authorizations for these programs are extended.

The Committee recommends \$450 million for the Head Start program, an increase of \$15.7 million over the budget request, and an increase of \$9 million over the amount appropriated for fiscal year 1976. Head Start is a comprehensive preschool program which serves children and their families, primarily those with low incomes. It includes a wide range of activities in full-year and summer programs with special emphasis on parental involvement. The basic law mandates that at least 10 percent of the total enrollment must be handicapped children. Several experimental activities are conducted, along with preparation and training of staffs of local project sponsors and provision for certain kinds of health services for children enrolled in the program. Grants are made to public and private non-profit community agencies, with the Federal share comprising 80 percent of the total project cost. The Committee has added funds to help meet increased operating costs and to offset some of the costs of special training and related services to handicapped children.

For research and demonstration projects authorized by Section 426 of the Social Security Act, the Committee has approved the budget request of \$15.7 million. This is the same amount as available for fiscal year 1975 and will assure continuation of projects relating to day care, child development, and handicapped children. An amount of \$18,928,000 is included to continue activities authorized by the Child Abuse Prevention and Treatment Act. Some of these activities include demonstration centers providing a broad range of services

to children and their families, research projects exploring the causes of child abuse and neglect, and grants to States to assist in developing and carrying out programs for the prevention and treatment of child abuse and neglect.

The Committee has approved \$5,000,000 requested for the runaway youth program. This program was initiated during fiscal year 1975 to provide temporary shelter care as well as services designed to meet the immediate emotional, psychological, physical, and social needs of runaway youth.

The bill includes \$125 million for the nutrition program for the elderly authorized by Title VII of the Older Americans Act. This is an increase of \$25.4 million over the budget request and the same amount appropriated for fiscal year 1975. Funds under this program are allocated by formula to the States to pay up to 90 percent of the cost for the establishment, maintenance, and operation of low-cost meals projects, including nutrition, training and education, and supporting social services. It is estimated that the program will serve over 250,000 meals per day, five days per week, in fiscal year 1976 to persons 60 and over. Most of these meals will be served in a congregate setting, while about 13 percent will be delivered to homes. The meals projects are concentrated in areas with a high proportion of low-income elderly.

The Committee expects that the operating level of the nutrition program will be \$150 million during fiscal year 1976, which can be achieved through a combination of funds in the bill and funds available from the fiscal year 1975 appropriation. The Committee continues to be concerned about delays in expanding the program as the Congress has intended and as expressed in the conference report on the supplemental appropriations bill for 1975. The Committee intends to monitor the allocation of funds during fiscal year 1976 to guard against unwarranted delays in funding local nutrition projects.

The bill includes \$720 million for grants to States for basic vocational rehabilitation services, an increase of \$40 million over the budget request and the amount appropriated for fiscal year 1975. Allotments are made to States based upon a formula that takes into account population and per capita income, with each State allotted a minimum of \$2 million. The financial participation is 80 percent Federal and 20 percent State. In addition to basic grants, States receive other Federal funds for rehabilitation services from the supplemental security income program and the beneficiary rehabilitation program authorized under provisions of the Social Security Act. From all funds available for vocational rehabilitation, States will be able to serve an estimated 1,660,000 handicapped persons and rehabilitate approximately 332,000.

The amount provided by the Committee for basic grants is the full amount authorized. Information available to the Committee indicates that States have sufficient funds on hand to match the authorized allotment of \$720 million. There is no justification for delaying the appropriation of the full amount required as the budget had proposed to do.

The Committee has included \$15 million for innovation and expansion grants for which the budget proposed no funding. These programs serve to supplement the basic grant and enable the States

to design special programs to meet the needs of the poor and severely handicapped. The Committee has approved the funds requested for the national center for deaf-blind youths and adults, special studies, training services and facilities improvement. Projects with industry will continue at the 1975 funding level.

The Committee has approved the request of \$20,000,000 to continue the rehabilitation research program. The basic law requires that 25 percent of the research funds be used to support rehabilitation engineering research centers. The Committee urges that maximum effort be directed toward studies in the areas of end-stage renal disease, spinal cord injuries and other severe handicaps. The bill includes \$22.2 million for rehabilitation training, which together with funds available from previous years will maintain a program level of \$28 million. A portion of the funds provided may be used for international rehabilitation research, demonstration and training including the development of a domestic center to assist in coordinating information, research, and training relating to the rehabilitation of handicapped individuals.

For hospital improvement and rehabilitation service projects for the developmentally disabled, the bill includes \$18,500,000, the same as the amount available for 1975. These funds are used to improve care in institutions, initiate and expand community programs, rehabilitate the mentally retarded, and provide in-service training.

The bill includes \$32 million for special programs for Native Americans, the amount requested, and the same as the amount appropriated for fiscal year 1975. This program provides funds to tribal organizations or other public and private nonprofit agencies to meet special needs of Indians and Native Hawaiians and Alaskans. Financial assistance would be provided to 87 tribal groups and 58 urban Indian centers. Training and technical assistance would be available to strengthen the self-government capability of Native Americans.

The Committee recommends \$44,321,000 for salaries and expenses, a reduction of \$733,000 from the budget request. Payment of standard level user charges to GSA has been reduced by 10 percent following the general policy used throughout the bill. The requested increase of \$854,000 for technical assistance has been reduced to \$427,000 because of inadequate justification. In addition \$600,000 is authorized to be expended from trust funds.

Since substantial funds are included in the bill for rehabilitating handicapped individuals, it is essential that the work environment of rehabilitated handicapped individuals is accessible to them. To achieve this goal, a mandate was given to the Architectural Barriers Compliance Board by the Rehabilitation Act of 1973. It is obvious that a permanent full-time staff is needed to perform this activity. Therefore, the Committee feels that an additional \$700,000, or a total of \$1,000,000, and 20 full-time permanent positions should be provided to the Board to insure that adequate resources are devoted to this program.

The bill includes \$371,505,000 and authority to use \$150,000 in trust funds to maintain program levels and costs of administration during the interim period. This is \$23,342,000 over the budget request and is due to the changes made by the Committee in the amount requested for fiscal year 1976.

## DEPARTMENTAL MANAGEMENT

## OFFICE FOR CIVIL RIGHTS

The bill includes \$24,686,000, a reduction of \$461,000 from the budget request, and an increase of \$2,479,000 over the amount appropriated for fiscal year 1975. Also included is authority to spend \$1,351,000 from the social security trust funds.

The Committee has allowed the request for 60 new positions, of which 42 are for implementing section 504 of the Rehabilitation Act of 1973 which prohibits discrimination against the handicapped by recipients of Federal assistance; 12 are for compliance enforcement activities in hospitals, nursing homes, and home health care agencies; and 6 are for enforcing the sex discrimination provisions of Title IX of the Education Amendments of 1972.

The Committee has reduced the amount requested for standard level user charges by 10 percent as done throughout the bill, and has reduced the amount requested for travel by maintaining the average travel cost per man-year at the 1975 rate. Additional funds over the 1975 level have been provided for the full year cost of new positions, pay increases, and health benefits allowed during the previous year.

The bill includes \$6,379,000 and authority to use \$352,000 in trust funds for salaries and administrative costs accruing during the interim period. This is \$115,000 below the budget request and relates to changes made by the Committee to the request for fiscal year 1976.

## GENERAL DEPARTMENTAL MANAGEMENT

The bill includes \$87,289,000, a reduction of \$5,746,000 from the budget, and an increase of \$7,645,000 over the amount available for fiscal year 1975, adjusted for comparability. In addition, \$12,751,000 is authorized to be transferred from the social security trust funds.

The Committee recommends 187 positions instead of 325 requested in the budget. The requests for 12 positions for the investigations staff and 37 positions for the audit agency have been allowed because the Committee believes that the Department needs additional resources to monitor its many programs, particularly the larger ones such as medicare, medicaid, and guaranteed student loans—all of which directly involve the private sector. No positions are recommended for the assistant secretaries because the present staff of 209 is more than adequate and any new work load should be managed through redeployment of existing staff. In considering the 270 positions requested for grant and procurement activities, facilities management, general counsel, legal services, fair information practice, and nursing home standards enforcement, the Committee agrees that more staff is needed but has reduced the request to take into account the difficulty in recruiting large numbers of attorneys, nursing home specialists, medical consultants, and supply and procurement specialists.

Total funds requested for payments to GSA of standard level user charges have been reduced by 10 percent (\$1,275,000) following the general policy used throughout the bill. Travel funds have been reduced on the basis of maintaining the average travel cost per man-

year at the average for fiscal year 1975. The Committee has not approved the requested increases for executive development training, facilities management system, and "other special requests".

The bill includes \$22,670,000 and authority to use \$3,284,000 in trust funds for administrative costs during the interim period. This is \$1,436,000 below the budget request and relates to changes made by the Committee to the request for fiscal year 1976.

## POLICY RESEARCH

The bill includes \$26,300,000, a reduction of \$2,960,000 from the budget request, and the same amount as the comparable appropriation for fiscal year 1975. This is a new appropriation account derived from activities previously shown under the appropriation for "Departmental management". These activities are authorized by Section 232 of the Community Services Act of 1974 and Section 1110 of the Social Security Act.

The major areas of research under this appropriation are income maintenance, employment, health insurance, education, and human development services. The Committee continues to be concerned about overlap and duplication between "policy research" and other research supported not only within HEW, but also in other departments and agencies involved with social programs. Testimony from government witnesses during the recent hearings on the budget request revealed little or no awareness of the projects supported under policy research.

The amount included in the bill is sufficient to continue existing projects at the current level of support. A study of the activities supported under this appropriation is currently underway. Future funding levels for policy research will be guided by the results of this study.

The bill includes \$6,575,000 to maintain program costs during the interim period. This is \$740,000 below the budget request and relates to changes made by the Committee to the request for fiscal year 1976.

## TITLE III—RELATED AGENCIES

## ACTION

## OPERATING EXPENSES, DOMESTIC PROGRAMS

The bill includes \$101,313,000 for the domestic programs of Action, a reduction of \$261,000 from the budget request, and an increase of \$1,313,000 over the 1975 appropriation. The major domestic programs administered by Action are Volunteers in Service to America (Vista), University Year for Action, Foster Grandparents, and the Retired Senior Volunteer Program.

The Committee has added \$2,357,000 to restore the Foster Grandparents program to its 1975 level. The budget proposed to reduce the program by that amount. The request of \$6,088,000 for Special Volunteer Programs has been reduced by \$2,357,000. The Special Volunteer Programs are primarily small research and demonstration programs.

The Committee has reduced the request for staff travel by \$147,000 and has reduced the request for payment of standard level user

charges to the General Services Administration by 10 percent (\$114,000). The remainder of the budget request has been approved. No new positions were requested for 1976.

The increase over the 1975 appropriation results primarily from an increase in Vista volunteer allowances, an expansion of the University Year for Action program to 70 schools, the annualization of Retired Senior Volunteer Program grants, and several near-mandatory increases, such as the full-year cost of the Federal pay raise effective for part of the year in 1975. There were several minor offsetting decreases proposed in the budget.

For the interim period, the bill includes \$21,083,000, the amount of the budget request.

## COMMUNITY SERVICES ADMINISTRATION

### COMMUNITY SERVICES PROGRAM

The bill includes \$399,185,000, an increase of \$36,185,000 over the budget request, and a decrease of \$108,515,000 from the amount expected to be appropriated in 1975. The Community Services Administration is the successor agency to the former Office of Economic Opportunity, and has responsibility for basically the same programs. It is an independent agency within the executive branch.

For community action operations, the Committee has approved the budget request of \$295,000,000 to provide support for the administration and general operating costs of community action agencies throughout the Nation. These funds also provide for a wide variety of local programs operated by community action agencies. The Committee has restored the State Economic Opportunity Offices and the emergency energy conservation services program to their 1975 funding levels of \$12,000,000 and \$16,500,000, respectively. The budget proposed not to fund either program.

The bill includes \$8,000,000 for the senior opportunities and services program, which the budget proposed to eliminate. The bill includes the budget request of \$39,000,000 for community economic development under Title VII of the Community Services Act. The Committee has approved the request for program administration, with the exception of a 10 percent reduction for payment of standard level user charges (\$315,000), making a total of \$28,685,000. No new positions were requested in 1976.

The Committee has deferred consideration at this time of summer recreation programs for the summer of 1976 which the budget proposed not to fund.

The bill also includes funds, not specifically earmarked, to permit the organization where desired of community development credit unions under the Act.

For the interim period, the bill includes \$99,800,000, an increase of \$9,050,000 over the budget request.

## FEDERAL MEDIATION AND CONCILIATION SERVICE

### SALARIES AND EXPENSES

The bill includes \$17,704,000, a decrease of \$546,000 from the budget request, and an increase of \$1,459,000 over the 1975 appropriation.

The Committee has allowed 40 of the 76 new permanent positions requested in the budget. The new positions are needed primarily to enable the Service to keep pace with the increased workload resulting from Public Law 93-360, which extended the coverage of the National Labor Relations Act to private nonprofit hospitals and health care facilities. The Committee has approved the request for 50 new temporary positions to be used for health care boards of inquiry pursuant to the new law. These are fact-finding boards established by the Director in order to avert strikes and work stoppages. The request for payment of standard level user charges to the General Services Administration has been reduced by 10 percent (\$134,000). The increase over the 1975 appropriation is accounted for primarily by the cost of the new positions to be added and by several mandatory items, such as the full-year cost of the Federal pay raise effective for only part of the year in 1975.

For the interim period, the bill includes \$4,426,000, a reduction of \$374,000 from the budget request.

## NATIONAL COMMISSION ON LIBRARIES AND INFORMATION SCIENCE

### SALARIES AND EXPENSES

The bill includes \$409,000, a reduction of \$93,000 from the budget request, and the same amount that was appropriated in 1975. The Committee has denied the request for four new positions because it is not convinced that it is desirable to increase the existing staff of the Commission.

For the interim period, the bill includes \$102,000, a reduction of \$23,000 from the budget request.

## NATIONAL LABOR RELATIONS BOARD

### SALARIES AND EXPENSES

The bill includes \$67,461,000, a reduction of \$1,038,000 from the budget request, and an increase of \$4,792,000 over the 1975 appropriation. The Committee has allowed 50 of the 97 new positions requested in the budget. The additional positions are required to permit the Board to keep pace with its mounting workload, including the effect of Public Law 93-360 which extended the coverage of the National Labor Relations Act to private nonprofit hospitals and health care facilities. The Committee has reduced the request for travel by \$150,000 and has reduced the request for payment of standard level user charges to the General Services Administration by 10 percent (\$428,000). The increase over the 1975 appropriation is accounted for primarily by the cost of the new positions added, the annualization of the most recent Federal pay increase, the cost of grade and within-grade increases, increases in overtime, and increased reporting costs.

For the interim period, the bill includes \$16,865,000, a reduction of \$262,000 from the budget request.

## NATIONAL MEDIATION BOARD

## SALARIES AND EXPENSES

The bill includes \$3,405,000, an increase of \$300,000 over the budget request and \$169,000 over the 1975 appropriation. The Committee has deleted requested appropriation language which would have prohibited the Board from paying more than 75 percent of the cost of arbitration of railroad grievances under Section 3 of the Railway Labor Act. The Committee does not believe that it is proper to, in effect, change the basic law in the appropriations bill and force labor and management to pay the remaining 25 percent of the cost. If the basic law needs to be changed, it should be done through the normal legislative process. Deletion of the requested language makes it necessary to add \$300,000 over the budget to enable the Board to pay the full cost of arbitration of railroad grievances. The increase over the 1975 appropriation is accounted for by such mandatory items as within-grade promotions and the annualization of the Federal pay raise effective for part of the year in 1975. No new positions were requested in 1976.

For the interim period the bill includes \$850,000, an increase of \$75,000 over the budget request.

## OCCUPATIONAL SAFETY AND HEALTH REVIEW COMMISSION

## SALARIES AND EXPENSES

The bill includes \$5,638,000, a reduction of \$37,000 from the budget request, and an increase of \$126,000 over the 1975 appropriation. The Committee has approved the request for three new administrative law judge positions, providing a total of 44 for the Commission. The request for payment of standard level user charges to the General Services Administration has been reduced by 10 percent (\$37,000). The increase over the 1975 appropriation is accounted for primarily by the cost of the new positions and an increase in reporting costs, offset partially by a budgeted reduction in printing costs.

For the interim period, the bill includes the budget request of \$1,418,000.

## RAILROAD RETIREMENT BOARD

## PAYMENTS TO RAILROAD RETIREMENT TRUST FUNDS

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

No appropriation is required in the interim period.

## REGIONAL RAIL TRANSPORTATION PROTECTIVE ACCOUNT

The bill includes \$37,600,000, a reduction of \$17,500,000 from the budget request. This is the first appropriation for this account to pro-

vide for the payment of certain benefits to protected employees who are adversely affected in the establishment of the Northeast and Midwest rail system under the Regional Rail Reorganization Act of 1973. The amount in the bill provides for the payment of separation and displacement allowances to eligible railroad employees, with the actual payments being made by the proposed Consolidated Rail Corporation, the United States Railway Association, and acquiring railroads, as the case may be. The Railroad Retirement Board will then reimburse these organizations for the payments, upon proper certification to the Board. The bill includes \$100,000 for the administrative expenses of the Board that are related to making the reimbursements. The Committee has reduced the request for benefit payments by \$17,500,000 in order to provide for six months of payments in fiscal year 1976, rather than nine months as provided in the budget. The Committee does not believe it is likely that the final reorganization plan under the Regional Rail Reorganization Act will go into effect before the middle of fiscal year 1976. If it develops that the funds are not needed at all in 1976, they would simply revert to the Treasury on June 30, 1976.

For the interim period, the bill includes the budget request of \$10,030,000.

## LIMITATION ON SALARIES AND EXPENSES

The bill includes \$28,703,000, a reduction of \$1,000,000 from the budget request, and an increase of \$2,945,000 over the 1975 appropriation. This account is a limitation on the amount in the railroad retirement account which may be used by the Railroad Retirement Board for administrative purposes. The Committee has approved the budget request, with the exception of reducing the request for payment of standard level user charges to the General Services Administration by \$1,000,000. The Board has informed the Committee that the budget contains \$2,000,000 for payment of these charges, but that the actual cost of occupying space is only \$1,000,000. The Committee reiterates its belief that trust funds should not be used to pay the cost of constructing Federal office buildings which will be used for purposes unrelated to the program financed by the trust funds. For this reason, the Committee has reduced the budget request to ensure that the Board pays only the actual cost of occupying space. The increase over the 1975 appropriation is accounted for by such near-mandatory items as the cost of within-grade promotions, the annualization cost of new positions received during fiscal year 1975, and the annualization of the Federal pay raise effective for part of the year in 1975. No new positions were requested for 1976.

For the interim period, the bill includes \$7,175,000, a reduction of \$255,000 from the budget request.

## SOLDIERS' AND AIRMEN'S HOME

## OPERATION AND MAINTENANCE

The bill includes authority to use \$15,665,000 from the Soldiers' and Airmen's Home Permanent Fund, the amount of the budget request, and an increase of \$274,000 over the authorization for 1975. No new positions were requested for 1976. The increase over 1975 is accounted for primarily by the annualization of the Federal pay raise

effective for only part of the year in 1975 and by the increase in the minimum wage.

#### LIMITATIONS AND LEGISLATIVE PROVISIONS

The following limitation not heretofore carried in connection with any appropriation bill is recommended.

On page 8 in connection with "Employment Standards Administration, salaries and expenses":

*together with \$225,000 which may be expended from the Special Fund in accordance with Sections 39(c) and 44(j) of the Longshoremen's and Harbor Workers' Compensation Act.*

#### CHANGES IN EXISTING LAW

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

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

2. As mentioned in the introduction to this report, the bill includes a number of special, one-time appropriations for the three-month period from July 1, 1976 to September 30, 1976.

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

4. On page 9 of the bill is a provision which was carried in the appropriation bill for the current fiscal year, which authorizes the Secretary of Labor to appoint qualified persons to conduct certain hearings without meeting the requirements for hearing examiners appointed under 5 U.S.C. 3105. Similar language is included on page 32 with respect to the Commissioner of Social Security.

5. On page 10 of the bill is a provision, carried in the appropriation act for the current year, requiring that none of the funds appropriated in 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.

6. On pages 12 and 13 of the bill, Section 102 prohibits use of funds in the bill to pay unemployment compensation to certain teachers who have a contract for the next academic year.

7. On page 34 of the bill is a provision authorizing expenditure of funds for administration within the United States of the social insurance program of the United Kingdom, under terms of an agreement wherein similar services will be provided by the United Kingdom in

that country for administration of the social insurance program of the United States. This provision was carried in the fiscal year 1975 appropriation act.

8. On page 46 of the bill is a provision requiring that appropriations to the NLRB shall not be available to organize or assist in organizing agricultural laborers or used in connection with investigations, hearings, directives, or orders concerning bargaining units composed of agricultural laborers as referred to in section 2(3) of the Act of July 5, 1935 (29 U.S.C. 152), and as amended by the Labor-Management Relations Act, 1947, as amended, and as defined in section 3(f) of the Act of June 25, 1938 (29 U.S.C. 203), and including in said definition employees engaged in the maintenance and operation of ditches, canals, reservoirs, and waterways when maintained or operated on a mutual, non-profit basis and at least 95 per centum of the water stored or supplied thereby is used for farming purposes.

This provision has appeared in many previous appropriation acts.

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

#### INFLATIONARY IMPACT STATEMENT

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

The total budget authority recommended in the bill exceeds the budget request by \$720,000,000. This increase relates primarily to programs and activities which the budget proposes to reduce below the anticipated funding level for fiscal year 1975. In total, the bill amounts to approximately \$5 billion less than the comparable appropriation for fiscal year 1975.

Many of these chemicals are harmless, but more and more we are finding others that are deadly. While our economy depends on complex chemical substances such as plastics and pesticides has become so great that our survival as a modern society may depend on their continued use, our inability to distinguish between those which are dangerous and those which aren't is increasingly placing us in the position of having to choose between alternatives which either put the health of a substantial portion of the population at risk or involve severe economic dislocation. What few people fully grasp is that there is no full-scale testing taking place on most chemicals being put on the market to determine whether or not they cause diseases such as cancer, and for many health problems which are caused by chemical exposures there are simply no tests in existence.

the United States. This provision was carried in the fiscal year 1975 appropriation act.

5. On page 48 of the bill is a provision regarding the appropriations to the NLRB shall not be available to organize or assist in organizing agricultural laborers or other employees in connection with the operation of any business or other enterprise, including any company, which is engaged in the production of food or other agricultural products. This provision is amended by the Labor-Management Relations Act, 1947, as amended, and as defined in section 2(1) of the Act of June 25, 1938 (52 U.S.C. 203), and as amended in said definition, to read: "the production, processing, and operation of a business, and waterways and waterways when maintained or operated on a mutual, non-profit basis and at least 25 per centum of the water stored or supplied thereby is used for farming purposes."

6. On page 50 of the bill is a provision regarding the appropriations to the NLRB shall not be available to organize or assist in organizing agricultural laborers or other employees in connection with the operation of any business or other enterprise, including any company, which is engaged in the production of food or other agricultural products. This provision is amended by the Labor-Management Relations Act, 1947, as amended, and as defined in section 2(1) of the Act of June 25, 1938 (52 U.S.C. 203), and as amended in said definition, to read: "the production, processing, and operation of a business, and waterways and waterways when maintained or operated on a mutual, non-profit basis and at least 25 per centum of the water stored or supplied thereby is used for farming purposes."

7. On page 54 of the bill is a provision authorizing expenditure of funds for administration within the United States of the social insurance program of the United Kingdom, under terms of an agreement whereby similar services will be provided by the United Kingdom in the United States. This provision was carried in the fiscal year 1975 appropriation act.

8. On page 12 and 13 of the bill, Section 102 prohibits use of funds in the bill to pay unemployment compensation to certain teachers who have a contract for the next academic year.

9. On page 34 of the bill is a provision authorizing expenditure of funds for administration within the United States of the social insurance program of the United Kingdom, under terms of an agreement whereby similar services will be provided by the United Kingdom in the United States. This provision was carried in the fiscal year 1975 appropriation act.

10. On page 34 of the bill is a provision authorizing expenditure of funds for administration within the United States of the social insurance program of the United Kingdom, under terms of an agreement whereby similar services will be provided by the United Kingdom in the United States. This provision was carried in the fiscal year 1975 appropriation act.

11. On page 34 of the bill is a provision authorizing expenditure of funds for administration within the United States of the social insurance program of the United Kingdom, under terms of an agreement whereby similar services will be provided by the United Kingdom in the United States. This provision was carried in the fiscal year 1975 appropriation act.

The bill has been passed by the House of Representatives on July 1, 1975, with 278 yeas and 160 nays. The bill is now in the Senate.

## ADDITIONAL VIEWS OF THE HONORABLE DAVE OBEY

Members who have served in previous Congresses know that I am not very often enthusiastic about budget recommendations made by the Appropriations Committee. My usual role in this House has been one of challenging assumptions made by this Committee. I am delighted that this bill is an exception.

I am convinced that our cancer research program in this country is out of balance. We have placed great emphasis in the past few years upon finding cures for cancer. God knows that is understandable and necessary. But in comparison to the recent effort placed upon finding cures for cancer, we have really given much less attention than I believe is necessary to the question of finding the root causes of cancer. I believe that in cancer, as well as in any other medical field, the best medicine and the cheapest medicine in the long run in terms of dollars expended and human misery prevented is preventive medicine. And I think this bill provides a greater recognition of that need than we have seen in past legislation on cancer control.

This budget bill contains a dramatic increase in funding for what I consider to be the most underrated and the most poorly understood health problem in America, occupational and environmental disease. Exploding technology has changed man's environment so drastically that today we are in constant contact with hundreds of chemical substances that didn't exist a generation ago. Consider:

Our food is grown with fertilizers, protected by herbicides and wrapped in plastics that were unknown 25 years ago.

Our homes are full of hair sprays, deodorants, cleaning compounds and other products that are chock full of active ingredients only recently developed in corporate laboratories across the nation.

Our drinking water contains more and more chemicals, both as a result of pollution and as a result of the chemical reactions which take place between pollutants and the chlorine used to kill bacteria in the water.

Total U.S. industrial output in one single category, synthetic organic chemicals, has increased from 15 billion pounds in 1945 to 164 billion pounds in 1972—an 11-fold increase in 27 years.

Many of these chemicals are harmless. But more and more we are finding others that are deadly. While our economic dependence on complex chemical substances such as plastics and pesticides has become so great that our survival as a modern society may depend on their continued use, our inability to distinguish between those which are dangerous and those which aren't is increasingly placing us in the position of having to choose between alternatives which either put the health of a substantial portion of the population at risk or involve severe economic dislocation. What few people fully grasp is that there is no full-scale testing taking place on most chemicals being put on the market to determine whether or not they cause diseases such as cancer, and for many health problems which are caused by chemical exposures there are simply no tests in existence.

The result has been a series of chilling revelations which have come with increasing frequency over the last two years:

Vinyl Chloride, a clear, odorless gas used to make a form of plastic that is used in everything from car tops to baby bottles, is now believed to be causing in exposed workers a rare form of liver cancer as well as brain and lung cancer, enlargement of the liver and spleen, and deterioration of the bones of the fingers.

Inorganic arsenic, used in some pesticides, has been linked to cancer.

Anesthetics used in hospitals for surgery have been linked to an unusual incidence of cancer and miscarriages among operating room personnel and birth defects among their offspring.

Trichloroethelene, a chemical cousin to vinyl chloride, used in dry cleaning, degreasing of auto parts and as an industrial solvent, is now suspected on the basis of preliminary data as a cause of certain forms of cancer.

And while cancer is the most dramatic result of our ignorance of the impact of chemicals on health—scientists estimate that 70% to 90% of all cancer is a result of environmental factors—it does not account for a majority of the deaths and disabilities stemming from environmental and occupational exposure to hazardous chemicals. Only last month, a study by the University of Wisconsin Medical School was released through my office which clearly documents a relationship between working in grain elevators where workers are exposed to a high level of grain dust—often containing the residues of fumigants and pesticides—and various forms of lung and respiratory disease. Although the average age of the 300 workers studied was less than 40, nearly 60% had some type of lung abnormality and 37% suffered from chronic bronchitis, the number one disabler of the American male and a disease which is costing \$90 million a year in Social Security Disability Benefits. Bronchitis emphysema, non-alcoholic cirrhosis of the liver are all diseases which are linked to exposure to hazardous chemicals and are killing a growing number of Americans each year—smokers and nonsmokers alike.

I am concerned about our contact with these chemicals in food, water, air and consumer products but I am particularly concerned about the heavy day-to-day exposures to these chemicals which occur in our workplaces. As the above examples of recent revelations of chemical hazards demonstrate, the workplace is where the problem is likely to show up first and where it is likely to be the most severe.

It has been estimated that a minimum of 100,000 workers die each year of occupationally related diseases, most of which are a result of exposure to dangerous chemicals. While enforcement of existing standards regulating exposure to dangerous chemicals would mark a great step forward in the reduction of this tragic death toll, there are at present standards to regulate fewer than 500 workplace chemicals although scientists estimate that somewhere between 15,000 and 50,000 chemicals may be commonly found in the work environment. Just in the area of cancer, scientists have established a positive link between 1600 different chemicals and tumor growth, yet standards have been developed to regulate only 14 chemicals as carcinogens.

The reason for this terrible record is complex. In large part, the problem has been ignored by the press. The typical bureaucratic roadblocks have also taken a toll, as have some not so typical road-

blocks. But more than anything else, the problem has been one of money.

The two agencies most directly involved in research on chemical exposures which are funded in this appropriation bill are the National Institute of Environmental Health Sciences which is primarily involved in the development of more effective means of testing chemicals to determine their long term effects on human health and the National Institute of Occupational Safety and Health which is charged with the responsibility of researching work related health hazards and recommending to the Department of Labor what exposure standards should be promulgated to protect the health of workers from suspected chemicals and other agents. Both of these agencies have remained at a fraction of their intended size because of budget or personnel restrictions and both agencies have been hampered by inadequate facilities to house their research operations.

This year the administration proposed to reduce the National Institute for Environmental Health Sciences to a budget of \$31,113,000 or \$3.8 million below the amount Congress appropriated. That \$31,113,000 was approximately \$11 million or 25% below the amount the agency had requested for FY 76.

The President's request for NIOSH was \$32 million the same amount appropriated by the Congress in FY 75 and \$12 million or 29% below what the agency had requested for FY 76. The major item eliminated from the request made by NIOSH was the Occupational Carcinogenesis Program for research on chemicals already linked to cancer for which there are no federal standards. Although the agency in its Forward Health Plan has set for itself the goal of reducing the incidence of occupational cancer by the year 1980 by 10% administration witnesses conceded during questioning that OMB's refusal to provide adequate funds for NIOSH would probably mean an actual increase in the incidence of occupational cancer by that year.

In total the Committee has increased funding for these two agencies by \$83 million in FY 76. The added amount for NIOSH will allow for complete restoration of the requested NIOSH Occupational Carcinogenesis Program and restoration of the agency's manpower training program which is aimed at dealing with the critical shortage of qualified personnel in the field of occupational health. The need for added training of specialized personnel in this area is critical. Administration witnesses testified to the incredible gap between the number of qualified medical personnel available in the field and the number needed. That gap is illustrated in the following table.

ESTIMATED OCCUPATIONAL SAFETY AND HEALTH MANPOWER DEFICIT

	Present census	Deficit
Occupational physicians, board qualified or certified	500	1,200
Industrial physicians, with special short-term training	2,700	4,200
Occupational safety and health professions	3,700	8,530
Industrial hygienists (certified, ABIH)	770	3,830
Safety specialists (certified, ASSE)	3,000	4,700
Occupational health nurses (certified AOHN) <sup>1</sup>	1,000	8,400
Other nurses (on-the-job training) <sup>2</sup>	17,000	19,700
OSH technicians <sup>3</sup>	15,000	8,800
Total	39,970	50,830

<sup>1</sup> Includes equally qualified physician assistants.

<sup>2</sup> Includes those working in safety or industrial hygiene who are not now board certified.

The expansion of qualified medical personnel in this area must be an absolute top priority item because expansion of research in this area will be severely limited until the number of trained personnel in this field is substantially increased.

The Committee also provided NIOSH with \$1.1 million for the planning of a new lab and research facility to replace the unsafe and overcrowded structure now located in Cincinnati. NIOSH simply cannot really grow without new facilities.

The Committee restored NIEHS to last year's funding level and provided additional funds to permit among other things substantial expansion of the agency's mutagenesis program which it is hoped will lead to inexpensive short term tests for carcinogenesis and will permit the screening of massive numbers of chemicals at an acceptable cost and without excessive use of trained personnel. This program will be increasingly important if Congress passes a new Toxic Substances Act requiring pre-testing of new chemicals. The Committee also acted to provide NIEHS with a new research facility in recognition of the fact that the existing facility will only permit the agency to expand to one-fourth of its intended size.

The Committee action will allow NIEHS to continue the research project ordered by the Committee last year to determine the danger to human health of oral ingestion of asbestos. This study was funded last year by the Committee because of concerns expressed about asbestos-like fibers contained in the 67,000 tons of taconite tailings per day dumped by Reserve Mining Company into Lake Superior which is the source of community drinking water.

These are important, you might even say dramatic strides toward the development of the kinds of environmental and occupational health programs which anyone familiar with the magnitude of these problems knows this country must have. It clearly demonstrates that at last the Congress is beginning to recognize the necessity to treat the area of environmental and occupational health as high priority items. But we still have a long way to go. Even if the increases contained in this bill are signed into law, our total expenditure for research in the area of occupational health will amount to only 43¢ per worker in FY 76. That is an improvement in a scandalously low figure but it hardly represents the kind of effort needed to protect over 90 million working Americans from the tens of thousands of untested substances now in the workplace. And that protection ought to be recognized as a basic right of every American worker—and every American citizen.

Since many of the diseases caused by exposure to toxic substances (cancer in particular) may take 20 to 30 years to develop, we simply do not know what the long term cost of our exposure to untested chemicals will be until many years after initial exposure. It will be the mid-1980s before we begin to understand the real effects of chemicals introduced into the environment in the 1950s, and all too often we will have provided the test results with our own bodies. It will be the year 2000 before we begin to see the kinds of irreversible diseases which may result from exposure to chemicals such as:

Vinyl bromide, a new flame retardant being used in children's sleepwear which scientists believe may not only be similar to vinyl chloride in chemical structure but also in its effects on human health.

Ethylene dibromide, an anti-knock additive in gasoline which has been linked to cancer in animals but has not been tested in man.

Chloroprene, a chemical used in the manufacture of synthetic rubber, which Russian scientists have already demonstrated may be causing excessive rates of skin and lung cancer among workers in the Soviet Union but for which no tests have been completed in the United States.

Asbestos in drinking water in cities such as Duluth, Minnesota and San Francisco, California which some scientists fear may be having the same long term effect as airborne asbestos—a deadly form of cancer known as mesothelioma.

Ethylene oxide which is used in the production of antifreeze and as a fumigant for dried fruit and cereals and is suspected of causing birth defects.

Dichloroethyl ether which is used in lubricating oils, as an insecticide, as a dry cleaning agent and is suspected of causing cancer.

Propane sulfone which is a wetting agent and is used as a photographic developer has been proven to cause cancer in animals but as yet tests have not determined whether or not it causes cancer in man.

Hydrazine, a jet propulsion fuel also used as a photographic developer and anticorrosive agent and as a pesticide, has been linked to cancer in animals but at present no evidence exists on its effect on man.

The answer to these questions can only come through testing and that can only take place if we as a society are determined to allocate the resources required to perform such tests. That is the only way we can prevent the potential tragedies which will result in future years from our unwise use of hazardous substances today. We have done a very poor job in the area of prevention thus far and the result is that despite billions of dollars spent on care and treatment annually, an increasing number of Americans are dying of cancer, bronchitis, emphysema and liver disease with each passing year.

DAVE OBEY.

There is control over the wasteful and inappropriate health facilities. This cost efficiency is the result of the evolution over time of highly effective program management by agencies of local and State governments. We are only now beginning to start on cost controls like those of MCHS in our other federal and private health services (pre-admission, hospital utilization certification, comprehensive care teams rather than ping-pong referrals, and quality control reviews).

Despite the effectiveness and efficiency of MCHS, inadequate federal funding in 1974 allowed only 3 States to implement the legislative mandate to start at least one project in each of the five categories of service. Limited funding in 1974 resulted in MCH services for only one of every 22 eligible children and less than 20% of eligible women receiving little or no prenatal care. Services were available to only about 8% of handicapped children. The U.S. ranks behind 14 nations in preventing infant deaths.

The infant death rate is the only one among our 10 leading causes of death for which incontrovertible evidence exists that a mere increase

in existing medical services would result in lowered mortality. This has been shown in a National Academy of Sciences study in 1973 and it has been demonstrated that MCHS programs have cut infant death rates 30-50% in areas where programs have been established.

**ADDITIONAL VIEWS OF THE HONORABLE EDWARD R. ROYBAL AND SILVIO O. CONTE**

We note with concern the long history of underfunding one of our best and most needed health programs, the Maternal and Child Health Services (MCHS). The Committee's bill would provide only \$288,451,000 in 1976, almost \$6.5 million under the 1975 appropriation level. This decrease would not allow the States to carry out even minimal responsibilities in protecting children from the causes of mental retardation, blindness, crippling diseases, and preventable death.

MCHS is one of our oldest federal health programs, having undergone constant improvement since its foundation in 1935. It provides five categories of service: maternity and infant, intensive care of newborns, children and youth, dental, and family planning. In 1974, MCHS served 8.6 million mothers and children. In areas where MCHS is available, estimates show that it prevents or corrects two-thirds of chronic handicapping conditions. Also, Crippled Childrens Services of MCHS provide treatment for many chronic diseases (including cystic fibrosis, muscular dystrophy and hemophilia) as well as physical handicaps. A special program for Sudden Infant Death Syndrome (SIDS) educates medical examiners, firemen, policemen and others about the leading cause of death in infants beyond the first month of life, helping distraught families, preventing the arrest of innocent parents due to misdiagnosed homicide, and developing model legislation for States.

MCHS has long been our most efficient and best administered federal health service. Average cost per patient fell from \$201 in 1968 to \$130 in 1974, despite general cost inflation in the nation's health services. Further, effective cost controls are evident in MCHS rates of hospitalization, which fell from 7.7% in 1968 to 2.4% in 1974, showing that there is control over the wasteful and inappropriate use of expensive health facilities. This cost efficiency is the result of the evolution over time of highly effective program management by agencies of local and State governments. We are only now beginning to start up cost controls like those of MCHS in our other federal and private health services (preadmission hospital utilization certification, comprehensive care teams rather than ping-pong referrals, and quality control reviews).

Despite the effectiveness and efficiency of MCHS, inadequate federal funding in 1974 allowed only 8 States to implement the legislative mandate to start at least one project in each of the five categories of service. Limited funding in 1974 resulted in MCH services for only one of every 22 eligible children and less than 25% of eligible women receiving little or no prenatal care. Services were available to only about 5% of handicapped children. The U.S. ranks behind 14 nations in preventing infant deaths.

The infant death rate is the only one among our 10 leading causes of death for which incontrovertible evidence exists that a mere increase

in existing medical services would result in lowered mortality. This has been shown in a National Academy of Sciences study in 1973, and it has been demonstrated that MCHS programs have cut infant death rates 30-50% in areas where programs have been established.

We concur with the Committee that overwhelming evidence has been submitted showing that, contrary to the Administration's budget justifications, States cannot further increase fiscal support of MCHS, and there is no chance of covering existing services through private fees or third party payments. We do not agree that an appropriation of \$288,451,000 will suffice to maintain existing levels of service. Further, we would stress that the activities supported by the MCHS research and training component do not overlap with those of other federal agencies. The fact is that the National Institute of Child Health and Human Development has consistently refused to support health services research by MCHS programs and possesses no expertise in this type of research. In addition, the manpower training programs of the Health Resources Administration do not train the highly skilled personnel essential for such specialized purposes as staffing regional perinatal centers and high risk infant follow-up care programs.

Consequently, we believe that a larger appropriation for MCHS is necessary to prevent the erosion of services, research and training due to inflation, and to halt the cutback or loss of established projects serving people in more than half of the United States.

EDWARD R. ROYBAL.  
SILVIO O. CONTE.

### ADDITIONAL VIEWS OF THE HONORABLE SILVIO O. CONTE

It is with great concern that I view the Committee's recommendation of \$42,608,000 for the National Eye Institute.

As the principal national resource for support of research in the prevention, diagnosis, and treatment of the eye and visual system, the National Eye Institute is responsible for promoting and coordinating a nationwide vision research program. An outstanding research record has resulted in exceptional progress by the National Eye Institute in the past five years. Yet the full scale vision research programs envisioned by Congress have not been adequately implemented because of monetary restraints and lack of staff.

The great toll taken each year in the United States by eye diseases is not measured in terms of mortality—few eye disorders cause death—but rather in degrees of physical limitation and financial burden. Yet even these measurements are inadequate, because they cannot convey the hardship or mental anguish of having to function in a complex environment deprived of normal vision. Perhaps for these reasons Americans have indicated that they fear blindness more than any other physical affliction with the single exception of cancer.

In the United States, estimates of the number of people classified as legally blind range from 350,000 to 500,000. Such a classification is necessary for determining eligibility for special benefits from public and private agencies which afford those with severe visual handicaps some measure of financial relief.

Yet these numbers greatly understate the problem of visual disability. There are at least 10 million people—one of every twenty—who suffer from significant, uncorrectable impairment of vision. Of these, about 1.5 million are so severely impaired that they are unable to read ordinary newsprint with either eye—even with glasses.

Among the chronic diseases that restrict the ability of Americans to lead productive lives, by carrying out such major activities as working or going to school, visual impairment ranks third after heart disease and arthritis. Estimates of annual income lost due to blindness range from \$600 million to \$1 billion. The estimated annual cost to public welfare agencies for services to blind people is over \$500 million.

One particular aspect of blindness which deserves special consideration is diabetic retinopathy, the leading cause of new blindness in the 20-60 age sector of our population. It was estimated that in 1970 there were 144,000 people in the United States whose economic capacity was impaired by visual inadequacies caused by diabetic retinopathy. Projections estimate that this figure will increase to 573,000 by the year 2000, given present levels of research and treatment.

While the elderly are hard hit by diabetic retinopathy, increasing numbers of teenagers and young adults are being effected. Its occurrence in young adults causes tremendous social and economic dislocation.

Recent research advances in this area have been supported by the National Eye Institute, but much remains to be done. Much has been learned about the natural history of diabetic retinopathy, but it is still not known why diabetes causes visual loss in some people while others are spared this complication.

Photocoagulation, a technique employing laser on the light source, is widely used as a treatment for diabetic retinopathy. But it is still not known whether this therapy can actually help prevent visual loss from this disease.

Diabetic retinopathy is just one of the many areas of eye research that needs greater attention. Research offers the only hope for reducing the enormous personal and social cost of eye disorders. Through laboratory and clinical studies, great strides have been made toward this end. Yet diseases of the retina and choroid, cornea, and the lens, as well as glaucoma and sensory and motor disorders of vision, remain major causes of blindness and visual disability.

I intend to offer an amendment to provide \$45,608,000 for the National Eye Institute for fiscal year 1976, an increase of \$3.0 million over the Committee's recommendation.

Although it is a modest increase, this amount will provide significant support for continuing and new eye research efforts, which merit the highest priority.

SILVIO O. CONTE.

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1975 AND THE BUDGET ESTIMATES FOR 1976**  
**PERMANENT NEW BUDGET (OBLIGATIONAL) AUTHORITY—TRUST FUNDS**

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

Agency and item	New budget (obligational) authority, 1975	Budget estimate of new (obligational) authority 1976 and transition period	Increase (+) or decrease (-)
<b>DEPARTMENT OF LABOR</b>			
Manpower Administration: Unemployment trust funds.....	\$9, 702, 700, 000	\$9, 759, 931, 000	+\$57, 231, 000
Transition period.....		2, 923, 400, 000	
Special workers' compensation expenses.....	5, 184, 000	2, 751, 000	-2, 433, 000
Transition period.....		690, 000	
Total, Department of Labor.....	9, 707, 884, 000	9, 762, 682, 000	+54, 798, 000
Transition period.....		2, 924, 090, 000	
<b>DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE</b>			
Assistant Secretary for Health: Public Health Service trust funds.....	1, 463, 000	1, 527, 000	+64, 000
Transition period.....		381, 750	
Office of Education: Special statistical compilations and surveys.....	20, 000	21, 000	+1, 000
Transition period.....		5, 250	

Social Security Administration:			
Federal old-age survivors insurance trust fund.....	58,324,712,000	61,820,364,000	+3,495,652,000
Transition period.....		16,087,000,000	
Federal disability insurance trust fund.....	7,768,642,000	8,251,014,000	+482,372,000
Transition period.....		2,115,000,000	
Federal hospital insurance trust fund.....	12,473,072,000	13,583,401,000	+1,110,329,000
Transition period.....		3,285,000,000	
Federal supplementary medical insurance trust fund.....	4,294,735,000	4,970,032,000	+675,297,000
Transition period.....		1,401,000,000	
Total, Department of Health, Education, and Welfare.....	82,862,644,000	88,626,359,000	+5,763,715,000
Transition period.....		22,888,387,000	
RAILROAD RETIREMENT BOARD			
Railroad retirement account.....	2,382,767,000	3,232,100,000	+849,333,000
Transition period.....		480,430,000	
SOLDIERS' AND AIRMEN'S HOME			
Payment of claims.....	5,000	5,000	
Total, permanent new budget (obligational) authority, trust funds...	94,953,300,000	101,621,146,000	+6,667,846,000
Transition period.....		26,292,907,000	

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**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1975 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1976**

Agency and item	New budget (obligational) authority, fiscal year 1975	Budget estimates of new (obligational) authority, fiscal year 1976 and transition period	New budget (obligational) authority recommended in the bill	Bill compared with—	
				New budget (obligational) authority, fiscal year 1975	Budget estimates of new (obligational) authority, fiscal year 1976 and transition period
(1)	(2)	(3)	(4)	(5)	(6)
<b>TITLE I—DEPARTMENT OF LABOR</b>					
MANPOWER ADMINISTRATION					
Program administration.....	\$67,009,000	\$66,438,000	\$66,632,000	-\$377,000	+\$194,000
Transition period.....		16,195,000	16,748,000		+553,000
Trust fund transfer.....	(28,665,000)	(29,866,000)	(29,866,000)	(+1,201,000)	(.....)
Transition period.....	(.....)	(7,377,000)	(7,377,000)	(.....)	(.....)
Comprehensive manpower assistance.....	2,852,450,000	2,394,400,000	2,388,400,000	-464,050,000	-6,000,000
Transition period.....		599,000,000	597,500,000		-1,500,000
Federal unemployment benefits and allowances.....	2,365,000,000	410,000,000	410,000,000	-1,955,000,000	
Transition period.....		95,000,000	95,000,000		
Advances to the Unemployment Trust Fund and Other Funds.....	5,750,000,000			-5,750,000,000	

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Grants to States for unemployment insurance and employment services .....	64,400,000	74,000,000	81,300,000	+16,900,000	+7,300,000
Transition period .....		18,500,000	20,300,000		+1,800,000
Trust fund transfer .....	(1,177,900,000)	(995,000,000)	(1,056,300,000)	(-121,600,000)	(+61,300,000)
Transition period .....	(.....)	(248,750,000)	(264,100,000)	(.....)	(+15,350,000)
Total, Manpower Administration .....	11,098,859,000	2,944,838,000	2,946,332,000	-8,152,527,000	+1,494,000
Transition period .....		728,695,000	729,548,000		+853,000
LABOR-MANAGEMENT SERVICES ADMINISTRATION					
Salaries and expenses .....	36,845,000	42,000,000	41,232,000	+4,387,000	-768,000
Transition period .....		10,047,000	10,047,000		
EMPLOYMENT STANDARDS ADMINISTRATION					
Salaries and expenses .....	76,116,000	79,715,000	81,560,000	+5,444,000	+1,845,000
Transition period .....		19,929,000	20,390,000		+461,000
Trust fund transfer .....	(.....)	(225,000)	(225,000)	(+225,000)	(.....)
Transition period .....	(.....)	(56,000)	(56,000)	(.....)	(.....)
Special benefits .....	165,000,000	201,000,000	201,000,000	+36,000,000	
Transition period .....		70,000,000	70,000,000		
Total, Employment Standards Administration .....	241,116,000	280,715,000	282,560,000	+41,444,000	+1,845,000
Transition period .....		89,929,000	90,390,000		+461,000

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**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1975 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1976—Continued**

Agency and item  (1)	New budget (obligational) authority, fiscal year 1975  (2)	Budget estimates of new (obligational) authority, fiscal year 1976 and transition period  (3)	New budget (obligational) authority recommended in the bill  (4)	Bill compared with—	
				New budget (obligational) authority, fiscal year 1975  (5)	Budget estimates of new (obligational) authority, fiscal year 1976 and transition period  (6)
<b>TITLE I—DEPARTMENT OF LABOR—Continued</b>					
OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION					
Salaries and expenses .....	\$102,006,000	\$116,025,000	\$108,221,000	+\$6,215,000	-\$7,804,000
Transition period .....		29,000,000	27,000,000		-2,000,000
BUREAU OF LABOR STATISTICS					
Salaries and expenses .....	54,422,000	61,683,000	64,846,000	+10,424,000	+3,163,000
Transition period .....		15,250,000	16,210,000		+960,000
DEPARTMENTAL MANAGEMENT					
Salaries and expenses .....	30,339,000	33,242,000	32,297,000	+1,958,000	-945,000
Transition period .....		7,781,000	7,781,000		
Trust fund transfer .....	(820,000)	(881,000)	(881,000)	(+61,000)	(.....)
Transition period .....	(.....)	(221,000)	(221,000)	(.....)	(.....)

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Special foreign currency program .....	200,000	200,000	70,000	-130,000	-130,000
Total, Departmental Management ..	30,539,000	33,442,000	32,367,000	+1,828,000	-1,075,000
Transition period .....		7,781,000	7,781,000		
Total, new budget (obligational) authority, Department of Labor ..	11,563,787,000	3,478,703,000	3,475,558,000	-8,088,229,000	-3,145,000
Transition period .....		880,702,000	880,976,000		+274,000
<b>TITLE II—DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE</b>					
HEALTH SERVICES ADMINISTRATION					
Health services .....	483,226,000 (436,771,000)	426,782,000 (269,754,000)	522,736,000 ( <sup>(1)</sup> )	+39,510,000	+95,954,000
Transition period .....		136,656,000	135,501,000		-1,155,000
Trust fund transfer .....	(5,774,000)	(24,671,000)	(26,671,000)	(+20,897,000)	(+2,000,000)
Transition period .....	(.....)	(6,521,000)	(7,021,000)	(.....)	(+500,000)
CENTER FOR DISEASE CONTROL					
Preventive health services .....	96,045,000 (56,300,000)	99,601,000 (33,710,000)	107,115,000 ( <sup>(1)</sup> )	+11,070,000	+7,514,000
Transition period .....		26,828,000	28,032,000		+1,204,000
		(6,500,000)	( <sup>(1)</sup> )		

See footnote at end of table.

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**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1975 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1976—Continued**

Agency and item  (1)	New budget (obligational) authority, fiscal year 1975  (2)	Budget estimates of new (obligational) authority, fiscal year 1976 and transition period  (3)	New budget (obligational) authority recommended in the bill  (4)	Bill compared with—	
				New budget (obligational) authority, fiscal year 1975  (5)	Budget estimates of new (obligational) authority, fiscal year 1976 and transition period  (6)
<b>TITLE II—DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE—Con.</b>					
NATIONAL INSTITUTES OF HEALTH					
National Cancer Institute .....	\$669,503,000 (22,163,000)	\$586,837,000 (18,163,000)	\$703,564,000 ( <sup>(1)</sup> )	+\$34,061,000	+\$116,727,000
Transition period .....		149,700,000	149,700,000		
		(1,550,000)	( <sup>(1)</sup> )		
National Heart and Lung Institute .....	303,515,000 (21,115,000)	271,840,000 (20,954,000)	329,059,000 ( <sup>(1)</sup> )	+25,544,000	+57,219,000
Transition period .....		58,015,000	58,015,000		
		(1,700,000)	( <sup>(1)</sup> )		
National Institute of Dental Research .....	44,233,000 (5,769,000)	38,039,000 (5,497,000)	45,794,000 ( <sup>(1)</sup> )	+1,561,000	+7,755,000
Transition period .....		7,674,000	7,674,000		
		(250,000)	( <sup>(1)</sup> )		

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National Institute of Arthritis, Metabolism, and Digestive Diseases-----	161,040,000 (12,474,000)	144,065,000 (4,344,000)	173,972,000 ( <sup>1</sup> )	+12,932,000	+29,907,000
Transition period-----		35,052,000 (2,050,000)	43,052,000 ( <sup>1</sup> )		+8,000,000
National Institute of Neurological and Communicative Disorders and Stroke-----	129,475,000 (13,023,000)	107,055,000 (7,900,000)	136,546,000 ( <sup>1</sup> )	+7,071,000	+29,491,000
Transition period-----		27,964,000 (775,000)	32,964,000 ( <sup>1</sup> )		+5,000,000
National Institute of Allergy and Infectious Diseases-----	110,492,000 (8,960,000)	100,777,000 (7,934,000)	118,918,000 ( <sup>1</sup> )	+8,426,000	+18,141,000
Transition period-----		26,974,000 (130,000)	26,974,000 ( <sup>1</sup> )		
National Institute of General Medical Sciences-----	135,533,000 (51,867,000)	120,779,000 (40,851,000)	146,461,000 ( <sup>1</sup> )	+10,928,000	+25,682,000
Transition period-----		32,961,000 (7,334,000)	32,961,000 ( <sup>1</sup> )		

See footnote at end of table.

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**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1975 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1976—Continued**

Agency and item  (1)	New budget (obligational) authority, fiscal year 1975  (2)	Budget estimates of new (obligational) authority, fiscal year 1976 and transition period  (3)	New budget (obligational) authority recommended in the bill  (4)	Bill compared with--	
				New budget (obligational) authority, fiscal year 1975  (5)	Budget estimates of new (obligational) authority, fiscal year 1976 and transition period  (6)
<b>TITLE II—DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE—Con.</b>					
<b>NATIONAL INSTITUTES OF HEALTH—Con.</b>					
National Institute of Child Health and Human Development-----	\$132,578,000 (9,857,000)	\$96,547,000 (9,515,000)	\$126,889,000 ( <sup>1</sup> )	-\$5,689,000	+\$30,342,000
Transition period-----		23,566,000 (883,000)	23,566,000 ( <sup>1</sup> )		
National Institute on Aging-----		14,428,000 (1,762,000)	15,526,000 ( <sup>1</sup> )	+15,526,000	+1,098,000
Transition period-----		3,943,000 (105,000)	3,943,000 ( <sup>1</sup> )		
National Eye Institute-----	39,486,000 (4,647,000)	34,554,000 (4,647,000)	42,608,000 ( <sup>1</sup> )	+3,122,000	+8,054,000
Transition period-----		9,103,000 (697,000)	9,103,000 ( <sup>1</sup> )		

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National Institute of Environmental Health Sciences-----	31, 896, 000 (3, 275, 000)	29, 368, 000 (1, 745, 000)	35, 915, 000 ( <sup>1</sup> )	+4, 019, 000	+6, 547, 000
Transition period-----		7, 540, 000 (220, 000)	7, 540, 000 ( <sup>1</sup> )		
Research resources-----	126, 766, 000 (434, 000)	80, 724, 000 (334, 000)	128, 731, 000 ( <sup>1</sup> )	+1, 965, 000	+48, 007, 000
Transition period-----		20, 195, 000 (70, 000)	20, 195, 000 ( <sup>1</sup> )		
John E. Fogarty Center-----	5, 589, 000	4, 540, 000	5, 345, 000	-244, 000	+805, 000
Transition period-----		1, 135, 000	1, 135, 000		
National Library of Medicine-----	28, 850, 000	28, 815, 000	28, 815, 000	-35, 000	
Transition period-----		6, 572, 000	6, 572, 000		
Buildings and facilities-----	3, 000, 000	3, 000, 000	93, 000, 000	+90, 000, 000	+90, 000, 000
Transition period-----		750, 000	750, 000		
Office of the Director-----	17, 326, 000	19, 986, 000	19, 612, 000	+2, 286, 000	-374, 000
Transition period-----		4, 997, 000	4, 903, 000		-94, 000
Total, National Institutes of Health-----	1, 939, 282, 000	1, 681, 354, 000	2, 150, 755, 000	+211, 473, 000	+469, 401, 000
Transition period-----		416, 141, 000	429, 047, 000		+12, 906, 000

See footnote at end of table.

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**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1975 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1976—Continued**

Agency and item  (1)	New budget (obligational) authority, fiscal year 1975  (2)	Budget estimates of new (obligational) authority, fiscal year 1976 and transition period  (3)	New budget (obligational) authority recommended in the bill  (4)	Bill compared with—	
				New budget (obligational) authority, fiscal year 1975  (5)	Budget estimates of new (obligational) authority, fiscal year 1976 and transition period  (6)
<b>TITLE II—DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE—Con.</b>					
<b>ALCOHOL, DRUG ABUSE, AND MENTAL HEALTH ADMINISTRATION</b>					
Alcohol, drug abuse, and mental health-----	\$619, 329, 000 (163, 576, 000)	\$476, 279, 000 (177, 348, 000)	\$557, 654, 000 ( <sup>1</sup> )	-\$61, 675, 000	+\$81, 375, 000
Transition period-----		116, 565, 000 (13, 290, 000)	84, 242, 000 ( <sup>1</sup> )		-32, 323, 000
St. Elizabeths Hospital (indefinite)-----	48, 758, 000	48, 064, 000	48, 064, 000	-694, 000	
Transition period-----		15, 500, 000	15, 500, 000		
Buildings and facilities-----			2, 500, 000	+2, 500, 000	+2, 500, 000
Transition period-----					
Total, Alcohol, Drug Abuse and Mental Health Administration-----	668, 087, 000	524, 343, 000	608, 218, 000	-59, 869, 000	+83, 875, 000
Transition period-----		132, 065, 000	99, 742, 000		-32, 323, 000
<b>HEALTH RESOURCES ADMINISTRATION</b>					
Health resources-----	302, 319, 000	325, 329, 000	360, 709, 000	+58, 390, 000	+35, 380, 000

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	(507, 208, 000)	(286, 158, 000)	(1)		
Transition period.....		81, 790, 000	78, 790, 000		- 3, 000, 000
		(53, 500, 000)	(1)		
Trust fund transfer.....	(8, 620, 000)	(42, 000)	(42, 000)	(- 8, 578, 000)	(.....)
Transition period.....	(.....)	(11, 000)	(11, 000)	(.....)	(.....)
Medical facilities guarantee and loan fund.....		10, 000, 000	10, 000, 000	+ 10, 000, 000	
Transition period.....		7, 000, 000	7, 000, 000		
Payment of sales insufficiencies and interest losses.....	4, 000, 000	4, 000, 000	4, 000, 000		
Total, Health Resources Administration.....	306, 319, 000	339, 329, 000	374, 709, 000	+ 68, 390, 000	+ 35, 380, 000
Transition period.....		88, 790, 000	85, 790, 000		- 3, 000, 000
<b>ASSISTANT SECRETARY FOR HEALTH</b>					
Assistant Secretary for Health.....	30, 992, 000	23, 288, 000	23, 142, 000	- 7, 850, 000	- 146, 000
Transition period.....		6, 302, 000	5, 785, 000		- 517, 000
Trust fund transfer.....	(27, 080, 000)	(.....)	(.....)	(- 27, 080, 000)	(.....)
Retirement pay and medical benefits for commissioned officers (indefinite).....	39, 200, 000	45, 013, 000	45, 013, 000	+ 5, 813, 000	
Transition period.....		13, 552, 000	13, 552, 000		
Total, Assistant Secretary for Health.....	70, 192, 000	68, 301, 000	68, 155, 000	- 2, 037, 000	- 146, 000
Transition period.....		19, 854, 000	19, 337, 000		- 517, 000

See footnote at end of table.

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**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1975 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1976—Continued**

Agency and item  (1)	New budget (obligational) authority, fiscal year 1975  (2)	Budget estimates of new (obligational) authority, fiscal year 1976 and transition period  (3)	New budget (obligational) authority recommended in the bill  (4)	Bill compared with—	
				New budget (obligational) authority, fiscal year 1975  (5)	Budget estimates of new (obligational) authority, fiscal year 1976 and transition period  (6)
<b>TITLE II—DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE—Con.</b>					
<b>SOCIAL AND REHABILITATION SERVICE</b>					
Public assistance.....	\$13,841,227,000	\$14,998,833,000	\$15,000,000,000	+\$1,158,773,000	+\$1,167,000
Transition period.....		3,964,619,000	3,965,000,000		+ 381,000
Work incentives.....	210,000,000	330,000,000	330,000,000	+ 120,000,000	
Transition period.....		80,000,000	80,000,000		
Salaries and expenses.....	65,822,000	59,061,000	57,878,000	- 7,944,000	- 1,183,000
Transition period.....		14,766,000	14,470,000		- 296,000
Trust fund transfer.....	(600,000)	(.....)	(.....)	(- 600,000)	(.....)
Total, Social and Rehabilitation Service.....	14,117,049,000	15,387,894,000	15,387,878,000	+ 1,270,829,000	- 16,000
Transition period.....		4,059,385,000	4,059,470,000		+ 85,000

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SOCIAL SECURITY ADMINISTRATION					
Payments to social security trust and other funds-----	3,345,323,000	4,175,255,000	4,123,363,000	+778,040,000	-51,892,000
Transition period-----		892,000,000	880,940,000		-11,060,000
Special benefits for disabled coal miners----	957,740,000	999,778,000	999,778,000	+42,038,000	
Transition period-----		234,600,000	234,600,000		
Supplemental security income program----	4,857,102,000	5,538,523,000	5,518,523,000	+661,421,000	-20,000,000
Transition period-----		1,508,541,000	1,503,541,000		-5,000,000
Limitation on salaries and expenses-----	(2,125,987,000)	(2,373,132,000)	(2,373,132,000)	(+247,145,000)	(-----)
Transition period-----	(-----)	(629,900,000)	(629,900,000)	(-----)	(-----)
Limitation on construction-----	(8,232,000)	(6,300,000)	(6,300,000)	(-1,932,000)	(-----)
Transition period-----	(-----)	(3,633,000)	(3,633,000)	(-----)	(-----)
Total, Social Security Administration	9,160,165,000	10,713,556,000	10,641,664,000	+1,481,499,000	-71,892,000
Transition period-----		2,635,141,000	2,619,081,000		-16,060,000
ASSISTANT SECRETARY FOR HUMAN DEVELOPMENT					
Human development-----	1,445,595,000	1,404,682,000	1,500,049,000	+54,454,000	+95,367,000
Transition period-----	(155,625,000)	(138,625,000) 348,163,000	( <sup>1</sup> ) 371,505,000		+23,342,000
Transition period-----		(34,543,000)	( <sup>1</sup> )		
Trust fund transfer-----	(-----)	(600,000)	(600,000)	(+600,000)	(-----)
Transition period-----	(-----)	(150,000)	(150,000)	(-----)	(-----)

See footnote at end of table.

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**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1975 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1976—Continued**

Agency and item	New budget (obligational) authority, fiscal year 1975	Budget estimates of new (obligational) authority, fiscal year 1976 and transition period	New budget (obligational) authority recommended in the bill	Bill compared with—	
				New budget (obligational) authority, fiscal year 1975	Budget estimates of new (obligational) authority, fiscal year 1976 and transition period
(1)	(2)	(3)	(4)	(5)	(6)
<b>TITLE II—DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE—Con.</b>					
<b>DEPARTMENTAL MANAGEMENT</b>					
Office for Civil Rights-----	\$22,207,000	\$25,147,000	\$24,686,000	+\$2,479,000	-\$461,000
Transition period-----		6,494,000	6,379,000		-115,000
Trust fund transfer-----	(1,466,000)	(1,351,000)	(1,351,000)	(-115,000)	(-----)
Transition period-----	(-----)	(352,000)	(352,000)	(-----)	(-----)
General departmental management-----	110,028,000	93,035,000	87,289,000	-22,739,000	-5,746,000
Transition period-----		24,106,000	22,670,000		-1,436,000
Trust fund transfer-----	(8,255,000)	(12,751,000)	(12,751,000)	(+4,496,000)	(-----)
Transition period-----	(-----)	(3,284,000)	(3,284,000)	(-----)	(-----)
Policy research-----		29,260,000	26,300,000	+26,300,000	-2,960,000
Transition period-----		7,315,000	6,575,000		-740,000
Total, Departmental Management--	132,235,000	147,442,000	138,275,000	+6,040,000	-9,167,000
Transition period-----		37,915,000	35,624,000		-2,291,000

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Total, new budget (obligational) authority, Department of Health, Education, and Welfare.....	28, 418, 195, 000	30, 793, 284, 000	31, 499, 554, 000	+3, 081, 359, 000	+706, 270, 000
Transition period.....		7, 900, 938, 000	7, 883, 129, 000		-17, 809, 000
<b>TITLE III—RELATED AGENCIES</b>					
Action (domestic programs).....	100, 000, 000	101, 574, 000	101, 313, 000	+1, 313, 000	-261, 000
Transition period.....		21, 083, 000	21, 083, 000		
Community Services Administration.....	507, 700, 000	363, 000, 000	399, 185, 000	-108, 515, 000	+36, 185, 000
Transition period.....		90, 750, 000	99, 800, 000		+9, 050, 000
Corporation for Public Broadcasting.....	(62, 000, 000)	(70, 000, 000)	( <sup>1</sup> )		
Transition period.....	(.....)	(17, 500, 000)	( <sup>1</sup> )		
Federal Mediation and Conciliation Service.....	16, 245, 000	18, 250, 000	17, 704, 000	+1, 459, 000	-546, 000
Transition period.....		4, 800, 000	4, 426, 000		-374, 000
National Commission on Libraries and Information Science.....	409, 000	502, 000	409, 000		-93, 000
Transition period.....		125, 000	102, 000		-23, 000
National Labor Relations Board.....	62, 669, 000	68, 499, 000	67, 461, 000	+4, 792, 000	-1, 038, 000
Transition period.....		17, 127, 000	16, 865, 000		-262, 000
National Mediation Board.....	3, 236, 000	3, 105, 000	3, 405, 000	+169, 000	+300, 000
Transition period.....		775, 000	850, 000		+75, 000
Occupational Safety and Health Review Commission.....	5, 512, 000	5, 675, 000	5, 638, 000	+126, 000	-37, 000
Transition period.....		1, 418, 000	1, 418, 000		
See footnote at end of table.					

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**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1975 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1976—Continued**

Agency and item  (1)	New budget (obligational) authority, fiscal year 1975  (2)	Budget estimates of new (obligational) authority, fiscal year 1976 and transition period  (3)	New budget (obligational) authority recommended in the bill  (4)	Bill compared with—	
				New budget (obligational) authority, fiscal year 1975  (5)	Budget estimates of new (obligational) authority, fiscal year 1976 and transition period  (6)
<b>TITLE III—RELATED AGENCIES—Continued</b>					
Railroad Retirement Board:					
Payments to Railroad Retirement Trust Funds.....	\$3, 516, 000	\$250, 000, 000	\$250, 000, 000	+\$246, 484, 000	
Transition period.....					
Regional Rail Transportation Protective Account.....		55, 100, 000	37, 600, 000	+37, 600, 000	-\$17, 500, 000
Transition period.....		10, 030, 000	10, 030, 000		
Limitation on salaries and expenses.....	(25, 758, 000)	(29, 703, 000)	(28, 703, 000)	(+2, 945, 000)	(-1, 000, 000)
Transition period.....	(.....)	(7, 430, 000)	(7, 175, 000)	(.....)	(-255, 000)

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Soldiers' and Airmen's Home (trust fund appropriation): Operation and maintenance-----	15,391,000	15,665,000	15,665,000	+274,000	-----
Transition period-----		3,905,000	3,905,000		-----
Total, new budget (obligational) authority, Related Agencies-----	714,678,000	881,370,000	898,380,000	+183,702,000	+17,010,000
Transition period-----		150,013,000	158,479,000		+8,466,000
Grand total, new budget (obligational) authority-----	40,696,660,000	35,153,357,000	35,873,492,000	-4,823,168,000	+720,135,000
Transition period-----		8,931,653,000	8,922,584,000		-9,069,000
Consisting of—					
Definite appropriations-----	40,608,702,000	35,060,280,000	35,780,415,000	-4,828,287,000	+720,135,000
Transition period-----		8,902,601,000	8,893,532,000		-9,069,000
Indefinite appropriations-----	87,958,000	93,077,000	93,077,000	+5,119,000	-----
Transition period-----		29,052,000	29,052,000		-----

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

[COMMITTEE PRINT]

NOTICE.—This report is given out subject to release when consideration of the bill which it accompanies has been completed by the whole committee. Please check on such action before release in order to be advised of any changes.

94TH CONGRESS }  
*1st Session*

HOUSE OF REPRESENTATIVES }

REPORT  
No. 94-

DEPARTMENTS OF LABOR, AND HEALTH, EDUCATION,  
AND WELFARE, AND RELATED AGENCIES APPROPRIATION BILL, 1976

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

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

REPORT

together with

ADDITIONAL VIEWS

[To accompany H.R. —]

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

(1)

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## SUMMARY OF ESTIMATES AND APPROPRIATIONS

The following table compares, on a summary basis, the appropriations for 1975, the estimates for 1976, and the amounts carried in the bill.

	1975 appropriation	1976 estimates	1976 bill	1976 bill compared with—	
				1975 appropriation	1976 estimates
Department of Labor.....	\$11,563,787,000	\$3,478,703,000	\$3,475,558,000	-\$8,088,229,000	-\$3,145,000
Department of Health, Education, and Welfare:					
Health Services Administration.....	483,226,000	426,782,000	522,736,000	+39,510,000	+95,954,000
Center for Disease Control.....	96,045,000	99,601,000	107,115,000	+11,070,000	+7,514,000
National Institutes of Health.....	1,939,282,000	1,681,354,000	2,150,755,000	+211,473,000	+469,401,000
(NIH Research Institutes).....	1,890,106,000	1,629,553,000	2,009,328,000	+119,222,000	+379,775,000
Alcohol, Drug Abuse, and Mental Health Administration.....	668,087,000	524,343,000	608,218,000	-59,869,000	+83,875,000
Health Resources Administration.....	306,319,000	339,329,000	374,709,000	+68,390,000	+35,380,000
Assistant Secretary for Health.....	70,192,000	68,301,000	68,155,000	-2,037,000	-146,000
Social and Rehabilitation Service.....	14,117,049,000	15,387,894,000	15,387,878,000	+1,270,829,000	-16,000
Social Security Administration.....	9,160,165,000	10,713,556,000	10,641,664,000	+1,481,499,000	-71,892,000
Assistant Secretary for Human Development.....	1,445,595,000	1,404,682,000	1,500,049,000	+54,454,000	+95,367,000
Departmental Management.....	132,235,000	147,442,000	138,275,000	+6,040,000	-9,161,000
Total, HEW.....	28,418,195,000	30,793,284,000	31,499,554,000	+3,081,359,000	+706,270,000
Related agencies.....	714,678,000	881,370,000	898,380,000	+183,702,000	+17,010,000
Grand total.....	40,696,660,000	35,153,357,000	35,873,492,000	-4,823,168,000	+720,135,000

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

In addition to the amounts in the accompanying bill, which are reflected in the table above, very large sums are automatically appropriated each year for labor, health, education, and welfare programs without consideration by the Congress during the annual appropriations process. The principal items in this category are the unemployment compensation, social security, and railroad retirement trust funds. The details of the budget authority estimated for 1975 and 1976 for the trust funds are reflected in a table appearing on pages 82-83 of this report. In fiscal year 1975, the new budget (obligational) authority for the trust funds is estimated to total \$94,953,300,000. The estimate for fiscal year 1976 is \$101,621,146,000, a net increase of \$6,667,846,000.

The House has already passed the 1976 appropriation bill for the Education Division and related agencies totaling \$7,158,995,000 (H.R. 5901). The amounts recommended in the accompanying bill, together

with trust funds, and education appropriations already passed by the House provide total budget authority for fiscal year 1976 for labor, health, education, and welfare programs of \$139,792,251,000, an increase of \$5,086,771,000 over the comparable 1975 amounts, as shown in the following table:

LABOR AND HEALTH, EDUCATION, AND WELFARE BUDGET AUTHORITY, 1975 AND 1976

	1975	1976	Change
Labor-HEW appropriation bill.....	\$40,696,660,000	\$35,873,492,000	-\$4,823,168,000
Education Division appropriation bill.....	6,527,608,000	7,158,995,000	+631,387,000
Trust funds.....	94,953,300,000	101,621,146,000	+6,667,846,000
Deduct: Federal fund payments to trust funds.....	-7,472,088,000	-4,861,382,000	+2,610,706,000
Total.....	134,705,480,000	139,792,251,000	+5,086,771,000

## HIGHLIGHTS OF THE BILL

*Comprehensive manpower assistance.*—The bill includes \$2,388,400,000 to carry out the Comprehensive Employment and Training Act, including \$400,000,000 for public service employment.

*Grants to States for unemployment insurance and employment services.*—The Committee has added \$48,600,000, of which \$41,300,000 is from trust funds, to restore State employment service staffs to the fiscal year 1974 level of 30,000 man-years; and added \$20,000,000 to expand computerized job matching.

*Occupational safety and health.*—The bill provides continued support for 300 additional enforcement positions recently approved by the Committee through a reprogramming of 1975 appropriations, and \$6,852,000 over the budget request for the National Institute of Occupational Safety and Health, to more effectively carry out the provisions of the Occupational Safety and Health Act.

*Bureau of Labor Statistics.*—The Committee has added \$5,000,000 over the budget to improve the accuracy of calculating unemployment rates.

*Maternal and child health.*—The Committee has added \$77,029,000 over the budget to provide expanded health services for mothers and children.

*Emergency medical services.*—The bill includes \$32,125,000, an increase of \$10,425,000 over the budget, to accelerate the development of emergency medical services systems.

*Public Health Service hospitals.*—An increase of \$6,000,000 over the request, to restore 393 positions eliminated from the budget.

*National Institutes of Health—Research Institutes.*—An increase of \$380,775,000 over the budget to provide a 10 percent increase over the 1975 level for extramural research programs. For the National Cancer Institute, this results in a total of \$703,564,000, an increase of \$34 million over 1975.

*National Institutes of Health—Buildings and Facilities.*—An increase of \$26 million over the budget for construction of the Lister Hill building, and \$64 million over the budget for new facilities for the National Institute of Environmental Health Sciences (North Carolina).

*Mental health.*—The Committee has added \$44,719,000 to restore most of the proposed budget cuts in research and training grants and staffing of the National Institute of Mental Health.

*Drug abuse.*—The bill includes \$69,933,000, an increase of \$9,398,000 over the budget request, for currently authorized programs aimed at prevention and treatment of narcotic addiction.

*Alcoholism.*—The Committee has added \$27,819,000 to maintain the current level of effort to deal with the Nation's No. 1 drug abuse problem.

*St. Elizabeths Hospital.*—An increase of \$2,500,000 for buildings and facilities to correct deficiencies in the physical plant.

*Health planning.*—An increase of \$20,000,000 over the budget to support the comprehensive health planning agencies and the regional medical programs during transition to the new health planning law.

*D.C. medical programs.*—An increase of \$9,050,000 over the budget for George Washington Medical School and Georgetown University Schools of Medicine and Dentistry, to cover operating deficits; an increase of \$7,575,000 over the budget for facilities at Childrens' Hospital and Georgetown concentrated care center.

*Public assistance.*—The bill includes \$15 billion, the full amount of the budget request for welfare payments, medicaid, and social services. This is an increase of almost \$1.2 billion over the 1975 appropriation.

*Vocational rehabilitation.*—The bill includes \$790,600,000, an increase of \$55,000,000 over the budget request, to expand rehabilitation services to the handicapped.

*Nutrition for the elderly.*—The Committee added \$25.4 million over the budget request, to assure the operation of the program at a level of \$150 million.

*Head Start.*—An increase of \$15,700,000 over the budget to cover additional operating cost and to adequately serve handicapped children.

*Community Services Administration.*—An increase of \$36,185,000 over the budget for state economic opportunity offices, senior opportunities and services, and emergency energy conservation. The request of \$295 million to continue community action agencies has been approved.

## BUDGET REQUESTS NOT CONSIDERED

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

Item	Amount
Department of Health, Education, and Welfare:	
Health services (portions of request).....	\$269,754,000
Preventive health services (portions of request).....	33,710,000
National Institutes of Health (portions of request).....	123,646,000
Alcohol, drug abuse, and mental health (portions of request).....	177,348,000
Health resources (portions of request).....	286,158,000
Human development (portions of request).....	138,625,000
Related agencies: Corporation for Public Broadcasting.....	70,000,000
Total, budget requests not considered.....	1,099,241,000

EFFECT OF COMMITTEE ACTION ON PROJECTED BUDGET EXPENDITURES (OUTLAYS) IN FISCAL YEAR 1976

The Committee estimates that the recommended increase of \$720,-135,000 in new budget (obligational) authority from the amount requested will increase expenditures projected in the budget for fiscal year 1976 by approximately \$270 million.

TRANSITION PERIOD

Appropriations have been provided throughout the bill for the three-month transition period between the end of fiscal year 1976 and the beginning of fiscal year 1977. In accordance with the Budget and Impoundment Control Act (P.L. 93-344), fiscal year 1977 will begin on October 1, 1976, instead of July 1, 1976. The one-time three-month appropriation for the period July 1, 1976 to September 30, 1976, will be a feature of most, if not all, regular appropriation bills for fiscal year 1976.

The following summary table compares the amounts recommended in the bill with the budget estimate for the transition period:

	Estimates	Bill	Bill compared with estimates
Department of Labor.....	\$880,702,000	\$880,976,000	+\$274,000
Department of Health, Education, and Welfare.....	7,900,938,000	7,883,129,000	-17,809,000
Related agencies.....	150,013,000	158,479,000	+8,466,000
Total.....	8,931,653,000	8,922,584,000	-9,069,000

TITLE I—DEPARTMENT OF LABOR

MANPOWER ADMINISTRATION

PROGRAM ADMINISTRATION

The bill includes \$66,632,000 from general funds, an increase of \$194,000 from the budget request, and a decrease of \$377,000 from the 1975 appropriation. In addition, \$29,866,000, the amount of the budget request, and an increase of \$1,201,000 over the fiscal year 1975 amount, is authorized to be expended from the Unemployment Trust Fund. The total amount recommended is \$96,498,000, compared with the budget request of \$96,304,000, and the 1975 appropriation of \$95,674,000.

The Committee has restored 100 of the 270 positions that were proposed for elimination in the budget. Restoration of these positions requires an increase of \$810,000 over the budget. The Committee believes that the Manpower Administration requires adequate staffing to effectively perform its task of monitoring the expenditure of funds appropriated under the Comprehensive Employment and Training Act; and to assist the States in administering the various unemployment compensation programs, particularly the ones that are either partially or entirely Federally financed. Even with the restoration of 100 positions provided in this bill, the Manpower Administration will still have 823 fewer positions than it had in fiscal

year 1973, before the enactment of the Comprehensive Employment and Training Act.

The amount included in the bill provides for a reduction of 10% (\$616,000) in funds requested for reimbursement to the General Services Administration for office space, consistent with the policy followed throughout the bill. The Committee has approved the remainder of the budget request, which consists of such near-mandatory items as within-grade promotions, the annualization of Federal pay raises granted in fiscal year 1975, and the annualization costs of new positions received in 1975.

For the interim period (July 1, 1976 to September 30, 1976), the bill includes \$24,125,000, of which \$16,748,000 is from Federal funds and \$7,377,000 is to be derived from the Unemployment Trust Fund. The increase over the budget for the interim period is \$553,000.

COMPREHENSIVE MANPOWER ASSISTANCE

The bill includes \$2,388,400,000, a decrease of \$6,000,000 from the budget request, and a decrease of \$464,050,000 from the amount expected to be appropriated in 1975. This account provides financial assistance to State and local prime sponsors to design and operate comprehensive manpower services programs under Titles I and II of the Comprehensive Employment and Training Act; and supports activities administered at the national level by the Department of Labor under Titles III and IV of the Act.

For Title I, which includes classroom and on-the-job training, work experience programs, vocational education and counseling, remedial education, and job placement services, the bill includes \$1,580,000,000, the amount of the budget request, and the same amount as was appropriated in 1975. It is projected in the budget that the number of man-years of training provided in 1976 will increase by 58,000 over 1975. This is due to the slow start-up of Title I programs in 1975, the first year in which the Comprehensive Employment and Training Act was fully operational, and the resulting carryover of higher on-board enrollments into 1976.

The bill includes \$400,000,000 for public service employment under Title II of the Act, the amount of the budget request and the same as the 1975 appropriation. This amount, together with \$1,625,000,000 that is expected to be available in 1976 under Title VI of the Act and an estimated unexpended balance of \$610,000,000 on June 30, 1975, will provide a total availability for public service employment in fiscal year 1976 of \$2,635,000,000.

For national programs under Title III of the Act, which consist primarily of national contracts directed toward those groups whose needs cannot be adequately met through State and local prime sponsors, the bill includes \$190,960,000, a reduction of \$6,000,000 from the budget request and the 1975 appropriation. The Committee has reduced the request of \$12,000,000 for "target group model development" by \$6,000,000. The Department was not able to justify the amount requested for this new program. For program support activities under Title III, the bill includes \$42,440,000, the amount of the request and the same as the 1975 appropriation, consisting of \$16,300,000 for research, development, and evaluation, \$15,080,000

for technical assistance and training, and \$11,060,000 for labor market information.

The bill includes \$175,000,000, the amount of the budget request and the same as the 1975 appropriation, for the Job Corps (Title IV of the Act). The amount in the bill will provide about 20,000 man-years of training.

Virtually all of the decrease of \$464,050,000 from the expected 1975 appropriation for this account is attributable to not including summer youth employment funds for the summer of 1976 in this bill. There was no budget request for this program, and the Committee is deferring consideration of it at this time.

The Committee wishes to call the attention of the Department to section 710 of the Comprehensive Employment and Training Act which prohibits the use of funds appropriated under the Act for any political activities. Particularly with respect to Title II of the Act, the Committee directs the Department to assure that this section of the law is enforced.

The Committee is concerned that the Department has failed to promulgate regulations under section 301(b) of the Comprehensive Employment and Training Act. The lack of adequate guidelines has adversely affected the development of programs designed to increase employment and training opportunities for unemployed and underemployed persons of limited English-speaking ability. The Committee directs the Secretary to speed the preparation, promulgation, and implementation of effective regulations for section 301(b).

The Committee recognizes the accomplishments made by community-based organizations in dealing with the manpower problems of Americans of limited English-speaking ability. SER, Jobs for Progress Inc., has performed in an efficient manner for the past decade in providing services to this group of Americans through its national network. The Committee also recognizes the effectiveness of the Opportunities Industrialization Centers (OIC) in providing manpower services to the disadvantaged. The Committee urges the Department to take steps to ensure that the funding of SER and OIC for fiscal year 1976 is adequate to maintain the existing programs, through a combination of support by State and local sponsors and national contracts awarded under the Comprehensive Employment and Training Act.

For the interim period, the bill includes \$597,500,000, a decrease of \$1,500,000 from the budget request. The reduction was made in the national training programs under Title III of the Act.

#### FEDERAL UNEMPLOYMENT BENEFITS AND ALLOWANCES

The bill includes \$410,000,000, the amount requested in the budget, and a decrease of \$1,955,000,000 from the 1975 appropriation. The 1975 appropriation included \$2 billion in an urgent supplemental appropriations bill that was passed at the end of the Ninety-third Congress, primarily to carry out the Special Unemployment Assistance program for previously uncovered workers. In addition, the Second Supplemental Appropriations Bill for 1975 contains \$5 billion to provide general revenue advances for payment of unemployment compensation, including approximately \$2.1 billion that is expected to be advanced to this appropriation account. As a result of these other

appropriations, which are to remain available for obligation until September 30, 1976, the 1976 budget contains no request for the Special Unemployment Assistance program.

The \$410,000,000 included in this bill provides for the payment of unemployment compensation to former Federal employees, ex-Postal Service employees, and ex-servicemen, and for the payment of trade adjustment benefits to workers who become unemployed or underemployed as a result of foreign trade agreements.

At the time the 1976 budget was prepared, the estimated cost of benefits for former Federal employees and ex-servicemen was \$384,000,000. The current 1976 estimate for these benefits, according to the Department, is \$615,000,000, an increase of \$85,000,000 over estimated 1975 obligations. At the time the budget was prepared, trade adjustment payments were estimated to be \$26,000,000. The current 1976 estimate, according to the Department, is \$145,000,000, an increase of \$130,000,000 over estimated 1975 obligations. In light of these current estimates, it will be necessary for the Department to utilize the aforementioned advances account contained in the Second Supplemental for 1975, together with the funds included in this bill, to meet the increased benefit payments that will be required.

The Committee has included language in the bill to preclude the payment of Special Unemployment Assistance benefits during the summer months to teachers who have contracts for the next academic year. The language is similar to the language included in the Second Supplemental Appropriations Bill for 1975.

For the interim period, the bill includes \$95,000,000, the amount of the budget request.

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

The bill includes \$1,137,600,000, an increase of \$68,600,000 over the budget request, and a decrease of \$104,700,000 from the 1975 appropriation. The total budget authority includes an appropriation from Federal funds of \$81,300,000, an increase of \$7,300,000 over the budget, together with authorization to expend \$1,056,300,000 from the Employment Security Administration account in the Unemployment Trust Fund, an increase of \$61,300,000 over the budget.

These funds are used to pay the administrative costs of the unemployment insurance and employment service activities in State employment security offices. For employment services, the bill provides \$562,200,000, including \$81,300,000 from general funds and \$480,900,000 from trust funds, representing a total increase over the budget of \$68,600,000. General revenue financing is required to comply with a provision of the Employment Security Amendments of 1970 limiting the use of Federal Unemployment Tax Act revenues to services for those individuals covered by State unemployment insurance laws. The amount in the bill, together with \$10,000,000 expected to be carried forward from 1975, will provide an estimated total of \$572,200,000 for employment services in fiscal year 1976, an increase of \$57,200,000 over the amount obligated in fiscal year 1975. The Committee provided an increase of \$48,600,000 over the budget to increase the number of employment service man-years funded from

27,300 in the budget to 30,000. The level of 30,000 man-years represents a restoration of the fiscal year 1974 level. The Committee does not believe it is reasonable to continue to reduce the employment service staff in the midst of a serious economic recession. The Committee has also provided an increase of \$20,000,000 over the budget to enable the Employment Service to greatly expand its computerized job-matching systems in both urban and rural areas. The expansion of these systems should substantially improve the job placement process.

For unemployment insurance services, the Committee has approved the budget request of \$575,400,000. That amount, together with approximately \$125,000,000 expected to be carried forward from 1975 to 1976, provides a total amount available in 1976 of \$700,400,000, an increase of \$50,400,000 over the amount expected to be obligated in 1975.

For the interim period, the bill includes \$140,550,000 for employment services, an increase of \$17,150,000 over the budget. For unemployment insurance services, the bill includes \$143,850,000, the amount of the budget request.

#### LABOR-MANAGEMENT SERVICES ADMINISTRATION

##### SALARIES AND EXPENSES

The bill includes \$41,232,000, a reduction of \$768,000 from the budget request, and an increase of \$4,387,000 over the 1975 appropriation. The Labor-Management Services Administration carries out statutory responsibilities of the Department of Labor under the Labor-Management Reporting and Disclosure Act and the Employee Retirement Income Security Act, as well as programs for veterans reemployment rights and for Federal labor-management relations. The budget proposed an increase of \$5,352,000 for "mandatory" cost increases, including \$4,415,000 for annualization of the 350 new positions received in fiscal year 1975. The Committee has reduced the annualization figure of \$4,415,000 by \$400,000 because the agency has been filling the new positions at a much slower rate than originally anticipated. The Committee has reduced the requested increase of \$358,000 for travel by \$100,000. The request for payment of standard level user charges to the General Services Administration has been reduced by 10% (\$268,000). No new positions were requested for 1976.

For the interim period, the bill includes \$10,047,000, the amount of the budget request.

#### PENSION BENEFIT GUARANTY CORPORATION

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

primary purpose of the Corporation is to guarantee the payment of pension plan benefits to participants in the event that covered plans fail or go out of existence.

The Corporation's budget program for 1976 includes benefit payments of \$20,000,000 and administrative costs of \$9,337,000. The Committee recognizes that the workload of the Corporation is accelerating, and that the estimate of administrative costs projected in the budget may be inadequate. The Committee directs the Corporation to keep the Committee fully informed of any significant changes made from the program as presented in the 1976 budget.

#### EMPLOYMENT STANDARDS ADMINISTRATION

##### SALARIES AND EXPENSES

The bill includes \$81,560,000, an increase of \$1,845,000 over the budget, and an increase of \$5,444,000 over the 1975 appropriation. The bill also contains authority to expend \$225,000 from the Special Fund established by the Longshoremen's and Harbor Workers' Compensation Act, the amount requested in the budget. The Employment Standards Administration administers a number of laws aimed primarily at the protection of workers.

The Committee has deleted appropriation language proposed in the budget concerning administrative costs related to the Longshoremen's and Harbor Workers' Compensation Act. Deletion of the requested language makes it necessary to restore 106 positions, at a cost of \$2,278,000, which were eliminated in the budget. If the Department requires more positions than this to adequately administer the Act, a formal budget request for them should be submitted to the Congress.

The Committee has approved the request for 19 new positions and \$513,000 to expand the compliance effort under the Farm Labor Contractor Registration Act. The bill also includes \$250,000 as requested to provide additional funding for increased survey costs and expansion of the wage data base for the Service Contract Act wage survey program. The budget proposed increases of \$6,684,000 for items which are generally considered mandatory, the largest of which are \$3,327,000 to provide full-year costs for new positions funded for part of the year in 1975 and \$2,138,000 for the annualization of the Federal pay raise which was effective for only part of the year in 1975. The Committee has approved the mandatory increases. Consistent with the policy followed throughout the bill, the Committee has reduced the request for payment of standard level user charges to the General Services Administration by 10% (\$433,000).

The Committee continues to be concerned about the large backlog of work in the Federal Employees Compensation Act program. The Committee has provided for the continuation in fiscal year 1976 of 74 temporary clerical positions that were added in the Supplemental Appropriations Act for 1975. The Committee directs the Department to utilize these 74 temporary positions to reduce the backlog in this program.

For the interim period, the bill includes \$20,390,000, an increase of \$461,000 over the budget, together with authority to expend \$56,000 from the Special Fund established by the Longshoremen's and Harbor Workers' Compensation Act, as requested in the budget.

## SPECIAL BENEFITS

The bill includes \$201,000,000, the amount of the budget request, and an increase of \$36,000,000 over the 1975 appropriation. This appropriation provides benefits under the Federal Employees Compensation Act, the Federal Coal Mine Health and Safety Act, and the Longshoremen's and Harbor Workers' Compensation Act.

Due to an increase in anticipated reimbursements from Federal agencies, the total amount estimated to be available in fiscal year 1976 is \$415,909,000, an increase of \$68,709,000 over the total amount estimated to be obligated in 1975. The estimate reflects increases of \$68,514,000 in Federal civilian employees benefits and \$195,000 in longshoremen's and harbor workers' compensation benefits. The payments in this appropriation are prescribed by law.

For the interim period, the bill includes \$70,000,000, the amount of the budget request.

## OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION

## SALARIES AND EXPENSES

The bill includes \$108,221,000, a reduction of \$7,804,000 from the budget request, and an increase of \$6,215,000 over the 1975 appropriation. In a letter dated May 30, the Secretary of Labor advised the Committee that the activity distribution in the 1976 budget was being revised as a result of a reduced need for State grant funds in fiscal years 1975 and 1976. The Secretary stated that several large States were withdrawing from participation in State plans under the Occupational Safety and Health Act.

The Committee has approved the reprogramming of funds in fiscal year 1975 to enable OSHA to hire 300 additional field compliance personnel to offset the effect of these States' withdrawal. This action brought the total number of enforcement positions in OSHA, including clerical and support personnel, to 1,989. No additional positions were requested for 1976. The Committee reduced the request for annualization costs in 1976 for the new positions granted in 1975 by \$4,770,000. This action was taken to reflect a more realistic hiring schedule than was estimated in the budget.

The Committee has not approved \$2,700,000 requested in the Secretary's May 30 letter for a community college training program in 1976. The Committee has had no opportunity, in view of the lateness of the reprogramming request, to hold hearings on this proposed new training program. The budget requested increases of \$1,500,000 to undertake economic, cost-benefit, and inflation impact studies before final promulgation of new safety and health standards, and \$400,000 to conduct the annual national survey of occupational injuries and illnesses in States which are withdrawing from the State grant statistical program. The Committee has approved these two increases. The remaining increases in the budget over 1975 are for items that are generally considered mandatory, such as within-grade promotions and the full-year cost of the Federal pay raise effective for part of the year in 1975. Included in the bill is \$5,000,000, as requested in the budget, for reimbursement to States for the furnishing of consultation services to employers. A total of \$35,600,000 is included for State grant pro-

grams, the amount requested in the budget as revised by the Secretary's May 30 letter, and a slight increase of \$365,000 over estimated 1975 obligations. The Committee has reduced the request for payment of standard level user charges to the General Services Administration by 10% (\$334,000).

For the interim period, the bill includes \$27,000,000, a reduction of \$2,000,000 from the budget request.

## BUREAU OF LABOR STATISTICS

## SALARIES AND EXPENSES

The bill includes \$64,846,000, an increase of \$3,163,000 over the budget request and \$10,424,000 over the 1975 appropriation. The budget proposed near-mandatory increases of \$3,518,000 which the Committee has approved. A total of 164 new positions was requested in the budget, of which the Committee has approved 110. The requested increase of \$4,529,000 for the new positions and other costs related to the Bureau's statistical programs has been reduced by \$1,600,000. The request for payment of standard level user charges to the General Services Administration has been reduced by 10% (\$237,000). The budget proposed several small program decreases totaling \$1,032,000, which the Committee has approved. The Committee has added \$5,000,000 over the budget to enable the Bureau to expand the Current Population Survey, the principal unemployment index published by the Bureau, beyond the 60,000 households provided in the budget. The Committee has added these funds to improve the accuracy of unemployment data.

For the interim period, the bill includes \$16,210,000, an increase of \$960,000 over the budget request.

## DEPARTMENTAL MANAGEMENT

## SALARIES AND EXPENSES

The bill includes \$32,297,000, a reduction of \$945,000 from the budget request, and an increase of \$1,958,000 over the 1975 appropriation. The bill also includes authority to transfer \$881,000 from the Unemployment Trust Fund, the amount requested, and an increase of \$61,000 over the 1975 amount. The budget proposed increases totalling \$2,820,000 for generally mandatory cost increases, such as within-grade promotions, the full-year cost of the Federal pay raise effective for only part of the year in 1975, and the annualization cost of new positions received during 1975. The Committee has approved the increases, with the exception that the cost of annualizing new positions received in 1975 has been reduced by \$500,000 from the amount requested. The budget assumed that the Congress would approve 80 new positions in 1975 to carry out the Department's responsibilities under the Trade Act of 1974. Since the Congress approved only 60 new positions in 1975, the Committee has deleted 20 positions from the 1976 budget and reduced the amount requested accordingly. A further reduction in annualization costs has been made to reflect a more realistic recruitment schedule than that estimated in the budget. The request for payment of standard level user charges to the General

Services Administration has been reduced by 10% (\$283,000). The Committee has approved the request for 13 new positions for the Office of Equal Employment Opportunity, but has reduced the amount requested by \$162,000 to reflect a more realistic recruitment date.

The Committee directs the Department to in the future reflect in this appropriation account all attorneys who are assigned to, or performing work for, the Office of the Solicitor.

The Committee further directs the Department to return to the Occupational Safety and Health Administration all of the supergrade positions to which it is entitled by law. It is the Committee's understanding that most of these positions are currently being used for purposes unrelated to the Occupational Safety and Health Act.

For the interim period, the bill includes \$7,781,000, the amount requested in the budget, together with authority to transfer \$221,000 from the Unemployment Trust Fund, the amount of the request.

#### SPECIAL FOREIGN CURRENCY PROGRAM

The bill includes \$70,000, a reduction of \$130,000 from the budget request and from the 1975 appropriation. The amount in the bill, together with a carryover balance of \$130,000 from 1975, will support two regional conferences for American labor attaches, economic officers, and labor reporting officers stationed in Asia, Africa, and Europe.

No appropriation is required for the interim period.

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

### HEALTH SERVICES ADMINISTRATION

#### HEALTH SERVICES

The bill provides \$522,736,000, an increase of \$95,954,000 over the budget request and an increase of \$28,751,000 over the comparable 1975 appropriation. The budget request included \$269,754,000 which was not considered by the committee due to the absence of authorizing legislation.

The mission of the Health Services Administration is to provide health services to the underserved or disadvantaged, to build health services delivery capacity in medically underserved areas, to assure quality of health care, to foster effective and efficient health services delivery, and to provide services to statutorily defined populations. The amounts recommended by the Committee for each of the programs and activities funded by this appropriation, together with the budget request and comparable appropriation for fiscal year 1975, are shown in the following table.

#### HEALTH SERVICES

Activity	1975 comparable appropriation	1976 budget	1976 bill
1. Community services:			
(a) Comprehensive health grants to States.....	(\$90,000,000)	(.....)	(1)
(b) Community health centers.....	(196,648,000)	(\$155,190,000)	(1)
(c) Maternal and child health:			
(1) Grants to States.....	266,951,000	193,922,000	\$266,951,000
(2) Research and training.....	25,917,000	17,500,000	19,500,000
(3) SIDS information dissemination.....	2,000,000		2,000,000
(d) Family planning.....	(100,615,000)	(79,435,000)	(1)
(e) Migrant health.....	(23,750,000)	(19,200,000)	(1)
(f) Health maintenance organizations.....	3,597,000	18,612,000	18,612,000
(g) National health service corps.....	(17,131,000)	(12,529,000)	(1)
2. Quality assurance:			
(a) Medical care standards.....	5,055,000	4,537,000	6,537,000
(b) Professional standards review organizations.....	36,204,000	50,145,000	50,145,000
3. Patient care and special health services.....	118,451,000	115,468,000	121,468,000
4. Emergency medical services.....	32,125,000	21,700,000	32,125,000
	(4,875)	(3,400)	(1)
5. Buildings and facilities.....	1,300,000		
6. Program direction.....	33,752,000	29,569,000	32,069,000
Less: Trust fund transfer.....	-31,367,000	-24,671,000	-26,671,000
<b>Total, Health Services.....</b>	<b>493,985,000</b>	<b>426,782,000</b>	<b>522,736,000</b>

1 Not considered due to lack of authorization.

The bill includes \$288,451,000 for maternal and child health, an increase of \$77,029,000 over the budget request and a reduction of \$6,417,000 from the 1975 appropriation. The increase in Grants to States will permit the program to implement the following five categories of maternal and child health services: Maternity and Infant Care, Comprehensive Health Care for Children and Youth, Intensive Infant Care, Dental Care for Children and Youth and Family Planning. To date, only eight States have fully implemented the five categories of service as required by Title V of the Social Security Act. The budget assumed that a portion of the funds to support the five categories of care would come from third party reimbursement and from public and private sources. However, the Department of Health, Education and Welfare could not provide the Committee with convincing data to substantiate the budget assumption. The Committee believes that some support from third party reimbursement may be available to this program, and to the extent that it is, such funds should be used to expand the delivery of health care services to mothers and children. The increase provided for research and training will support the ten on-going pediatric pulmonary centers which were not provided for in the budget. The overall reduction in research and training was made on the basis that many of the activities supported under this program appear to overlap with the research activities of the National Institute of Child Health and Human Development and the manpower development activities of the Health Resources Administration. The Committee recommendation for the sudden infant death syndrome restores this program to the 1975 level.

For Health Maintenance Organizations, the bill provides \$18,612,000, the same amount as the budget request and an increase of

\$15,015,000 over the comparable 1975 appropriation. In addition to the amount in this bill the program will carry over \$3 million of 1975 funds into Fiscal Year 1976. Another source of funds available to the Health Maintenance Organizations is the \$35,000,000 revolving loan fund established in fiscal year 1974 to cover operating deficits incurred by an HMO during its first three years of operation.

The bill provides \$6,537,000 for Medical Care Standards an increase of \$2,000,000 over the budget request and \$1,482,000 over the comparable 1975 appropriation. This program has responsibility for the professional health aspects in carrying out the quality assurance provisions of Title XVIII (Medicare) and Title XIX (Medicaid) of the Social Security Act. The Committee recommendation provides for the implementation of the End-stage Renal Disease Treatment program established by the 1972 amendments to the Social Security Act.

For Professional Standards Review Organizations the bill includes \$50,145,000 the same amount as the budget request and an increase of \$13,941,000 over the comparable 1975 appropriation. This program supports a nationwide network of voluntary, nonprofit groups of local physicians to regulate the quality and cost of health care services financed by and provided to beneficiaries of Medicare, Medicaid and Maternal and Child Health Programs. The country has been divided into 203 PSRO areas designated by the Secretary of DHEW. To date, 105 areas are under contract and 70 more are expected to apply during fiscal year 1976.

The bill provides \$121,468,000 for patient care and special health services, an increase of \$6,000,000 over the budget request and \$3,017,000 over the comparable 1975 appropriation. The 1976 budget was based upon the assumption that the Congress would accept a rescission proposal of 393 positions in 1975. Since the Congress did not accept the rescission proposal, the Committee has added funds to essentially cover the 1976 annualization cost of these positions. The Committee directs that there be no reduction in the 1975 position level and that the employment ceiling be raised to permit the hospitals to render services at a level and range comparable to the January 1, 1973 level in accordance with the provisions of Public Law 93-155.

For Emergency Medical Services, the bill provides \$32,125,000, an increase of \$10,425,000 over the budget request and the same level as the comparable 1975 appropriation. This program provides support for the coordination of personnel, facilities, and equipment for the effective delivery of emergency medical care within a geographical area. The Committee is impressed with the success of the program. For example, in one area with an operational Emergency Medical System, deaths from traumatic injury were reduced by 29%. The funds provided in the bill will restore this program to the 1975 level.

The bill includes \$32,069,000 for program direction, an increase of \$2,500,000 and 50 positions over the budget and a reduction of \$1,683,000 from the comparable 1975 appropriation. The Committee recommendation restores 50 of the positions cut from the budget and provides for technical assistance to the various programs of the Health Services Administration. The Committee is concerned about the need to improve the management of the Community Health Center, the Migrant Health, Family Planning and Maternal and Child Health

programs. The need for improved management of these programs was identified in reports prepared by the General Accounting Office and the Committee's Surveys and Investigation Staff. The Committee expects a report from the Health Services Administration, prior to the hearings on the 1977 budget, on the steps it has taken to improve the management of its programs as well as the steps taken to improve reimbursements from third party sources.

For the interim budget, the bill includes \$135,501,000 a decrease of \$1,155,000 from the estimate. These funds will continue the operation of the various Health Service programs during the transition period from the old to the new fiscal year.

## CENTER FOR DISEASE CONTROL

### PREVENTIVE HEALTH SERVICES

The bill includes \$107,115,000, an increase of \$7,514,000 over the budget request and an increase of \$11,117,000 over the comparable 1975 appropriation. The budget request included \$33,710,000 which was not considered by the Committee due to a lack of authorizing legislation. This appropriation provides support for the Center for Disease Control which is a national center of competence in the prevention and control of infectious diseases and certain other conditions. The principal mission of the Center for Disease Control is to assist State and local authorities and other health related organizations in stemming the spread of communicable diseases, in providing protection from some environmental hazards, and improving occupational safety and health. In addition, this agency is charged with the licensing of clinical laboratories engaged in interstate commerce and also it is responsible for foreign quarantine activities aimed at preventing the introduction of disease into this Nation. The amounts recommended by the Committee for each of the programs and activities funded by this appropriation, together with the budget request and comparable appropriations for fiscal year 1975, are shown in the table below.

### PREVENTIVE HEALTH SERVICES

Activity	1975 comparable appropriation	1976 budget	1976 bill
1. Disease control:			
(a) Project grants:			
(1) Venereal diseases.....	(\$28,000,000)	(\$19,840,000)	(1)
(2) Immunization.....	(6,200,000)	(4,960,000)	(1)
(3) Rat control.....	(13,100,000)	(5,410,000)	(1)
(4) Lead-based paint.....	(9,000,000)	(3,500,000)	(1)
(b) Laboratory improvement.....	9,573,000	9,989,000	\$10,601,000
(c) Health education.....	3,027,000	3,013,000	3,013,000
(e) Disease surveillance.....	42,251,000	43,429,000	43,429,000
2. Occupational health.....	31,986,000	32,131,000	39,033,000
3. Program direction.....	9,161,000	10,989,000	10,439,000
4. Buildings and facilities.....			1,100,000
Total, CDC.....	95,998,000	99,601,000	107,115,000

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

For laboratory improvement, the bill includes \$10,601,000, an increase of \$612,000 over the budget request and an increase of

\$1,028,000 over the comparable 1975 appropriation. The increase is intended to support 40 additional positions and the Committee expects the Department of Health, Education, and Welfare and the Office of Management and Budget to provide the necessary employment ceiling to fill these positions. Data derived from implementation of The Center for Disease Controls National Laboratory Improvement Program indicates that laboratory diagnostic test results continue to be unreliable and, thus, could result in improper medical diagnoses. Many instances of unacceptable performance in clinical laboratories result from the use of poor quality commercial products. Total market value for diagnostic products in 1974 in the United States alone exceeded \$400,000,000, a high percentage of which were consumed in physician's office laboratories. The increasing demands of clinicians for specific diagnostic products in new areas will encourage commercial firms to increase their marketing of laboratory materials. An additional 40 positions and \$612,000 in fiscal year 1976 will be used to develop performance standards for *in vitro* diagnostic products and related laboratory improvement activities, including: (a) Evaluation of commercial products in their developmental stages, (b) Production and distribution of reference and/or control reagents, and (c) Evaluation of commercial reagents on a lot-to-lot basis. The result would be an increase of approximately 50 percent in activities related to the evaluation and use of commercial diagnostic products.

The bill includes \$3,013,000 for health education, the same amount as the budget request and a reduction of \$14,000 from the comparable 1975 appropriation. This activity supports health education programs designed to meet the needs of special target populations such as ethnic and linguistic minority groups, the urban and rural poor, the elderly and the handicapped. Currently, the program is identifying and cataloging Health Education activities in HEW and other Federal agencies as the initial step in implementing a national program of health education. The Committee still believes that the involvement of the private sector is essential if a national program to provide education to consumers of health services is to be successful.

The Committee approved the budget request of \$43,429,000 for disease surveillance, an increase of \$1,178,000 over the comparable 1975 appropriation. This program supports a wide spectrum of public health activities aimed at control of a multitude of diseases and conditions. The Committee approved the request in order that the disease control unit may continue its effective surveillance which provides current intelligence on disease developments.

For Occupational Health the Committee recommends \$39,033,000, an increase of \$6,852,000 over the budget request and an increase of \$7,047,000 over the comparable 1975 appropriation. The National Institute of Occupational Safety and Health (NIOSH) conducts research, develops criteria for occupational safety and health standards, and provides technical services to government, labor and industry. These functions are designed to reduce the high economic and social costs of occupational illness and injury through the prevention and control of occupational diseases and hazards. The Committee has provided \$2,000,000 for the training grant program which was eliminated from the budget. The shortage of trained individuals

is a severe hindrance both to voluntary programs for worker protection on the part of employers and to expanded government research and regulation of occupational health hazards. The need for additional Occupational Health manpower was clearly identified during the hearings and the funds included in the bill will maintain the 1975 program level. The Committee recommendation includes \$4,852,000 and 100 positions to fund the National Institute of Occupational Safety and Health's program in the field of occupational carcinogenesis. Although the National Cancer Institute has catalogued over 1,600 chemicals which are suspected as possible causes of cancer, the Department of Labor is currently regulating only 14 of those chemicals. The occupational carcinogenesis program will be aimed at determining the prevalence in the workplace of those chemicals suspected as carcinogens for which there is no standard, and determining if ample evidence exists to impose tighter regulation on the use of individual chemicals. The Committee is also directing the National Cancer Institute to participate in the occupational carcinogenesis program by working with and through the National Institute of Occupational Safety and Health to initiate this important new program.

For Program direction the bill provides \$10,439,000 a reduction of \$550,000 from the budget request and an increase of \$1,278,000 over the comparable 1975 appropriation. The reduction of \$550,000 represents a cut in the payment to the General Services Administration. The balance of the funds will provide for the executive direction and resource management staff necessary for planning, directing and evaluating all CDC program activities in 1976.

For buildings and facilities the bill includes \$1,100,000. No budget request was submitted for this item. These funds will be used to plan a modern and safe facility at a suitable location for the research activities of the National Institute of Occupational Safety and Health presently located in Cincinnati, Ohio. Currently, NIOSH employees are conducting research in a rental facility that has been found to be unsafe and inadequate for research purposes. The Committee will expect a full report from the Department of Health, Education, and Welfare by January 1, 1976 on the various cities considered for location of the NIOSH facility, the basis for final site selection, the size and cost of the building to be constructed, and plans for improving working conditions for NIOSH employees in Cincinnati, Ohio until the new facility is constructed.

An interim budget of \$28,032,000 was approved by the Committee in order to support the program activities of the Center for Disease Control during the transition from the old to the new fiscal year.

Although the Committee took no action on the lead base paint poisoning program due to a lack of authorizing legislation, it wishes to express its disappointment with the effort expended by the Center for Disease Control in assisting the other service and health financing programs of the Department to incorporate routine lead screening as an integral part of the delivery of health care. The Committee directs the Center for Disease Control and the Assistant Secretary for Health to redouble their efforts to encourage the community health centers, the maternal and child programs, the family health centers, the Health Maintenance Organizations and the medicaid program, especially

through its early periodic, screening, diagnosis and treatment program, to perform routine screening of their patients to detect lead poisoning. The Committee will expect a full report on this matter when it conducts hearings on the budget for the lead base paint poisoning program.

#### NATIONAL INSTITUTES OF HEALTH

The bill includes \$2,150,755,000 an increase of \$469,401,000 over the budget request and an increase of \$211,473,000 over the 1975 appropriations.

The budget estimates for the National Institutes of Health were designed to provide a very small net increase in 1976 over the reduced amounts that would have been available in 1975 under the President's proposed rescissions in the appropriations for fiscal year 1975. However, as the Congress did not concur in these rescissions, the full amount of the appropriations is, in fact, available for obligation in fiscal year 1975 and the funds requested in the budget to continue these activities in fiscal year 1976 are therefore inadequate. No evidence was presented during the hearings to indicate that the Administration actually intended to make such a drastic cut in Federal support for medical research. On the contrary, official witnesses—while loyally, though somewhat vaguely, maintaining that programs could be accommodated to the decreased funds—tacitly admitted that the program levels envisaged in the budget estimates were no longer relevant or tenable in the light of the actual current program levels.

Enquiry during the hearings revealed that, with the amounts requested in the budget, most of the Institutes would have no funds at all to support any new research projects and would, indeed, not even be able to meet their moral commitments to provide continued support for work already in progress. For NIH as a whole, the budget request would make it necessary to renege on commitments or implied promises of support totaling more than \$106 million. Such an unprecedented withdrawal of support by NIH would be a serious blow not only to the research projects directly affected but to the institutions in which they are conducted and, most importantly, to the pace of progress in health-care capability.

In order to maintain the stability of support for biomedical research the Committee has included in the NIH appropriations sufficient funds to bring the regular research grant programs, the research and development contract programs, and the cancer control program to their 1975 appropriation levels plus an increase of 10 percent to provide for rising costs and to permit the support of a number of new endeavors. Funds for General Research Support Grants, for which the budget estimates made no provision, and for the support of multidisciplinary research centers and special research programs have also been restored to their 1975 levels.

The Committee wants it to be clearly understood that a portion of the increases over the budget estimates may be used, at the discretion of the Institutes, to finance additional positions to administer the grant and contract programs and to conduct and support intramural research. During the hearings the committee took special care to

enquire into the personnel situation at NIH and was not surprised to discover that the shortage of adequate staff was the most serious managerial problem, because personnel ceilings have repeatedly been lowered while program and administrative responsibility have grown. To meet the staffing needs of the newer Institutes and the expansion of programs, as required by new legislation, in some of the older ones, it has been necessary to take people or positions away from the intramural research programs. This procedure seems to be penny-wise-pound-foolish management: NIH is one of the world's outstandingly successful medical research institutions; its productiveness cannot be maintained nor can its extensive research facilities be effectively used if its staff of scientists and technicians is gradually eroded in order to cope with the unmet needs for administrative and grant- or contract-management personnel.

The Committee is reluctant to provide specific numbers of additional personnel for specific Institutes because it does not wish to be in the position of having to assess needs with a precision for which it has neither the detailed knowledge nor the time. However, the Committee has examined the personnel matter with sufficient thoroughness to be certain that a serious problem exists at NIH and that steps should be taken immediately to make additional positions and employment ceilings available in both the extramural and intramural programs.

The Committee has not included funds for the NIH research-training programs because the authorization expires on June 30, 1975. Action has therefore been deferred until renewal legislation, now before the Congress, has been enacted.

The Committee has included in the NIH Buildings and Facilities account construction funds for the Lister Hill National Center for Biomedical Communications (an adjunct to the National Library of Medicine on the NIH campus) and for a building for the National Institute of Environmental Health Sciences on land donated to the Federal Government at Research Triangle Park, North Carolina. The amounts provided are \$26 million and \$64 million, respectively. Architectural and engineering plans for both of these buildings have been completed and it is expected that contracts for construction can be put out for bids immediately. Since planning for these buildings was authorized the estimated building costs have risen sharply and further delay in constructing these badly needed facilities will only result in greater expense. The Committee wants to emphasize that the amounts provided are maxima: if either of these buildings, as now planned, can not be built for the amount provided, the plan of the building must be changed to stay within the appropriation—and not the other way round. The Committee will not authorize a cost overrun.

During the hearings, the Committee received from the Acting Director of NIH a copy of a report on NIH's plans for improving the communication of clinically useful research results to practicing physicians and other health personnel and, as appropriate, to the general public. The Committee shares the general concern that the benefits of medical research be applied as quickly and widely as possible to patient care. As the object of medical research is to improve the diagnoses, treatment or prevention of disease, the job of a

medical research institution, such as NIH, is not done until the usable results of such research have been made available to those in a position to use them. The steps that NIH now proposes to take seem well designed to accomplish this and the Committee is glad to note that their effectiveness will be continually monitored so that changes and further improvements can be made as needed. The Committee also notes that the task will be undertaken in cooperation with other components of the Public Health Service, particularly the Health Services Administration and the Center for Disease Control in Atlanta. It is appropriate that responsibility for promoting the application of new techniques and procedures be placed with the organizations, both within and outside the Federal Government, that are most directly involved with health practitioners and in the health education of the general public. The primary mission of NIH is to conduct and support research and—except as specifically required by law, as in the case of the separately-funded Cancer Control Program—it should not divert its energies or its funds into activities that lie within the purview of other agencies.

During the hearings the Committee repeatedly expressed its concern about the need for a more coordinated diabetes research program, and accordingly, the Committee directs the Director of the National Institutes of Health to fully implement the provisions of the National Diabetes Mellitus Research and Education Act.

#### NATIONAL CANCER INSTITUTE

The bill includes \$703,564,000, an increase of \$116,727,000 over the amount requested and \$34,366,000 over the comparable 1975 appropriation. For the interim appropriation, the bill includes \$149,700,000, the amount requested.

The National Cancer Institute has made significant progress in advancing the national effort to reduce the impact of cancer. The Committee is impressed with the direction in which the program is going but feels that additional funding and manpower are imperative if all research leads are to be pursued so that the most promising avenues for the attack on man's most dreaded disease will be intensively explored. Recent advances against the major cancers—of the lungs, the breasts and the colon—have been particularly significant.

In breast cancer, the first results from the nationwide demonstration projects for the detection of breast cancer, sponsored jointly with the American Cancer Society, have shown that there is a 28% increase in the number of women whose breast cancer is diagnosed before it has spread to the lymph nodes of the armpit. This evidence of earlier diagnosis is encouraging because there is a high five-year survival rate if the disease is detected while the lymph nodes are still free of cancer. In treatment of breast cancer in patients with positive lymph nodes, encouraging results have been obtained by less radical surgery and the use of a drug (LPAM) which has resulted in a significant decrease in recurrence up to two years after surgery for removal of the cancer.

For lung cancer, progress was noted in a large clinical study using a combination of cell examination of sputum and chest x-ray to detect lung cancer while it is still localized in symptom-free smokers. These preliminary results raise hopes for an effective method for early

diagnosis of lung cancer for which treatment has, thus far, had little success.

Use of an improved flexible fiber-optic colonoscope has greatly enhanced the capability for locating cancer in the large bowel. If this form of cancer were detected in its earlier, more curable stage, a great many lives might be saved.

Advances against cancers other than in the breast, lung and colon have also been made. Splendid work has been accomplished in research that has led to a 20 to 80 percent increase in the survival rate of patients with osteogenic sarcoma. Efforts to markedly reduce uterine cervical cancer throughout the country have continued under the cancer control program which has established 29 projects in cooperation with State and Territorial Health Departments. Research is also in progress to improve the Pap test because the number of technicians and laboratories presently available are inadequate to conduct the volume of testing required with the existing technique. Efforts are underway to evaluate machines developed for the automated analysis of specimens. The instruments are designed to scan specimens rapidly and select those with abnormal cells for subsequent analysis by trained personnel.

Progress through fundamental research has produced a number of significant advances in our understanding of the cancer process. NCI scientists have, for the first time, successfully isolated a virus from leukemic cells of a patient with acute myelogenous leukemia (AML). The isolation of the virus is scientifically important because it provides a basis for further steps to identify the one or more factors that cause AML. Immunologic research has provided information about the basic mechanism of the body's immune response and holds much promise for the future in the development of innovative methods of treatment and control.

The Institute's cancer control activities progressed dramatically in fiscal year 1975. These activities now reach into all corners of the United States. The projects are conducted through demonstration, a newly formed communications network conducted through each of the 17 Comprehensive Cancer Centers, and other educational projects. These projects are organized to assure active involvement of the medical community, voluntary agencies, local hospitals and public groups; all activities are closely coordinated with the related activities of other Federal agencies and State and local governments. The Committee is deeply interested in the greater involvement of community physicians in their continuing education and is pleased that the Cancer Control Program is taking steps in this direction.

A Comprehensive Cancer Center Communications Network is being developed in conjunction with the NCI's Office of Cancer Communications and the American Cancer Society. Each Center will have its own communications office whose activities will include a telephone response system and a directory of cancer services available in the region.

The 17 Comprehensive Cancer Centers are part of a developing nationwide network of strategically located institutions whose purpose is to serve both as a national resource for basic research, clinical research and a multidisciplinary approach to patient treatment, and as a community resource through outreach and communication efforts. It

is expected that two or three additional such centers will be designated before the end of the fiscal year 1975.

The International Cancer Research Data Bank (ICRDB) Program has developed a computer-based cancer information system called Cancerline in collaboration with the National Library of Medicine. Cancerline makes available information on cancer chemotherapy to scientists and will provide information on cancer-causing agents and clinical cancer protocols.

Recently, wide public attention has been drawn to the number of known and potential environmental carcinogenic hazards, such as vinyl chloride, pesticides, water pollutants and certain gene combinations that could result from certain types of research. The Committee understands the pervasive nature of the problem of environmental carcinogens and urges the NCI to dedicate a substantial effort to determination of cancer hazards in the general environment. The Committee directs the Cancer Institute to work closely with the National Institute for Occupational Safety and Health in initiating that Institute's occupational carcinogenesis program and to provide direct support for this new important program.

A program of research and dissemination of information on the effect of nutrition and diet on the cause and treatment of cancer has been planned for implementation during fiscal year 1976 and the Committee will watch the development of this program with special interest.

The NCI's new Clinical Education Program plays an important role in developing innovative cancer teaching and improving cancer education in the medical curricula of institutions throughout the nation. The program is designed to expand and enhance cancer education for graduate and undergraduate medical students and promote continuing cancer education of physicians, dentists, and other health professionals.

The Committee notes that a critical manpower shortage at the NCI continues to exist even though Congress has mandated that sufficient positions be provided to manage the National Cancer Program. As stated elsewhere in this report, the Committee expects that adequate personnel will be made available to develop and maintain an expanded cancer effort effectively and efficiently.

A proposed increase of over half a million dollars for travel expenses for the Cancer Institute has been disallowed because it seems to the Committee that an allowance of \$2,900,000, the same as the amount provided in 1975, should be sufficient for all necessary travel.

#### NATIONAL HEART AND LUNG INSTITUTE

The bill includes \$329,059,000, an increase of \$57,219,000 over the amount requested and \$25,790,000 over the comparable 1975 appropriation. For the interim appropriation, the bill includes \$58,015,000, the amount requested.

The diseases on which the National Heart and Lung Institute conducts and supports research continue to be the primary health problems in the United States. Some twenty-eight million Americans are afflicted with some form of heart or blood vessel disease. Each year, over one million Americans die from these diseases—more than half the deaths from all causes. Moreover, they cost the economy more than

thirty billion dollars per year in lost productivity and expenses for medical care. Diseases of the lung also constitute a major national health problem of increasing dimensions. They account for some 150,000 deaths each year, cause sixty million days lost from work, forty million days of bed-restricted activity, and cost the economy some twelve billion dollars a year.

Despite these statistics, it is encouraging that, for the first time since the beginning of this century, there is a decline in the mortality rate from heart attacks in the United States. The initial change is not dramatic but even a modest decrease means that thousands of lives are being prolonged as a result of progress in research leading to improved diagnostic methods, treatment, and preventive measures. Contributing to this overall trend in the mortality figures for heart disease have been steady long-term decreases in the death rates for stroke, hypertension, and rheumatic heart diseases. Another encouraging fact is that the incidence of emphysema, which during the 1950's and early 1960's was the single fastest rising cause of death in the United States, began to level off during the mid 1960's. There has been no further increase in mortality from emphysema since 1969.

Many studies indicate that more aggressive application of existing knowledge will materially reduce disability and death from the complications of heart, blood vessel, lung, and blood diseases. A Prevention, Control, and Education Program in each of these diseases has therefore been initiated. The aim is to develop better mechanisms, using all media of communication for disseminating knowledge about diseases to the general public and to the medical profession.

The National High Blood Pressure Education Program, which NHLI coordinates, involves about 100 National, State, and local organizations. It has already done much to increase public awareness of the importance of regular blood pressure checks and of regular medication for those found to be hypertensive. Many communities have launched high blood pressure detection and follow-up programs. The Institute offers a "community consultation" service to provide general guidelines, advice on pitfalls to be avoided, and suggestions about other resource groups to aid in total community efforts. Educational materials are available to such groups from the Institute's High Blood Pressure Information Center. To date, over 300 communities have taken advantage of this service.

Grants for the establishment of the first three National Research and Demonstration Centers were awarded during the past year—one each in heart and vascular diseases, lung diseases, and blood resources. Each center includes programs in fundamental research, clinical research and application, and provides an environment conducive to the training of young scientists. Their purpose is to facilitate and expedite the application of research findings to practical patient care and to conduct an active program of public and professional education.

Other specific education approaches are being newly supported. In lung diseases, for example, an educational program is being developed for professional and para-professional personnel who are likely to be the first contact with patients suffering from acute respiratory insufficiency. In blood diseases and blood resources, a similar effort is being made advising physicians on the most efficient use of blood products for blood component therapy.

For a number of years the Institute has supported an extramural, research program directed specifically to improving understanding, prevention, and treatment of myocardial infarction or heart attack. A major element of this program has been the Myocardial Infarction Research Units which combine broad programs of clinical research with fundamental laboratory studies and the development of relevant technology and investigative methods. Much of the improvement in the understanding and treatment of heart attack over the past several years has come from these units. In order to broaden the scope of these successful efforts, the Institute has now launched a program for Specialized Centers of Research on Ischemic Heart Disease which will conduct multidisciplinary clinical and fundamental research directed at the reduction of death and disability from all forms of the disease including angina pectoris, rhythm disturbances, and heart failure, including techniques for rehabilitation following heart attack.

As has been noted in previous years, the Institute has underway a number of clinical trials concerning arteriosclerosis and high blood pressure. One of these, the Lipid Research Clinics program, was established to determine what proportion of the population has abnormalities of their blood fats, known as hyperlipoproteinemias, and who are, thereby, at a markedly increased risk of a heart attack during their early adult years. In July, 1973, these clinics began a study to determine whether reducing blood cholesterol levels, the most common form of lipid disorder, can slow down or prevent the development of premature coronary heart disease. By January, 1976, about 4,000 volunteers will be enrolled in this seven-year trial.

The purpose of the Multiple Risk Factor Intervention Trial is to determine whether or not a preventive program directed, simultaneously, at a reduction of elevated blood lipids (cholesterol), a reduction of high blood pressure, and reduction or elimination of cigarette smoking will result in a significant reduction in deaths from coronary heart disease. The enrollment of 12,000 men with higher than average risk of developing heart disease is expected to be completed during calendar 1975 in this six-year effort.

In 1973 another major epidemiological and community study, the Hypertension Detection and Follow-Up Program, was started. Cross-sections of ethnic, racial and socio-economic groups in 14 communities are being studied for the prevalence of all ranges of high blood pressure. The purpose of the program is to assess the effectiveness of long-term antihypertensive therapy in reducing mortality and morbidity from high blood pressure and its clinical manifestations. The enrollment goal of 10,500 individuals for this study has been attained. The study includes health education and behavioral research as personal attitude affects adherence to therapy. A large-scale clinical study to determine if the regular ingestion of aspirin reduces the incidence or recurrent heart attacks or strokes is just getting underway. Pilot studies have been successfully undertaken and some 4,200 patients who have experienced acute heart attacks will be enrolled in the Aspirin-Myocardial Study during the next year in 30 clinical centers. These patients will be observed for three years while on study medication.

The Institute's lung research programs have been expanded dramatically over the past few years into a coordinated national program. Research findings now exist which promise to revolutionize future

approaches to the prevention and treatment of respiratory diseases. For example, membrane oxygenators that combine adequate gas exchange with minimal blood destruction have been developed. If respiratory support can be provided without the threat of oxygen toxicity during the period of respiratory crisis, the lung may recover and the auxiliary oxygen support removed. These oxygenators have demonstrated sufficient promise to warrant intensive evaluation.

Numerous ongoing studies are concerned with the development of biological methods for separating lung cells and studying their cellular structure, metabolism, and function. This is an especially formidable task as the lung has some 40 different types of cells, making it one of the most heterogeneous organs of the body.

A primary complication of respiratory failure is a low oxygen content in the blood, despite the presence of normal oxygen in the inhaled air (a condition called hypoxia). Because of the dire consequences of blood hypoxia, a recently developed technique for rapid identification of physiologic changes that are associated with hypoxia and the extent to which they contribute to the patient's condition, offers great promise. Although still in the developmental phase, the technique has given encouraging results at several centers and should lead to therapy that can be directed to the causes, rather than the effects, of hypoxia.

The committee heard testimony concerning research on blood, and comment on needed improvements in the blood delivery system in the nation. Particularly interesting was the testimony concerning the development of a control for bleeding diseases such as hemophilia, which permits hemophiliacs and others to have an essentially normal life if the missing clotting factor is administered on a preventive basis. The committee was interested to learn that hemophilia is unique among genetic diseases, in that it can be controlled by the introduction of a missing genetic factor in the blood. The high cost of the factor now prevents all hemophiliacs from having their disease controlled, and the committee learned that the poor blood distribution network, in combination with an out of date technology for fractionation of the blood into various factors to treat various diseases, has prevented emergency and prophylactic care for many with blood diseases, in addition to hemophiliacs. The committee believes that emphasis should be given to research on the blood delivery system, as well as the improvement of the fractionation process.

Of great interest to the committee was the testimony of hematologists, who traced the historical development of blood research, and who indicated that many opportunities for advances in blood resources seem to be immediately available. The committee heard of the advances in leukemia research, and is concerned that the research opportunities into the fundamental mechanisms of control of blood cell production, as well as of the mechanisms of drug sensitivity and resistance for different leukemias, be pursued. The possible use of immunotherapy, and the possible viral origins of leukemia should be pursued vigorously, as well.

Opportunities for improved transfusion techniques were noted. It seems possible that in the near future, *red blood cell types* in blood to be transfused could be changed, by chemical or other means, so that any blood, regardless of type, could be used for any patient. It was also asserted that there are excellent research opportunities immediately

available in *blood storage*, so that better, simpler and cheaper storage methods can be developed by which blood may be kept alive and unfrozen (the present means of storage) for two or three times as long as is now possible. Finally, the committee heard about the possibility of the development of *artificial blood*, composed of fluids containing chemicals which carry oxygen, and which can be kept for long periods of time, at normal temperatures, and which could even be carried in emergency vehicles, ready for instant use at the scene of a disaster. The committee recognizes that the last several examples of opportunities in blood research show great promise, and should be strongly supported, but also that the entire field of blood research is burgeoning with opportunities. The committee recommends that a survey of blood research be developed so that the Congress may have a better overview of the opportunities available.

The committee also learned that the blood research projects are spread throughout a number of institutes, and believes that an inter-institute committee should be developed to pull together information on blood research programs.

The Committee expects NHLI to use a portion of the increased funds to expand its diabetes research program and to coordinate this program with the other NIH Institutes in accordance with the National Diabetes Mellitus Research and Education Act.

#### NATIONAL INSTITUTE OF DENTAL RESEARCH

The bill includes \$45,794,000, an increase of \$7,755,000 over the amount requested and \$1,561,000 over the comparable 1975 appropriation. For the interim appropriation, the bill includes \$7,674,000, the amount requested.

The National Institute of Dental Research continues to make significant contributions both to a better understanding of the causes of various oral-facial afflictions, which bring so much pain and distress to our citizens, and to the development of preventive measures.

The Institute's efforts to minimize the ravages of tooth decay is centered on the work of the National Caries Program. For the benefit of communities that do not have the benefit of water fluoridation, other methods of providing fluoride protection are being developed. Research is also continuing on several promising new fluoride compounds, notably the amine fluorides, which may have value as mouthwashes. Efforts to develop a caries vaccine are continuing although the achievement of this goal still lies well into the future.

In the complex area of periodontal disease, there is increasing evidence that many microbes have the potential ability to initiate the affliction. The Institute supports thorough and broad experiments to seek the causes of periodontal disease which is responsible for the loss of teeth by most of the 22.6 million toothless persons in America. Studies on bone are producing better understanding of the specific bacteria, the particular cellular activities, and the precise biochemical substances associated with localized destruction of the bone which supports the teeth.

In the recent human studies of a severe form of periodontal disease where there is little inflammation of the gums, the finding of specific bacteria in areas of bone destruction seems to be significant. It is

suspected that under-reactions of the immune system, as well as over-reactions associated with inflammation, can destroy the bone. There are now indications that scientific knowledge may develop during the next few years to the point where a concerted national effort in the area of periodontal disease, similar to the National Caries Program, can be undertaken.

Many other areas of dental research are showing promise of developing knowledge that could provide better oral health for Americans. One of these is the protective function of saliva. Another is the Institute's recent demonstration that the herpes simplex virus can be isolated from the sensory ganglia of the nervous system of mice months after the acute infection of the lips, cornea, skin, or vagina has subsided. These experiments in mice provide a model for studying the different kinds of herpetic infections in humans including the oral (fever blisters) and genital lesions produced by herpes type 1 and type 2, respectively.

The Committee is interested to learn that the handling and treatment of children with cleft lip and palate is improving. It has now been demonstrated that it is desirable to defer the repair of a severe double cleft of the lip until the upper jaw has been expanded orthodontically and all its parts lined up and stabilized. These studies show that it is possible to reduce the average number of operations by half without compromising the patient's welfare.

The work in standardizing a laboratory procedure for measuring the wearability of restorative materials, is significant and could enable scientists to determine how new materials will withstand use without resorting to long clinical trials.

Work is also continuing on the role of nutrition in oral health and on efforts to prevent and solve problems of oral pain.

The five grant-supported dental research centers have extended their collaborative efforts with other institutions, as well as with other units in the individual universities to which they are attached, and continue to make significant contributions to the advancement of the dental sciences.

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

The bill includes \$173,972,000, an increase of \$29,907,000 over the amount requested and \$13,073,000 over the comparable 1975 appropriation. For the interim appropriation, the bill includes \$43,052,000, an increase of \$8,000,000, for a technical adjustment, over the amount requested.

The National Institute of Arthritis, Metabolism, and Digestive Diseases (NIAMDD) conducts and supports research in a broad array of diseases: various arthritic diseases and related rheumatic, connective tissue and musculoskeletal disorders, diabetes and other inherited errors of metabolism, diseases of the digestive tract including diseases of the liver and gall bladder, endocrine disorders, diseases of the blood and bone, urological and kidney diseases, and such fields as orthopedic surgery, dermatology, nutrition and others.

The committee heard testimony describing advances made in digestive diseases. Progress in the development of a medication for

*gallstone dissolution* was reported, as the first long-term collaborative study began several months ago, which will involve ten medical centers and 900 patients. Patient recruitment, in fact, began on June 1 of this year. This area of research, we were told, has great promise. Presently, 16 million people in the nation have gallstones, and over 5 million are operated on each year at an estimated cost (including hospitalization and loss of productive capacity) of \$1.5 billion annually.

In the area of diarrhea and related diseases, we learned that a new test for the detection of ileitis was developed in the last year, which will permit physicians to distinguish it from other inflammatory bowel conditions, to improve treatment, and to monitor success of therapy for ileitis patients. Additionally, progress was made in diarrheal research, which indicates that many forms of that disease are the result of a chemical product, or toxin, which is produced by a type of bacteria that was not recognized heretofore. The discovery, we were told, should revolutionize both the prevention and treatment of many forms of diarrhea.

In the area of endoscopy research, which this committee supported last year, we learned that the use of endoscopic equipment is evolving rapidly from the relatively crude instrument of a few years ago, when the flexible light tube for the digestive system was developed. Currently endoscopes can suture, apply clips, and apply adhesives. Promising developments are within the grasp of scientists which would permit the cauterization of bleeding ulcers with endoscopic laser beams, and the inquiry into the nature of pancreatic diseases.

Institute research on digestive diseases, which afflict millions of Americans each year, recently has centered on peptic ulcer with the establishment, by the Institute, of a Peptic Ulcer Center in Los Angeles, to be operated jointly by the UCLA School of Medicine and the VA Wadsworth Hospital Center. A five-year study will be undertaken involving ten key investigators with multi-disciplinary expertise who will study peptic ulcer from various approaches.

Diseases of the kidney and urinary tract afflict some eight million Americans, 50,000 of whom die annually of irreversible kidney failure. The Institute's extramural grants program supports a major research effort in diseases of the kidney and the urinary tract to develop better methods of treatment and prevention which would obviate the large number of patients who develop kidney failure. Simultaneously, the Institute's Artificial Kidney-Chronic Uremia Contract Program is making a major effort to develop improved artificial kidneys and dialysis methods and to eliminate clinical complications of long-term dialysis in order to prolong the productive lives of afflicted individuals, and to decrease the high cost of this type of treatment—most of which is funded by medicare.

Citizen witnesses have emphasized to the Committee the importance of increased funding for this type of research and development since it represents the only hope to decrease the immense and increasing cost of Medicare's End-Stage Kidney Disease Treatment Program and to make it clinically more effective.

In arthritis research the Committee was informed of a new program of cooperative studies involving teams of rheumatologists from the U.S. and U.S.S.R. This new US-USSR Arthritis Research Program

is part of an overall, bilateral health agreement between the two countries. The Institute expects that during the coming year cooperative clinical trials in arthritis will be launched, such as an evaluation of the efficacy of penicillamine treatment and treatment with cytotoxic drugs in rheumatoid arthritis.

One of the most prevalent disorders of the skin include psoriasis, a disfiguring disease affecting four million Americans. Medical management of psoriasis generally has been unsatisfactory and systemic drugs, which are effective, may cause serious side effects. Recently, however, grant-supported scientists have reported clearing of skin lesions in a significant number of patients following ingestion of the drug methoxsalen and exposure to a newly developed, long-wave, ultraviolet light source. This apparent interaction of light and drug, termed "photochemotherapy" by the investigators, has been well tolerated by all patients. Although it is not a permanent cure for psoriasis, inasmuch as such therapy must be repeated periodically, "photochemotherapy" has shown much promise in early clinical trials. The Institute is planning to subject such therapy to intensive, controlled investigation for long-term effectiveness versus late toxicity, which is always of great concern in any new form of therapy that looks so promising at the outset.

Diabetes research has been focused upon the insulin-antagonist hormone glucagon which, apparently, is causally involved in some of the symptomatology of diabetes. Other studies of interest involve transplantation of the insulin-producing beta cells of the pancreas which, in theory, might ultimately provide an "internal" supply of insulin and, thus, improved control of diabetes. At the present time, however, many hurdles are faced and further extensive animal research must be conducted. Of significance, also, is the review by a blue-ribbon panel of international biostatistics experts of the data resulting from a ten-year study by the University Group Diabetes Program of the efficacy and safety of two oral anti-diabetic drugs. This review generally upheld the original conclusion of the NIAMD-financed study of potential danger of an increased death rate from heart disease. Thus, such agents should be used only for patients with adult-onset diabetes whose disease cannot be handled by dietary control or by insulin.

The passage of the National Diabetes Mellitus Research and Education Act and the National Arthritis Act, with their provisions calling for increased and broadened efforts in these two disease fields, may well provide the impetus for the burgeoning of new ideas and opportunities, such as the creation of a significant number of Comprehensive Centers in arthritis and diabetes, for research, education, demonstration and control. The Committee is particularly interested in the initiation of Arthritis Centers as called for in the National Arthritis Act. These new centers should be interrelated as closely as possible in their basic and clinical endeavors through the National Arthritis Data Bank. Some of the increased funds provided in the bill should be used for the purpose of implementing the Arthritis Act and the Diabetes Act.

NATIONAL INSTITUTE OF NEUROLOGICAL AND COMMUNICATIVE  
DISORDERS AND STROKE

The bill includes \$136,546,000, an increase of \$29,491,000 over the amount requested and \$7,535,000 over the comparable 1975 appropriation. For the interim appropriation, the bill includes \$32,964,000, an increase of \$5,000,000, for a technical adjustment, over the amount requested.

The National Institute of Neurological and Communicative Disorders and Stroke (NINCDS) is celebrating its 25th anniversary this year. To mark the occasion, the Institute will publish a two-volume compendium of research advances since 1950 growing out of research conducted or supported by the Institute.

Among these advances are the conquest or amelioration of a number of disorders of the nervous system such as phenylketonuria (PKU), Parkinson's disease, epilepsy, myasthenia gravis, otosclerosis, laryngeal cancer, congenital rubella, and Gaucher's disease. To these accomplishments must be added many new techniques, improved instrumentation, and significant advances in the basic neurosciences which are certain to play an important role in research in the next decade. Perhaps most important of the accomplishments is the training which has been given the basic neuroscientists and clinical researchers with Institute support. To a very large extent, these are the persons who are now conducting the research so necessary to conquer scores of other yet unsolved neurological and communicative disorders.

Among the unsolved problems are stroke and injuries to head and spinal cord. These rank as the third and fourth leading causes of death in this country. Together they are responsible for the largest group of disabled and crippled adults in America. Altogether, neurological and communicative disorders afflict more than one-fifth of the population.

A highlight of the past year was the work of the Institute's Advisory Subcommittee on Regeneration of the Central Nervous System. Five workshops have been held and promising new avenues of research are emerging. Scientists no longer consider the problem of regeneration insoluble. They know that two kinds of regeneration occur following injury to the central nervous system. In one, an injured nerve simply regrows its severed part. In the other, intact nerve fibers sprout additional outgrowths which reinnervate the adjacent denervated cells and thereby may re-establish function. To maintain the momentum of these advances, the NINCDS plans to foster projects on neuronal development and regeneration within its extramural grants programs.

Recent evidence indicates that the first few hours after spinal cord injury are critical if progression of spinal cord degeneration is to be halted. Already some investigators have modified paraplegia in animals by the use of hypothermia (cooling), corticosteroid drugs, and the blocking of norepinephrine production by injections of alpha methyl tyrosine. The Institute's targeted research program on acute spinal cord injury is exploiting these new developments. Acute Spinal Cord Injury Clinical Research Centers are being supported in five cities and targeted and multidisciplinary spinal cord research in three other areas.

In the field of stroke, the latest available mortality rates indicate a significant decrease from 88.8 per 100,000 population in 1950 to 68.5

per 100,000 in 1969. In the future, even lower figures may be expected as a result of more recent advances in diagnostic and therapeutic measures. These include the new computerized axial tomography, a most effective noninvasive technique; ultrasonic monitoring of cerebral blood flow; radioisotope scintiscanning; and X-ray angiographic and tomographic techniques. In addition it is now possible to correct malformed blood vessels in either the brain or in carotid arteries with microsurgical techniques. Superficial temporal or scalp arteries can now be linked surgically to the middle cerebral artery to restore blood flow to the brain. Helpful also is the use of anticoagulant drugs, blood pressure lowering regimes, clot dissolving agents, and drugs for control of brain edema and of blood vessel spasm.

A new two-drug combination therapy for Parkinson's disease is about to be released for clinical use, and several new drugs for epilepsy should be ready for clinical release next year.

In multiple sclerosis research, studies on immunosuppressive therapy, use of transfer factor, evaluation of HLA-antigen profiles, and use of immuno-electron microscopy and viral probes exemplify the surge in research following the workshops and report of the National Multiple Sclerosis Commission last year. To give more attention to these and other problems, the Institute has established laboratories of neuro-immunology and neuro-pharmacology.

One in every 10 Americans is handicapped, to some extent, by a hearing or speech disorder. Since most of these people do not appear to be handicapped, much less attention has been given to the problem than it warrants. This past year special attention has been given to the status and future research needs in such problem areas as secretory otitis media, a prime cause of childhood deafness; laryngeal papillomatosis, recurring benign tumors of the vocal cords in children; and cochlear or auditory implants to restore a measure of hearing to the profoundly deaf. Among other major concerns the problem of noise, as it affects hearing and speech, will be assessed through contracts now underway.

The Institute maintains liaison with some 60 voluntary health agencies and professional societies because of the large number of disease categories for which it is responsible. Early in 1975 representatives of these organizations were brought together in Bethesda. As plans for the future were reviewed, need for greater coordination and cooperation, rather than the hitherto fragmented approach, emerged.

The Institute has been involved in two new areas this past year: spinal manipulative therapy and autism. A workshop in the former has already been held and the one on autism is now in the planning stage. Leaders from the chiropractic, osteopathic, physical medicine, and neuroscience professions discussed the state-of-the-art with respect to back pain at the workshop on spinal manipulative therapy. Professional and lay experts will soon review the problem of autism and identify directions of research.

The Committee expects NINCDS to use a portion of the increased funds provided in this bill to expand its research efforts on diabetes and to coordinate its diabetes research program with the other NIH Institutes in accordance with the National Diabetes Mellitus Research and Education Act.

## NATIONAL INSTITUTE OF ALLERGY AND INFECTIOUS DISEASES

The bill includes \$118,918,000, an increase of \$18,141,000 over the amount requested and \$8,509,000 over the comparable 1975 appropriation. For the interim appropriation, the bill includes \$26,974,000, the amount requested.

The National Institute of Allergy and Infectious Diseases conducts and supports research to diagnose, treat and prevent a wide variety of diseases attributed to infectious agents or to abnormal immunologic or allergic responses.

There has been dramatic progress in the area of hepatitis research. Institute scientists have developed a prototype vaccine for the prevention of hepatitis B, the type of hepatitis that is frequently traced to inoculation with blood or blood products from infected persons. Sometimes called serum hepatitis, it is the type that causes most viral hepatitis deaths. The prototype vaccine has protected chimpanzees against hepatitis B virus. If extensive animal tests yield unequivocal results, the Institute hopes this research will lead to a hepatitis B vaccine for human populations at high risk, such as hospital operating room personnel and hemodialysis patients.

There is a critical shortage of imported animal models for hepatitis research—chimpanzees for hepatitis B and marmosets, a small South American monkey, for hepatitis A. However, interagency efforts are under way to develop breeding colonies in this country.

Institute investigators have also suggested that there may be a third type of viral hepatitis agent, tentatively called hepatitis C, transmitted by blood transfusions. They found post-transfusion hepatitis in patients in whom no laboratory evidence of hepatitis A (infectious hepatitis) or hepatitis B could be found.

The Institute has been supporting clinical trials with experimental vaccines against other important diseases. Pneumonia and influenza still rank fourth among diseases causing death in the U.S. Experimental pneumococcal pneumonia vaccines, developed by NIAID, are undergoing extensive field trials in California and North Carolina. Results should be known within two years. A vaccine against mycoplasma pneumonia, an illness which usually affects young adults, is being tested at a Marine facility in South Carolina. And the Institute is evaluating a vaccine to protect young children against meningococcal meningitis for which a vaccine trial is being conducted in Finland where the disease has been epidemic in recent years. The Committee anxiously awaits the results of all these vaccine activities.

World-wide, a leading cause of infant deaths is acute diarrhea. Institute scientists, working with colleagues at the University of Nebraska, have shown a relationship between the virus that causes human infant diarrhea and a virus which causes serious illness in newborn calves. Using the calf virus, they have developed a diagnostic test to demonstrate infection with the human agent. The similarity of the two agents may also lead to the development of a way to protect infants from the disease. There already is an oral vaccine to protect calves.

The Committee was gratified to learn of the Institute's expansion in venereal disease research—from \$128,000 in 1971 to approximately \$3 million in 1975. This expansion included the establishment this

past year of the first two interdisciplinary VD research centers—at the University of Washington and the Harvard School of Public Health. In addition to gonorrhea and syphilis, the NIAID effort now covers other sexually-transmitted infections such as those caused by herpes simplex virus, mycoplasmas, trichomonas vaginalis, cytomegalovirus, chlamydia, and certain fungi. Some of the increased funds provided in this bill should be used to further expand the Institute's work on venereal disease.

The Institute supports 17 Asthma and Allergic Disease Centers and the quality of their work is commendable but additional well-qualified researchers are needed to tackle the problems facing 35 million Americans with one or more serious allergic conditions. Astonishing advances in the basic science of immunology during the past decade have brought within sight the means for safe and effective relief for many of those who suffer allergies and other immunologic diseases. An improved test-tube method of diagnosing pollen, mold, insect, and animal allergy is now beginning to be offered in the care of patients. Some occupational diseases have an important allergic component and NIAID-supported investigators are studying a variety of these conditions, such as farmer's lung disease and meat wrapper's asthma. Yet a stronger effort is needed in both immunology and allergy research in view of the potential opportunities to improve the Nation's health.

## NATIONAL INSTITUTE OF GENERAL MEDICAL SCIENCES

The bill includes \$146,461,000, an increase of \$25,682,000 over the amount requested and \$11,038,000 over the comparable 1975 appropriation. For the interim appropriation, the bill includes \$32,961,000, the amount requested.

The National Institute of General Medical Sciences fosters and supports research and research training in sciences basic to medicine and in certain clinical disciplines central to progress in the whole spectrum of biomedical problems. A major purpose is to elucidate the complex fundamental cellular and molecular disturbances and pathologies that occur in nearly all forms of disease. In other fields, support is directed toward clinical research into nationally significant health problems that fall outside the responsibility of the categorically-oriented Institutes. Substantive programs are thus conducted in genetics, on the problems of diverse hereditary disorders; in trauma research, to improve the care of severely injured patients, including burn victims; in pharmacology and toxicology, on the problems of hazardous and ineffective drugs; and in biomedical engineering, to develop new instruments and medical devices broadly applicable in health care.

The Institute's trauma and burn research centers program has initiated support for one specialized burn research center and now has under review requests to support several additional such centers. At the existing center, a 40 percent reduction in burn mortality has already been achieved through the development and judicious use of such procedures as restoration of body fluids, sterile environment, skin grafting and intravenous feedings. The proposed new centers would provide support for other urgently needed studies on little-

understood biochemical and physiological changes induced by thermal injury, and on wound healing processes which could mitigate the aftermath of burn scarring, disfigurement and disablement. Research on these problems clearly marks the beginning of a coordinated multidisciplinary attack on the manifold problems of third-degree burns which take the lives of some 12,000 victims in the United States each year and severely damage thousands more, and for whom the cost of hospital care alone is said to exceed \$300,000,000.

The Institute's program in genetics is a far-reaching effort to uncover the basic lesions responsible for human genetic diseases, improve the diagnosis of such disease and lay the groundwork for prevention and therapy. The research is concerned not only with a great variety of tragic genetic disorders evident at birth, or shortly thereafter, but also with conditions which become manifest as severe chronic diseases in later life, many of which are determined by genetic factors. While many striking advances have been reported by this program over the past few years, the Committee is greatly impressed by a grantee's recent disclosure of the underlying defect in familial hypercholesterolemia and the prospect for specific diagnosis and therapy. Persons affected by this disorder manifest a two-to-threelfold elevation of plasma cholesterol from birth and the great majority die prematurely from coronary disease. In this study, it was found that the cell membranes of affected persons do not permit the entry of certain lipid (fat) molecules needed to suppress the synthesis of cholesterol, which is then continuously overproduced. Experiments with these cells, grown in the laboratory, have shown that several lipid-like chemicals can penetrate the cell membranes and inhibit cholesterol production. Whether these chemicals can be used in patients and the evidence of their safety remain to be determined. Nonetheless, such studies should be accorded a very high priority, since familial hypercholesterolemia is now recognized to occur in one in 500 persons of the general population.

Studies supported by the Institute's program in pharmacology and toxicology have recently shown that the concentration of the tranquilizer drug Valium in the blood of elderly patients is markedly increased compared to that in younger patients after the same dose. This has been shown to be due to the fact that the elderly excrete the drug four times more slowly than do younger persons, and that it is stored in their tissues in greater quantities for much longer periods of time, posing a distinct hazard in terms of prolonged sedation and delayed toxic effects. As Valium is today the most widely used prescription drug in the United States, the Committee commends the Institute for promptly communicating its findings to the Food and Drug Administration and to the medical community at large, so that physicians throughout the nation may carefully reconsider and moderate dosage schedules for older patients and thus lessen the risks of this otherwise beneficial drug.

In the area of biomedical engineering research, the Institute reports a new development which offers the important prospect that the diagnostic aid of X-ray pictures read by experts in a central location can be extended economically, rapidly and accurately, via ordinary telephone lines, to physicians and patients in many remote areas of the country where direct services by highly trained radiologists have

long been lacking. This has come about with the development and feasibility testing of a prototype device for the electronic transmission and reproduction of X-ray films with such high quality that they are indistinguishable from the originals.

The Committee last year commended the Institute for launching a new program on the cellular and molecular basis of disease. This program seeks to consolidate and extend the already substantial but exceedingly diverse knowledge concerning the complex structure and function of the cell and its molecular machinery, and to relate this knowledge of specific abnormalities to human disease in order to strengthen the foundation for diagnosis and rational treatment. The Committee is pleased that a new center for studies in molecular pathology, the first of its kind in the United States, was established during the year at Yale University under Dr. George Palade, a winner of the 1974 Nobel Prize in Physiology and Medicine. The work of this center is focused on cellular membranes, their composition, mechanisms of repair and changes associated with the transport into and out of the cell of nutrient materials, enzymes, hormones and the great variety of other life-sustaining molecules. Because a large number of hereditary disorders, typified by the problem of familial hypercholesterolemia, already are linked to membrane transport defects, and also because cell membrane aberrations are now recognized as a distinct characteristic of cancer cells, the Committee will follow with much interest the progress and findings achieved in these new investigations and would encourage the establishment of other molecular pathology centers.

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

The bill includes \$126,889,000, an increase of \$30,342,000 over the amount requested and \$10,210,000 over the comparable 1975 appropriation. For the interim appropriation, the bill includes \$23,566,000, the amount requested.

The National Institute of Child Health and Human Development conducts and supports research on the health problems of the whole person from infancy to adulthood rather than studying a particular disease or biologic system. The transfer of the aging research program to the new National Institute on Aging does not disrupt this essential human development approach but instead allows the NICHD to focus its resources on special problem areas to promote good health during pregnancy and infancy as the best foundation for adult health. To emphasize this redirection and concentration of mission, the NICHD has recently established a Center for Research for Mothers and Children.

This new Center for Research for Mothers and Children, which will constitute the Institute's extramural program in maternal and child health, will focus its attention on the special health problems, arising from birth, that cause much human suffering and result in later diseases and disabilities whose costs are inestimable. It will approach these problems through research in three broad areas: perinatal biology and infant mortality; mental retardation; and growth and development. Research in perinatal biology and infant mortality concentrates on the low birth weight infant, congenital malformations, sudden infant

death syndrome, maternal complications, and the development of knowledge to assure maternal health and infant well-being.

There are approximately 250,000 infants born each year, weighing less than five and one-half pounds, who are born too soon or too small. Approximately 45,000 of these babies die, constituting a major factor in this Nation's relatively high neonatal infant mortality rate. In addition, these infants have the highest probability of suffering from neurological or physiological deficiencies, such as mental retardation, epilepsy, cerebral palsy, and learning difficulties.

Recent findings regarding the sudden infant death syndrome, or crib death, indicate that babies, many of them premature, who succumb to SIDS were not completely healthy but had suffered from stress. The occurrence of SIDS mainly during sleep is probably related with physiological sleep phenomena, particularly periodic breathing. These babies exhibit a thickening of the muscles around the small pulmonary arteries, indicating a previous lack of oxygen. Efforts to identify babies at risk of SIDS, as well as research into the causes of SIDS, remains a high priority.

The Committee is distressed with the high infant mortality rate of this Nation and the fact that in 1974 the U.S. dropped from fourteenth to fifteenth position in infant mortality rate among developed countries. Such a situation is intolerable, and it is the Committee's hope that more research on high risk pregnancies and high risk infants will significantly lower this Nation's infant mortality rate. The reduction of the high infant mortality rate must be a national priority not only in the area of research but also in perinatal care practices. The Committee believes that the Institute must move ahead with its plans to develop 12 major research programs for mothers and infants to be distributed throughout the United States.

The Committee is also concerned that the Perinatal Biology Center, located in the NIH Clinical Center, in Bethesda, and designed to study pregnancy, and infant mortality and morbidity, is only partially operational. Adequate resources, including the necessary positions, must be made available to the Institute so that this new facility can be effectively utilized in the pursuit of the national goal of reducing infant mortality.

Research continues on the causes and the methods for amelioration and prevention of mental retardation. The causes of this major health problem range from genetic errors of metabolism, such as phenylketonuria (PKU) and galactosemia, to reproductive casualty resulting from maternal and pregnancy disorders and complications at birth. The possible effect of nutrition supplements as related to mental retardation is being vigorously pursued. Detection in the developing fetus within the uterus of Down's syndrome (mongolism) and other genetically determined disorders is now possible through new diagnostic techniques and this fact is being widely disseminated to the public. On the behavioral level, investigators have developed a successful program that enables severely retarded children to communicate with geometric forms rather than conventional language. Many of these recent accomplishments were achieved through research conducted at the 12 Mental Retardation Centers supported by the Institute. Further research will be conducted both in the Centers and in other research institutions to further identify the complex factors that are responsible

for mental retardation so that more effective preventive action and treatment may follow.

The growth and development program encompasses research in immunology, nutrition, and the learning process and the study of the behavioral and biomedical aspects of child health and human development. The nutrition efforts are focused on maternal and infant nutrition, particularly on the effects of malnutrition on the mental and physical development of the child. Zinc deficiency has been found to cause failure to thrive in infancy and results in a condition called pica, in which a child eats unnatural substances. Specific learning disabilities, both reading and speech, will be further investigated to find the biological causes, as well as the social factors, that influence these problems. Relatively little is known about chronic illness in childhood, and this problem will be vigorously attacked to discover its developmental causes.

The Center for Population Research of the Institute continues to focus its research on the effects of population growth and change, development and evaluation of contraceptive methods, and fundamental research in reproductive biology. Studies concerning the motivation for the number and spacing of children, women's changing role in society, and related issues are yielding valuable data toward understanding the social and behavioral aspects of population growth and changes. Significant advances have been made in the development of more effective and safer contraceptive methods. Basic research in reproductive biology has shown that sperm production is controlled by two hormones which suggests new possibilities for male contraceptives. Another major accomplishment is the identification and synthesis of hormones in the brain that control the hormones responsible for ovulation. Clinical trials of both oral contraceptives and vasectomy are being performed. A six-fold increase in high blood pressure among users of oral contraceptives has been demonstrated. Investigations to identify users most likely to develop such complications will continue. Two types of antibody to sperm are produced after vasectomy and the medical significance of this will be investigated. Special emphasis will be placed on the possible relationship of contraceptives to congenital malformation.

The Committee expects NICHD to use a portion of the increased funds provided in the bill to expand its research program on diabetes, and to coordinate its diabetes research program with the other NIH Institutes in accordance with the National Diabetes Mellitus Research and Education Act.

#### NATIONAL INSTITUTE ON AGING

The bill includes \$15,526,000, an increase of \$1,098,000 over the amount requested and \$1,621,000 over the comparable amount available for research on aging in 1975. For the interim appropriation, the bill includes \$3,943,000, the amount requested.

On May 31, 1974 the Research on Aging Act of 1974 (Public Law 93-296) authorized the establishment of a National Institute on Aging, and this Institute was formally established on October 7, 1974. The mandate of the NIA is to give greater emphasis to research on the biomedical, behavioral and social aspects of aging, in order

to slow or ameliorate the degenerative processes and ensure a healthier and more productive later life.

The Committee has on several occasions expressed its concern over health problems of the elderly and is very pleased with the establishment of the new Institute whose research will directly affect the 20 million Americans who are age 65 or older. Of this number, approximately one million live in institutions and many more are incapacitated by age-related diseases. This population currently utilizes about two-thirds of all Federal health care monies. It is expected that the number of persons over 65 will reach 30 million by the end of the century. Obviously, research on these disabilities, in order to develop more effective treatment and prevention where possible, is a matter of national importance.

The nucleus of the new Institute will be the Adult Development and Aging Branch, which administers the extramural grants and contracts program, and the Gerontology Research Center, which houses the intramural program, both of which will be transferred from the National Institute of Child Health and Human Development. Both of these organizational components will continue to conduct and promote research into the biological, medical, psychological, social, educational, and economic aspects of aging.

The Committee is pleased to learn of the progress that has been made in research on aging. For example, in 1975, the Longitudinal Study of Human Aging will complete its sixteenth year of comprehensive study of the physiology of normal human aging. This research has yielded numerous results, including the effect of age on the metabolism of drugs (which affects the dosage that should be prescribed for older patients) and the development of a diagnostic chart to show to what extent a decrease of creatinine clearance, which is an indication of proper kidney function, is a function of age rather than an indication of kidney disease. Basic research will continue at the molecular and cellular levels to learn why the functions of the physiological control system, the genetic information transfer system, and the immune system decrease with aging, so that such degenerative processes may be slowed or ameliorated.

Research into the causes of senile dementia has yielded important data that correlate biological phenomena, such as the loss of synaptic contacts between brain cells, loss of neurons, and alterations of protein structure, with the loss of brain function and mental capacity. These leads plus research in the social and behavioral fields will be pursued so that the problems of senile dementia may be alleviated.

The Committee directs that all resources necessary be made available to make this new Institute viable and effective. The Committee is seriously concerned that the search for a Director of the NIA has thus far been unsuccessful. Since the Director must play an important role in establishing research scope and direction, the NIA can currently only maintain its status quo and cannot vigorously pursue its mission.

The Committee is most anxious to see the comprehensive plan for a research program on aging when it is submitted, as required by the Act. The Committee hopes that this plan will provide for intensive coordination between all Federal agencies involved with the aged, and timely dissemination of research findings to the service community.

The bill includes \$42,608,000 an increase of \$8,054,000 over the amount requested and \$3,215,000 over the comparable 1975 appropriation. For the interim appropriation, the bill includes \$9,103,000, the amount requested.

The great toll taken each year in the United States by eye diseases is not measured in terms of mortality, for few disorders originating in the eye cause death, but rather in degrees of physical limitation and financial burden. Yet such measures are inadequate, for they cannot convey the hardship of functioning without normal vision in a complex environment. It is perhaps for these reasons that a public opinion poll has shown that Americans fear blindness more than any other physical affliction, with the single exception of cancer. The National Eye Institute has been charged with the responsibility for developing and supporting a national attack on these disabling diseases.

To help the NEI make the most efficient use of its resources for supporting vision research and research training, during the past year and a half, a Committee of the National Advisory Council, aided by expert consultants and Institute staff, systematically analyzed and evaluated the current status of vision research support in the United States. It is the first comprehensive assessment of major needs and opportunities in vision research, one which is expected to have considerable impact on the future course of the National Eye Institute's support in this field. The Committee was pleased to learn of the progress which has been made over the past few years against leading causes of blindness and visual disability, and of the Institute's program planning and evaluation activities.

One area in which significant progress is being made and in which major research needs and opportunities exist is that of cataract. More than 3 million people in the United States have cataract. In most cases, the cause of cataract cannot be determined, but the most common form of the disease is related to processes associated with aging. It is tragic that this disorder should account for so much visual disability when one considers that cataract removal is one of the most successful major surgical procedures performed today. Yet, because of psychological, social, and economic factors, cataract remains a leading cause of blindness. Approximately 400,000 cataract extractions are performed annually, for an estimated total cost of about \$1 billion. Discovering means of preventing cataract, and thus alleviating the disability, financial burden, lost productivity, and human suffering associated with this disorder, is therefore a high priority goal of vision research. In this regard, the Committee was impressed by the fact that NEI supported scientists have discovered a possible means of slowing down a form of cataract associated with diabetes. Additionally recent findings indicate the possibility of retarding the development of the most common form of cataract, that associated with aging, within the next 5 to 10 years.

Disorders of the retina account for more blindness and uncorrectable visual disability than any other cause. More than 147,000 Americans are blind as a result of retinal and choroidal diseases, and an estimated 15,000 additional people become blind each year from these disorders.

Neither a method of prevention nor means of cure has been developed which will effectively deal with macular degeneration, a common cause of impaired vision among the elderly. The same is true for retinitis pigmentosa, a usually hereditary, progressive loss of vision which occurs in children and young adults. For this reason, a considerable amount of research is aimed at discovering the underlying causes of these disorders. As a result of newly developed research techniques, investigators have discovered that a thin layer of tissue at the back of the eye plays a vital role in the visual process. Efforts are now being made to determine the key part played by this single layer of cells both in normal retinal function and the development of certain retinal diseases. We expect that this new research opportunity will be fully exploited and that basic research studies will result in some of the most important contributions to clinical vision research within the next five years.

Diabetic retinopathy is now one of the most common causes of new adult blindness, and much more basic research is needed before the cause can be determined and a cure developed. However, the Institute is supporting a national Diabetic Retinopathy Study, which is a controlled clinical trial designed to determine whether photocoagulation can prevent or retard visual loss in proliferative diabetic retinopathy. Additionally, a new surgical procedure, vitrectomy, developed with NEI support, has demonstrated its usefulness in restoring sight to patients who have lost vision from diabetic retinopathy. The Committee was also pleased to learn that the NEI has initiated a multi-institutional clinical trial to measure the efficacy and safety of this new surgical technique. The Committee expects the National Eye Institute to use a portion of the increased funds provided in the bill to expand its research program on Diabetes and to coordinate its research efforts on this disease with the other Institutes of NIH in accordance with the provisions of the National Diabetes Mellitus Research and Education Act.

The Committee believes NEI should explore the awarding of core center grants to institutes of high research productivity potential. Some centers are currently overburdened with routine care because of the need to generate funds to support research activities. These core center grants will provide researchers with expanded support for creative activity in furtherance of the new vision research program plan.

#### NATIONAL INSTITUTE OF ENVIRONMENTAL HEALTH SCIENCES

The bill includes \$35,915,000, an increase of \$6,547,000 over the amount requested and \$4,031,000 over the comparable 1975 appropriation. For the interim appropriation, the bill includes \$7,540,000, the amount requested.

It is now fifteen years since this Committee first held hearings specifically on environmental health problems. Those hearings were for the purpose of discussing a report which had been prepared by the Public Health Service at the request of this Committee.

In making its request the Committee had stated:

Over the past several years a number of environmental factors affecting health have become increasingly significant.

The development of industrial processes and industrial products has taken place at a rate so rapid that direct and indirect effects on the health of the worker, the user of the processed product, and the general environment have not been adequately evaluated. The considerably expanded use and diversity of sources of radioactive products is a technical development of particular significance to health. The continued growth of gigantic metropolitan complexes has created special problems related to communicable disease, problems of mental health, and, to a certain extent, has made it increasingly difficult to deliver health services. Related to the growth of metropolitan areas and the expansion of industrial production are the increasing problems of air and water pollution and their effects on the health of the population, which are at present inadequately understood.

Thus, this Committee has been in the forefront of concern with the adverse effects resulting from man's interaction with his environment. However, looking back, it is clear that while work in this area has increased dramatically, that most of the increased emphasis has been on the application of existing knowledge and technology to existing problems. Not enough attention has been paid to anticipating new problems or to developing new knowledge to cope with either new or existing problems.

The national Institute of Environmental Health Sciences is the direct result of the continuing interest in this important area though it was not created until almost seven years after the hearings. Now, eight years later, the Institute continues to reflect the Executive Branch's continuing lack of awareness of these important problems.

Soon after its establishment and in recognition of the need for development of effective long-range plans and priority setting, the NIEHS established the Task Force on Research Planning in Environmental Health Science. For a year and a half this group, through a series of Sub-Task Forces met and considered specific areas of research opportunity. The Final Report of this Task Force, published in 1970, remains the only thorough overview of this broad area of research opportunity. However, there have been many important developments in this important field since the Task Force last met in 1969.

Accordingly, the Committee believes it is appropriate that the NIEHS develop a new Task Force to identify, review, and evaluate the needs in this area. In view of the broad sweeping nature of this task, and the time necessary to accomplish the original study, the Committee believes that two years will be required for this study, and directs the Institute to report to it in January 1977. The Committee directs the Institute also to charge the Task Force with responsibility for identifying specialized manpower requirements in this area. In order to assure adequate funding for this study, and because of its relevance to the entire field of environmental health research, the study should be funded from amounts available for research grants.

The Committee heard ample testimony to demonstrate that this Institute has made remarkable progress in the years of its existence.

However, much remains to be done and too little is available for its doing. A year ago the Committee added a million dollars to the NIEHS and directed that it undertake a study of the effects of orally ingested asbestos. While progress on this important study was delayed until the proposed rescission was resolved, the NIEHS is proceeding with the implementation of these studies. Now the Committee is informed that the continuation of these studies is jeopardized as there are not sufficient funds to permit their continued funding in the coming year. The Committee is including an additional one million dollars to permit continued funding of these important studies.

With the enormous number of untested compounds in widespread use, and hundreds more being placed into commercial use each year, it is vital that faster, more effective methods of testing be developed. To this end, NIEHS scientists have been working to develop new tests which will make it possible to screen new compounds in order to prevent wide-spread deleterious effects. These new tests cover a wide range of human health effects—mutagenesis, carcinogenesis, and teratogenesis.

Short of the dramatic killer diseases of childhood, probably no health related disorders are as tragic as those which result in severely malformed babies. Thus, since its inception, the NIEHS has been working on fast, reliable tests to help prevent another tragedy like thalidomide. NIEHS scientists have been looking in depth at the effects of environmental agents on reproduction and development. The Committee learned of a promising development which may permit the more rapid testing of compounds for their teratogenic activity using a laboratory animal model which will also be useful for studying factors associated with birth defects. It will, hopefully, lead to the development of a way to predict toxic effects.

Perhaps even more important than teratogenic effects are those which effect succeeding generations (mutagenic effects). Genetic effects may take many forms. They may result in an increase in spontaneous abortions or an increase in inheritable diseases such as hemophilia or sickle cell anemia. Tests newly developed by NIEHS scientists provide promise of a practical solution to the problem of how to test the thousands of untested compounds already in the environment. These short-term tests promise to be a sensitive initial method of quickly and cheaply screening chemicals and consumer products for possible toxic effects, and of singling out suspect compounds for more detailed evaluation in higher organisms. Because of the importance of these new tests, the Committee will expect the NIEHS to continue its emphasis on this important, but previously neglected area of research.

The NIEHS center grants continue to provide an important national resource covering as they do research areas such as asbestos, heavy metals, environmental chemicals, aero toxicology, pesticides, and pesticide exposures. The Committee encourages the Institute to continue the development of these core center programs, but only at a rate which is consistent with continuing scientific excellence. The development of these programs to date represents an excellent example of cooperation between government and academic scientists and institutions.

This Committee has consistently encouraged NIEHS to develop effective methods of interagency cooperation and collaboration and NIEHS has been conscientious in carrying out its responsibilities. The Committee will continue to take a great interest in this matter and will expect to hear from NIEHS regarding any impediments to effective action.

Because of its importance as a focal point for environmental health research and its resulting need to be heavily engaged in interagency cooperation and collaboration, the NIEHS is particularly dependent upon the continued growth and vitality of its intramural program. To strengthen this vital activity, the Committee directs that \$1.5 million of the increase over the budget estimate be used for the intramural research program, including the requisite additional personnel.

It is also unsatisfactory and inimical to the proper development of the environmental research program that the Institute continues to occupy temporary rented quarters and has no permanent facilities for its programs. During the years that these facilities have been under consideration their estimated cost has more than doubled and further delay will only further increase their cost and protract the make-shift conditions in which the Institute is operating. The Committee has therefore included \$64 million in the NIH Buildings and Facilities appropriation for the construction of a research facility at Research Triangle Park, North Carolina.

#### RESEARCH RESOURCES

The bill includes \$128,731,000, an increase of \$48,007,000 over the amount requested and \$915,000 over the comparable 1975 appropriation. For the interim appropriation, the bill includes \$20,195,000, the amount requested.

The Division of Research Resources has six programs which develop and support specialized research resources such as instrumentation, animals, necessary environments, and provides funds which are used by NIH's grantees to facilitate the NIH Institutes' biomedical research missions.

The Clinical Research Program, through its 84 General Clinical Research Centers, provides clinical investigators with specialized research facilities and resources. At these Centers, the latest advances from laboratory and animal research are used to better understand and treat human diseases, and help close the gaps in medical knowledge. The Centers are miniature research centers located in 76 institutions, providing 867 research beds which represents 80 percent of all the research patient beds supported extramurally by NIH. In 1975, 42,000 out-patient visits were supported, in addition to the 215,000 in-patient days, at these centers.

The Biotechnology Research Program provides biomedical investigators access to ultra sophisticated, expensive instruments, complex methodologies, and expert staffs to operate them. This includes specialized computers, mass spectrometry, high voltage electron microscopy, nuclear magnetic resonance, and bio-engineering resources. Through the resource sharing activity recently initiated by the program, they are shared between the host institution and other geographically dispersed institutions. This enables research groups, regardless of size, to use the most advanced technologies.

The Laboratory Animal Sciences and Primate Research Program provides biomedical investigators with suitable research animal models properly maintained in an appropriate environment. It also provides special research environments for scientists to conduct biomedical and behavioral research using nonhuman primates and other animals. Special effort is being made to provide the animal resources needed to properly support the missions of the NIH's Institutes.

The Committee is concerned with the critical shortage of subhuman primates caused by the extremely small number of monkeys being exported by India and other countries. With the emphasis of research being shifted from humans to nonhuman research patients, the demand has increased far beyond the supply capacities. In 1975, \$874,000 was awarded to four commercial firms to develop primate breeding capabilities. These organizations currently have 1625 breeders and 210 infants in their breeding colonies. The estimate for 1976 is to increase the number of primates to 3200 breeders and 590 infants. Eventually these programs will produce 2300 primates annually. Domestic breeding programs must be expanded in order to meet a significant portion of the biomedical requirements for primates which are about 46,000 animals annually. NIH requirements are about 20,000 annually. The Committee has provided funds to double the size of the Domestic Breeding Program.

The Committee was informed that the seven Primate Research Centers have been engaged in primate breeding since 1960 and have been instrumental in providing basic knowledge in primate biology and husbandry. The Centers now produce approximately 50 percent of their annual requirements for experimental primates at a cost of \$1.5 million annually. The Committee agrees with the NIH Primate Steering Committee that the primate centers should eventually be self-sufficient in their capacity to breed domestically the major primate species in short supply.

The Minority Biomedical Support Program is designed to increase ethnic minority participation in biomedical research by adding to the pool of minority scientists; to strengthen biomedical research capabilities of minority institutions; and to utilize the talents of minority biomedical investigators. The Committee is pleased with the progress of this program. In 1975, a total of 71 grants were made to 75 institutions benefiting 350 faculty and 1,000 students.

The Chemical/Biological Information-Handling Research Program develops and evaluates new computer tools and systems for drug research. The computer system, called PROPHEET, is shared with a selected group of scientists who are seeking to understand how drugs work. The Committee was impressed with the growth in the number of users of the PROPHEET system with 13 groups and 100 individuals planned for 1976. The Committee also learned that the cost of operation of PROPHEET is beginning to be shared. The grantees who use the system now are requesting funds to cover the cost of their use of PROPHEET in their research grant requests.

Last year, the Committee requested that NIH submit a report on revising the formula and guidelines for eligibility, allocation, and use of the funds which are awarded under the General Research Support Program. The Committee agrees with the recommendations of the

report which emphasizes the strengths of the current General Research Support Program, and the new changes that provide: greater control over the awarded grants; greater emphasis on the smaller institutions; a new formula for the distribution of the funds; that the grantee institution obtain internal advice on the use of these funds; that the grantee institutions disseminate information on the availability and use of the funds; for the merger of the General Research and the Biomedical Sciences Support Programs into a new program called Biomedical Research Support; and for the initiation of a new sub-program, Biomedical Research Development, which will be funded by using a part of the funds appropriated (up to 10 percent) for the new Biomedical Research Support Program. The subprogram would support the development of the research capacities of the smaller, newer, or developing institutions.

The Committee believes that the Biomedical Research Support Program with its new formula, specific controls, and its targeted goals is a distinct improvement of the General Research Support Program and will more effectively provide the needed assistance to institutions engaged in biomedical research. The Committee also feels that these awards play an important role in biomedical research support provided by NIH. These flexible funds, which represent approximately five percent of the total grants awarded by NIH and the National Institute of Mental Health, enables grantee institutions to make on-site judgments, to respond to emergencies and unexpected requirements of their research projects, to fund pilot studies, promote central sharing of resources, and to support young research scientists not yet in a position to compete successfully for individual project grants.

The budget estimate makes provision only for the Minority Biomedical Support component of the General Research Support Grants. The Committee has restored the appropriation for the overall program to the full amount available in 1975. This will provide funding at the FY 1975 level for both the Minority Biomedical Support and the new Biomedical Research Support programs.

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

The bill includes \$5,345,000, an increase of \$805,000 over the amount requested and a decrease of \$61,000 from the comparable 1975 appropriation. For the interim appropriation, the bill includes \$1,135,000, the amount requested.

The mission of the Fogarty International Center, in accordance with the hopes expressed by the late John E. Fogarty in whose memory the Center was established, is to serve as a focus and facility for the international activities of NIH and to promote international cooperation and collaboration in research in biology and medicine through the exchange of scientists and the support of related seminars and studies.

The International Research Fellowship Program brings carefully selected, highly qualified young foreign biomedical scientists to the United States to obtain advanced research training and to participate in collaborative research with leading American scientists at many of

the major educational and research institutions in the United States. As the selection of participants is made on the advice of a scientific committee in each country, the program requires a lead time of many months.

A counterpart of the International Research Fellowship Program was launched this year to provide opportunities for outstanding faculty members of American schools of medicine, osteopathy, dentistry, and public health to spend a year, at mid-career, in study abroad. The initial response to this new Senior International Fellowship Program indicates that the value of such an opportunity is fully appreciated by faculty members and their institutions.

The Fogarty Center's Advanced Study Program has sponsored conferences and comparative studies in a number of subjects including such topics as preventive medicine, the status of medical research in various countries, medicine and public health, and national health care and health care delivery systems abroad.

Since 1970, the U.S. contribution to the Gorgas Memorial Laboratory in Panama has been a responsibility of the Fogarty International Center. During this period, the Center has also become involved in the management of the Laboratory. A substantial increase in the activities of the Laboratory occurred recently with the merger of the Laboratory and the Middle America Research Unit, formerly supported by the National Institute of Allergy and Infectious Diseases. The Congress, in the Foreign Assistance Act of 1974, authorized increased funding for these combined activities and suggested that the Fogarty Center assume a more formal relationship with the Gorgas Memorial Laboratory. However, some uncertainty about the optimum future size and scope of the Laboratory still exists. The Committee expects that a further request for funds will be made when the proposed level of future financial support is determined, and that, meanwhile, the on-going activities will be supported from available funds.

#### NATIONAL LIBRARY OF MEDICINE

The bill includes \$28,815,000, the amount requested and a decrease of \$33,000 from the comparable 1975 appropriation. For the interim appropriation, the bill includes \$6,572,000, the amount requested.

The National Library of Medicine is the nation's foremost resource for biomedical information and the largest research library in the world devoted to a single scientific or professional discipline. In addition to acquiring, organizing and disseminating biomedical literature and audiovisuals the NLM attempts to develop improved methods of information transfer through the application of advanced communications and computer technology.

The NLM's library services, provided either directly or indirectly through a nation-wide network of Regional Medical Libraries, include interlibrary loans and computerized bibliographic information services. The Library, with its new computerized information capabilities has expanded its on-line bibliographic retrieval system, Medline, to serve a larger segment of the health community. The Committee is pleased to note that the concept of equal access and cost-sharing by the users through a nominal fee, is operating efficiently and effectively. There is also a specialized automated retrieval system in the field of

toxicology (Toxline) which, along with other activities of the NLM's Toxicology Information Program, facilitates the flow of information on drugs, chemicals and environmental pollutants.

In the area of non-print media, NLM's National Medical Audio-visual Center supports the development of innovative instructional packages for use in the education of health professionals. It also serves as a national clearinghouse for biomedical audiovisuals to assure effective distribution of high-quality materials.

The NLM's Medical Library Assistance Program helps the nation's medical libraries develop the resources and systems necessary to bring health science information to researchers and clinicians throughout the country. By encouraging the coordination of efforts at regional and local levels, this program seeks to avoid wasteful duplication and to maximize the sharing of resources.

The major research and development arm of the National Library of Medicine is its Lister Hill Center for Biomedical Communications. It encourages the application of advanced computer and communication technologies to the solution of biomedical information problems. Microwave, cable television, computer-assisted instruction and satellite relay networks are a few of the many experimental and operational technologies applied successfully through this program. The Center also has the additional role of serving as the focal point within the Department for the development and coordination of biomedical communication networks.

The Committee was pleased to learn that the architectural and engineering drawings for the Lister Hill Center Building have now been completed. The Committee has repeatedly expressed its concern over the growing space problem within the Library and the need for the construction of a specialized communications facility so that health care services, medical education and biomedical research will benefit fully from the application of advanced communications technology. The Committee has therefore included \$26 million in the NIH Building and Facilities appropriation for the construction of the Lister Hill Center Building and its ancillary parking facility.

#### BUILDINGS AND FACILITIES

The bill includes \$93,000,000, an increase of \$90,000,000 over the amount requested and \$90,000,000 over the comparable 1975 appropriation. For the interim appropriation, the bill includes \$750,000, the amount requested.

As noted in the section of this report on the National Library of Medicine, the Committee believes that the construction of the Lister Hill National Center for Biomedical Research should not be further delayed. Accordingly, \$26,000,000 are included in this appropriation for the construction of the Lister Hill Center adjacent to the present Library. The building will contain some 200,000 gross square feet of space. As designed, the facility will consist of a large podium-type base with a ten-story tower superstructure. The podium itself will have three levels below grade and will provide linkage to the present Library. Adjacent to this podium will be a three level parking facility which will contain 400 parking spaces. The Center will contain offices,

conference rooms, an auditorium, unique biomedical communications laboratories and exhibit areas, computer and communications facilities, audio-visual production rooms and necessary service facilities.

In order to properly house the National Institute of Environmental Health Sciences, which is now occupying inadequate temporary quarters, the Committee has included in this appropriation \$64,000,000 for the construction of a permanent research facility for the Institute on land donated to the Federal government at Research Triangle Park, North Carolina. This facility will provide approximately 300,000 square feet of research space to accommodate about 1,200 people. In addition, there will be a power plant and warehouse. It is estimated that clearing, grading and developing the site and the installation of a utilities system will cost approximately \$11 million; that the construction of the power plant and warehouse will cost about \$13 million; and that the construction of the research space will cost about \$40 million.

The Committee urges that the construction of both the Lister Hill Center and the NIEHS buildings be undertaken as soon as possible to forestall any further increase in their costs. The amounts appropriated in this bill are under no circumstances to be exceeded. If, for whatever reason, the bids for construction are higher than the amounts appropriated, compensating adjustments will have to be made in the design or specifications. Supplementary construction funds will not be approved.

The remaining \$3 million is for anticipated structural improvements and modifications, directly related to program needs, and for routine repairs and improvements of the existing NIH facilities.

#### OFFICE OF THE DIRECTOR

The bill includes \$19,612,000, a decrease of \$374,000 from the amount requested and an increase of \$1,716,000 over the comparable 1975 appropriation. For the interim appropriation, the bill includes \$4,903,000, a decrease of \$94,000 from the amount requested.

This appropriation for salaries and expenses of the Office of the Director has been reduced by \$374,000 which is 10 percent of the amount included in the budget request for Standard Level User Charge payment to the General Services Administration.

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

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

The bill includes \$557,654,000 an increase of \$81,375,000 over the budget request and a decrease of \$61,703,000 from the comparable 1975 appropriation. The budget request included \$177,348,000 which was not considered by the Committee due to the lack of authorizing legislation.

This appropriation supports the activities of the Alcohol, Drug Abuse, and Mental Health Administration which is responsible for developing knowledge, manpower, and services to prevent mental illness, to treat and rehabilitate the mentally ill and to prevent the abuses of drugs and alcohol. The amounts recommended by the Committee for each of the programs and activities funded by this appropria-

tion, together with the budget request and comparable appropriations for fiscal year 1975, are shown in the table below.

Activity	1975 comparable appropriation	1976 budget	1976 bill
ALCOHOL, DRUG ABUSE AND MENTAL HEALTH			
1. General mental health:			
(a) Research.....	\$92,650,000	\$80,189,000	\$92,908,000
(b) Training.....	75,993,000	30,266,000	60,266,000
	(18,232,000)	(15,134,000)	(1)
(c) Community programs:			
(1) Construction of centers.....	(.....)	(.....)	(1)
(2) Staffing of centers.....	172,053,000	135,363,000	135,363,000
(3) Mental health of children.....	26,844,000	24,780,000	24,780,000
(d) Management and information.....	20,429,000	20,274,000	22,274,000
Total, mental health.....	387,969,000	290,872,000	335,591,000
Drug abuse:			
(a) Research.....	34,063,000	31,602,000	34,000,000
(b) Training.....	13,757,000	2,803,000	9,803,000
	(278,000)	(197,000)	(1)
(c) Community programs:			
(1) Project grants and contracts.....	12,935,000	11,836,000	11,836,000
	(109,065,000)	(126,126,000)	(1)
(2) Grants to States.....	(35,000,000)	(35,000,000)	(1)
(d) Management and information.....	15,092,000	14,294,000	14,294,000
Total, drug abuse.....	75,847,000	60,535,000	69,933,000
3. Alcoholism:			
(a) Research.....	11,008,000	9,047,000	11,008,000
(b) Training.....	6,846,000	6,067,000	6,067,000
	(1,001,000)	(891,000)	
(c) Community programs:			
(1) Project grants and contracts.....	64,908,000	45,451,000	64,908,000
(2) Grants to States.....	52,000,000	45,600,000	52,000,000
(d) Management and information.....	10,328,000	7,143,000	7,143,000
Total, alcoholism.....	145,090,000	113,308,000	141,127,000
4. Program direction.....	10,451,000	11,564,000	11,004,000
Total.....	619,357,000	476,279,000	557,654,000

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

#### Mental Health

The bill includes \$92,908,000 for mental health research, an increase of \$12,719,000 over the budget request and an increase of \$258,000 over the comparable 1975 appropriation. The Committee is well aware that the cost to the economy of direct health care related to mental illness is approximately \$14.9 billion annually. Therefore, it is clear to the Committee that a national research program focusing on developing new knowledge and approaches to the causes, diagnosis, treatment, control and prevention of mental illness should be maintained if the problems of mental health are to be solved. The amount provided in the bill restores the research program to the 1975 level.

For training the bill includes \$60,266,000 an increase of \$30,000,000 over the budget and a reduction of \$15,727,000 from the comparable 1975 appropriation. The position of this Committee has not changed with respect to the need for trained mental health personnel. The Committee has heard testimony to the effect that even if the current rate of production is maintained there will be a shortage of nearly 40,000 professionals in the core disciplines by 1981. The funds provided in this bill will allow for a reasonable number of new grant awards for clinical training.

For community programs the bill provides \$160,143,000, the same amount as the budget request and a reduction of \$38,754,000 from the comparable 1975 appropriation. The amount provided in the bill allows for the support of community projects currently in operation. Due to the lack of authorizing legislation at the time of this report, the Committee took no action on making funds available for construction grants or for new staffing grants for community mental health centers.

The bill provides \$22,274,000 for management and information an increase of \$2,000,000 over the budget request and an increase of \$1,845,000 over the comparable 1975 appropriation. The Committee recommendation will restore 50 of the 97 positions cut from the budget and will partially restore support for contracts, technical assistance and monitoring of the grant programs. The Committee is aware of the need to improve the management of the Community Mental Health Centers and has provided the necessary funds and positions to achieve that purpose. The Committee expects the Department of Health, Education, and Welfare and the Office of Management and Budget to provide the National Institute of Mental Health with sufficient employment ceilings to fill these positions.

#### *Drug Abuse*

For drug abuse research the bill includes \$34,000,000 an increase of \$2,398,000 over the budget and a reduction of \$63,000 from the comparable 1975 appropriation. The research work supported by the National Institute of Drug Abuse ranges from investigating psychosocial and epidemiological factors influencing drug abuse, to studying the basic chemistry of abused drugs. The Committee is concerned about recent evidence of a national resurgence in heroin addiction and believes that a drug abuse research program is necessary to strengthen the national capability to treat drug abusers and to prevent further increases in their numbers. The amount provided in this bill restores the funds for drug abuse research to the 1975 level.

The bill includes \$9,803,000 for training, an increase of \$7,000,000 over the budget request and a reduction of \$3,954,000 from the comparable 1975 appropriation. The Committee is aware that the National Institute on Drug Abuse has begun the transfer of primary responsibility for training from the Federal to the State sector, and the committee supports this move. If the State programs continue to develop, direct Federal funding can be phased out. However, this phase-out must be gradual, rather than precipitous in order to allow for the orderly transfer of responsibility and to maintain current training capacity and quality. The Committee believes that a need still exists for short-term training of individuals in order to prepare them to deal with the special needs of the drug abuser. Furthermore, it appears to the Committee that there is a need for new Federal efforts in such activities as professional and para-professional credentialing, and training program evaluation.

The amount included for community project grants and contracts is \$11,836,000, the same amount as the budget request and \$1,099,000 below the comparable 1975 appropriation. Due to a lack of authorizing legislation, at the time of this report, the Committee took no action on making funds available for new community project grants and contracts or continuation of the grants to States program. The funds

provided in this bill will support the continuation cost of projects funded under the authority of the Community Mental Health Center Act.

For management and information the bill includes \$14,294,000, the same amount as the budget request and a decrease of \$798,000 from the comparable 1975 level. Included in this activity is the drug abuse information program which collects and disseminates scientific, technical, and programmatic information on drug abuse for Federal and State drug abuse prevention efforts.

#### *Alcoholism*

The Committee has provided \$11,008,000 for research, an increase of \$1,961,000 over the budget request and the same amount as the comparable 1975 appropriation. The Committee believes that there is still much to learn about the causes of alcoholism, and in light of the many unanswered questions about this problem we have provided funds to restore the research program to the comparable 1975 level.

For training the bill includes \$6,067,000, the same amount as the budget request and a reduction of \$779,000 from the comparable 1975 appropriation. The funds provided by the Committee will enable the National Institute of Alcohol Abuse and Alcoholism to maintain a program of training individuals in such fields as medicine, social work, public health, psychiatry and psychology.

The bill provides \$64,908,000 for community project grants and contracts, an increase of \$19,457,000 over the budget request and the same level as the comparable 1975 appropriation. The Committee recognizes that these project grants are the heart of the entire effort against alcoholism. Documentation has been received by the Committee which indicates that these grass root project grants and contracts are beginning to reduce alcoholism. The Committee is concerned, however, that NIAAA is promoting "catch-all" health and job problem programs, such as the current "troubled employee" program, instead of concentrating on the specific problem of the alcoholic worker. While the Committee supports the development of Labor-Management projects on alcoholism, it believes that NIAAA should not offer programs or guidelines which might interfere with the collective bargaining process.

The Committee included \$52,000,000 for grants to States, an increase of \$6,400,000 over the budget and the same amount as the comparable 1975 appropriation. Treatment services comprise approximately 67% of the total formula grant dollars. The remaining funds are directed to program development, State and local program administration, and prevention and educational programs. The Committee is convinced of the importance of this program and thus it has provided funds to restore the program to the 1975 level.

For management and information the bill includes \$7,143,000 the same amount as the budget request and a reduction of \$3,185,000 from the comparable 1975 appropriation. This activity includes the resources to support the staff of the Alcohol Institute who plan, direct, and execute the Institute's programs.

The bill provides \$11,004,000 for program direction for the Alcohol, Drug Abuse, and Mental Health Administration, a reduction of \$560,000 from the budget request and an increase of \$553,000 over the comparable 1975 appropriation. The Committee denied the re-

requested increase of \$304,000 for equipment requested as a line item for ADAMHA and reduced by 10% the payment to the General Services Administration.

The Committee recommends an interim budget of \$84,242,000 for the various programs of Alcohol, Drug Abuse and Mental Health. This level of funding will support these programs during the transition from the old to the new fiscal year.

#### ST. ELIZABETH'S HOSPITAL

The Committee has approved the budget request of \$48,064,000 for St. Elizabeth's Hospital and directs that the 104 positions plus the employment ceiling cut from the staff of the Hospital be restored. The Committee has been informed that these positions are required in order for the hospital to provide quality care and to meet the criteria of the Joint Commission on Accreditation of Hospitals. For the past two years the hospital has received temporary accreditation and the Committee directs the Department to provide the hospital with the necessary manpower resources to receive full accreditation from the Joint Commission on the Accreditation of Hospitals. Including reimbursements as well as appropriated funds, it is estimated that \$75,-186,000 will be available for the Hospital's program in 1976. This is an increase of \$4,682,000 over the funds available in 1975.

#### BUILDINGS AND FACILITIES

For Buildings and Facilities the Committee recommends \$2,500,000 over the budget request in order for St. Elizabeth's Hospital to meet the most pressing deficiencies identified by the Joint Commission on the Accreditation of Hospitals (JCAH). These funds, along with the funds approved for reprogramming by the Committee in May 1975, will permit St. Elizabeth's to improve safety, patient privacy and services for patients, all of which have been identified by the JCAH as requiring immediate attention. The hospital is currently operating under its second temporary accreditation and unless immediate action is taken to correct these deficiencies the hospital will lose its accreditation. The Committee expects the Department to submit a report by November 1, 1975 which outlines the Department's plans for fully complying with the JCAH recommendations so that St. Elizabeth's may be awarded a full two-year accreditation.

#### HEALTH RESOURCES ADMINISTRATION

##### HEALTH RESOURCES

The bill includes \$360,709,000 an increase of \$35,380,000 over the budget and an increase of \$58,390,000 over the comparable 1975 appropriation. The budget request includes \$286,158,000 which was not considered by the Committee due to the lack of authorizing legislation.

The mission of the Health Resources Administration is to identify and correct current and anticipated imbalances, inefficiencies and deficiencies in the distribution, supply, access, utilization and costs of

health care resources and services. The amounts recommended by the Committee for each of the programs and activities funded by this appropriation, together with the budget request and comparable appropriation for fiscal year 1975, are shown in the table below.

Activity	1975 comparable appropriation	1976 budget	1976 bill
1. National health statistics.....	\$21,997,000	\$25,636,000	\$25,636,000
2. Health planning and resources development.....	97,900,000	66,000,000	86,000,000
3. Health services research and evaluation.....	28,659,000	26,000,000	26,000,000
4. Health manpower:			
(a) Health professions:			
(1) Institutional assistance:			
(i) Capitation grants.....	(150,000,000)	(101,100,000)	( )
(ii) Start-up and conversion assistance.....	(4,700,000)	(3,000,000)	( )
(iii) Financial distress grants.....	(5,000,000)	(5,000,000)	( )
(iv) Special projects.....	(37,583,000)	(45,472,000)	( )
(2) Student assistance:			
(i) Loans.....	36,000,000	20,000,000	20,000,000
(ii) General scholarships.....	6,900,000	3,500,000	3,500,000
(iii) National health service scholarships.....	(22,500,000)	(22,500,000)	( )
(iv) Loan repayments.....	3,000,000	6,000,000	6,000,000
(3) Dental health activities.....	7,842,000	7,842,000	7,842,000
Subtotal, health professions.....	53,742,000	37,342,000	37,342,000
(b) Nursing:			
(1) Institutional assistance:			
(i) Capitation grants.....	(34,343,000)	( )	( )
(ii) Start-up and conversion assistance.....	( )	( )	( )
(iii) Financial distress grants.....	(4,750,000)	( )	( )
(iv) Special projects.....	(20,200,000)	(18,000,000)	( )
(2) Student assistance:			
(i) Loans.....	22,800,000	9,000,000	9,000,000
(ii) General scholarships.....	6,000,000	4,000,000	4,000,000
(iii) Traineeships.....	(13,016,000)	( )	( )
(iv) Loan repayments.....	100,000	2,500,000	2,500,000
(3) Educational research grants and contracts.....	1,200,000	( )	( )
Subtotal, nursing.....	30,100,000	15,500,000	15,500,000
(c) Public health.....	(20,520,000)	( )	( )
(d) Allied health.....	(33,821,000)	( )	( )
(e) Special educational programs.....	(47,975,000)	(91,086,000)	( )
(f) D.C. Medical manpower assistance.....	7,500,000	( )	9,050,000
Total, health manpower.....	91,342,000	52,842,000	61,892,000
5. Health facilities construction:			
(a) Medical facilities:			
(1) Formula grants.....		78,000,000	78,000,000
(2) Special projects.....		22,000,000	22,000,000
(b) Health teaching facilities.....	(114,000,000)	( )	( )
(c) Interest subsidies.....	2,000,000	3,000,000	3,000,000
(d) Special medical facilities.....	22,000,000	( )	7,575,000
Subtotal, health facilities construction.....	24,000,000	103,000,000	110,575,000
6. Program management.....	46,963,000	51,893,000	50,648,000
Less: Trust fund transfer.....	-8,542,000	-42,000	-42,000
Total, Health resources.....	302,319,000	325,329,000	360,709,000

\* Not considered due to lack of authorizing legislation.

For health statistics the bill includes \$25,636,000 the same amount as the budget request and an increase of \$3,639,000 over the comparable 1975 appropriation. This activity provides for the collection, analysis, and publication of National Health Statistics through the operation of a number of national systems. The Committee recommendation will continue the development of the Cooperative Health Statistics System which is designed to produce comparable and uniform health information at the Federal, State and local level. The data to be produced by the Cooperative Health Statistics System will be used by Federal and State agencies as well as the new Health Planning Agencies for the planning, management and evaluation of health programs.

The Committee recommends \$86,000,000 for health planning and resources development, an increase of \$20,000,000 over the budget request and a reduction of \$11,900,000 from the comparable 1975 appropriation. This program provides for a nationwide network of State and local health planning agencies to develop and implement health plans, regulate the development of new health services facilities and support short term projects which will lead to reasonably priced quality health care. In addition, this activity supports the orderly phase-out of the Regional Medical Programs (RMP) and the Comprehensive Health Planning Agencies (CHP). The Committee provided the additional funds for the purpose of continuing the smooth and orderly phase out of RMP and CHP in accordance with the provisions of part F, section 5 of Public Law 93-641. The second supplemental appropriation for 1975 provided funds to support the RMP's and CHP's until December 31, 1975. The additional funds in this bill are intended to support the RMP's and CHP's until June 30, 1976 or until the old programs become part of a new Health Planning Agency whichever comes first. However, to the extent that these funds are not needed for support of the RMP's and CHP's they shall be used to accelerate the implementation of the Health Planning and Resources Development Act.

The bill includes \$26,000,000 for health services research and evaluation, the same amount as the budget request and a reduction of \$2,659,000 from the comparable 1975 appropriation. This program supports a broad range of research and demonstration activities in all aspects of health services delivery. The Committee has provided an additional 20 positions in order that the program may begin to comply with the legislative requirement that 25% of the funds appropriated are to be used for support of direct (intramural) research activities. The Committee expects the Department of Health, Education and Welfare and the Office of Management and Budget to provide the necessary employment ceiling to fill these positions. However, the Committee recognizes the difficulty in initiating and establishing a new intramural research program, and therefore recommends that the National Center for Health Services Research and Evaluation utilize, to the extent possible, the staff and facilities of the Public Health Service Hospitals and clinics and the Indian Health Service as a part of its intramural research program.

The Committee approved the budget request of \$29,500,000 for health professions student assistance. Loans and scholarships are awarded to students of limited financial resources. The Committee did not consider funds for new loans and scholarships due to a lack of authorizing legislation. The committee recommendation continues support of students who received prior assistance under this program. Loan repayments are used to repay a portion of a student's educational loan if the student agrees to serve at least two years in the National Health Service Corps or practice in a medically underserved area.

For Dental Health Services the bill provides \$7,842,000 the same amount as the budget request and the comparable 1975 appropriation. This program is the Federal focus with regard to dental education, practice and manpower research. It provides the professional expertise to plan and coordinate the development of the nation's dental health

manpower. The funds in this bill will maintain the current program level.

The Committee approved the budget request of \$15,500,000 for Nursing Student Assistance. Loans and scholarships are awarded to students of exceptional financial need. The Committee took no action on funds for new loans and scholarships due to a lack of authorizing legislation. The funds in this bill will continue support of students who received prior assistance under these programs. Loan repayments are used to repay the educational loans of students who agree to serve in a medically underserved area.

For D.C. Medical Manpower Assistance the Committee recommends \$9,050,000, an increase of \$1,550,000 over the comparable 1975 level. No funds were requested in the President's budget for this item. These funds are awarded to private medical and dental schools in the District of Columbia which have demonstrated critical financial need but which also plan management improvement activities to overcome continued reliance on this form of support. The Committee is pleased to note that both George Washington and Georgetown Universities have emphasized the development of faculty practice plans for their schools of medicine and dentistry and urges the schools to continue to take the necessary steps to maximize their revenues and to better manage their budgets.

The bill provides \$100,000,000 for medical facilities construction the same amount as the budget request. These funds will be used to implement the new title XVI provisions of the Health Planning and Resources Development Act. Priority will be given to modernizing outdated hospital and long-term care facilities and to the construction of outpatient facilities.

For special medical facilities the Committee recommends \$7,575,000. No budget request was submitted for this item. These funds will be used to complete construction of Children's Hospital in the District of Columbia and will support construction of parking facilities for the Georgetown University Concentrated Care Center.

The bill includes \$50,648,000 for program direction, a decrease of \$1,245,000 from the budget request and an increase of \$3,685,000 over the comparable 1975 appropriation. This activity provides the funds for maintaining the operation and staff of the Health Statistics, Health Manpower, Health Services Research and the Health Planning and Resources Development extramural programs. The Committee directs that hereafter, the budget should detail the direct operation budgets of the nursing, dental and other programs of the Health Resources Administration. The level of detail shall be such that salaries, positions, travel, and consultation will be clearly identified for each component rather than lumping the division budgets into one overall program direction component. The funds cut by the Committee are for the standard level user charge payment to GSA and \$1,000,000 and 50 positions from the Health Planning and Resource Development program. The Committee disallowed these positions in the second supplemental, however, the 1976 budget included the annualized cost of the disallowed positions.

The Committee recommends an interim budget of \$78,790,000 for the programs of the Health Resources Administration. This level of funding will support these programs during the transition from the old to the new fiscal year.

### MEDICAL FACILITIES GUARANTEE AND LOAN FUND

The bill includes \$10,000,000 for the Medical Facilities Guarantee and Loan Fund, the same amount as the budget request. These funds will pay interest subsidies on guaranteed loans to nonprofit sponsors and for making direct loans. The budget request plus funds available from prior fiscal years will award approximately \$43,000,000 in direct loans for medical facilities and will pay \$19,000,000 in interest subsidies.

### PAYMENT OF SALES INSUFFICIENCIES AND INTEREST LOSSES

The bill provides \$4,000,000 for Payment of Sales Insufficiencies and Interest Losses, the same amount as the budget request and the comparable 1975 appropriation. This appropriation provides for the mandatory interest payments to the Treasury Department and the Government National Mortgage Association which arise from two student loan revolving funds.

### ASSISTANT SECRETARY FOR HEALTH

#### ASSISTANT SECRETARY FOR HEALTH

The bill includes \$23,142,000 for the Office of the Assistant Secretary for Health, a reduction of \$146,000 from the budget request and an increase of \$1,120,000 over the comparable 1975 appropriation. This appropriation supports the administrative staff of the 10 Regional Health Administrators, and staff for the Assistant Secretary for Health. The reduction was made against the payment to the General Services Administration.

The Committee recommends an interim budget of \$5,785,000 for the transition period from the old to the new fiscal year.

### RETIREMENT PAY AND MEDICAL BENEFITS FOR COMMISSIONED OFFICERS

For retirement pay and medical benefits the bill provides \$45,013,000 the same amount as the budget and an increase of \$5,813,000 over the comparable 1975 appropriation. This activity provides for mandatory payments to public health service commissioned officers who have retired for age, disability or specified period of service in accordance with provisions of law. Provision is also made for the cost of medical care provided in non-Public Health Service Facilities to dependents of officers of the Public Health Service Commissioned Corps.

### SOCIAL AND REHABILITATION SERVICE

#### PUBLIC ASSISTANCE

The bill includes \$15 billion, an increase of \$1,159 million over the amount appropriated for fiscal year 1975. The Committee has approved the overall amount requested in the budget but has rounded off the total to more accurately portray the fact that the amount is a gross estimate of the funds required for the public assistance programs during fiscal year 1976. Within the total amount in the bill,

relatively small sums have been shifted among the requests for child welfare services, research, and training programs.

With the exception of funds for child welfare services, research, and training this appropriation covers mandatory payments authorized under various provisions of the Social Security Act calculated on the basis of State and local expenditures for welfare assistance, medicaid, and social services. Estimates of requirements for this appropriation are based primarily on estimates submitted to HEW by the States in November 1974, adjusted by HEW for certain factors not reflected in the States' calculations. More recent information from the States suggests that the estimated Federal funds required for fiscal year 1976 may be understated. After a fairly steady decline since March 1973, the number of recipients in the aid to families with dependent children (AFDC) category started to increase in August 1974 and reached a record high of 11.2 million recipients in February 1975. In addition, the impact of inflation and increasing unemployment on the Federal funds to be required in fiscal year 1976 cannot be determined with any certainty at this time.

Maintenance assistance benefits—mostly cash payments to AFDC recipients—are estimated to total \$5.2 billion, an increase of \$300 million over the amount appropriated for fiscal year 1975. The increase relates primarily to a higher average number of recipients and a rise in the average monthly payment. HEW efforts to improve the administration of the welfare program have produced minimal results. Estimated cost savings from management improvements have been consistently overstated. Any efforts designed to reduce errors in overpayments and remove ineligible from the welfare rolls are certainly worthwhile and should be vigorously pursued.

The medicaid program, authorized by Title XIX of the Social Security Act provides about 55 percent of the total cost of medical services to eligible needy persons. Federal requirements for fiscal year 1976 are estimated to reach almost \$7.8 billion, an increase of \$800 million over the amount available for 1975. The main reason for this increase is inflation in the prices paid for medical care. Following the removal of wage and price controls last year, many States increased reimbursement rates to physicians and other practitioners. Hospital costs have also been rising and are expected to increase by 12 percent next year. The number of medicaid recipients is estimated to grow from 24.7 million to 25.6 million in fiscal year 1976.

Social services are estimated at \$1.9 billion, an increase of \$56 million over the amount available for 1975. This estimate does not fully reflect the impact of the new Title XX legislation which becomes effective on October 1, 1975. Social services are directed toward helping welfare families become self-sufficient. The new legislation gives the States wide latitude and flexibility in determining eligibility and types of services available. States are required to develop and make available to the public an annual comprehensive service plan. This approach is expected to result in a social services program that is more responsive to the needs of eligible persons. About 8.4 million persons are expected to receive services in fiscal year 1976.

The Social Security Act authorizes 75 percent Federal funding for the cost of training State and local personnel in public assistance agencies. The cost of this program is expected to continue at \$54

million, about the same level as in fiscal year 1975. About 190,000 individuals would receive training through workshops and seminars, 1,600 individuals would be in full-time training courses, and 4,700 individuals would be in part-time training.

The bill includes \$50 million for child welfare services authorized under Title IV-B of the Social Security Act. This amount is \$4 million over the budget request, and the same amount as appropriated for fiscal year 1975. These funds are used by child welfare agencies to provide services for the protection and care of homeless, dependent, and neglected children. Such services include foster care in foster homes or institutions, adoption placement services, services to prevent the abuse, neglect or exploitation of children, homemaker services, and day care. About 400,000 children would be served by this program in fiscal year 1976.

For research and evaluation of public assistance programs, the Committee recommends \$9.2 million, the same amount as appropriated for fiscal year 1975. The recently enacted Title XX of the Social Security Act, as well as the child support provisions of Title IV-D, require additional evaluation studies of State social services and child care programs. These added responsibilities can be initiated by cutting back existing projects in income maintenance and social services. In addition, the Committee notes the variety of research and evaluation projects in welfare and social services now being supported through the "Policy research" appropriation available to the Office of the Secretary.

The Committee has provided \$6 million for child welfare training authorized by Section 426 of the Social Security Act. No justification was presented for terminating this program as the budget suggests. There continues to be a need for trained social work manpower to provide adequate child care and foster care services. The funds provided should be sufficient to continue both long-term and short-term training at approximately the current levels.

The bill includes \$3,965 million, approximately the amount requested to maintain the program during the interim period.

#### WORK INCENTIVES

The bill includes \$330 million, the amount requested, and an increase of \$120 million over the amount appropriated for fiscal year 1975.

The work incentives program authorized by Title IV of the Social Security Act, provides manpower and employment services to about 1.3 million recipients of aid to families with dependent children (AFDC) who are expected to be registered for employment or training during fiscal year 1976. This is a State administered program designed to assist welfare recipients to achieve self-support through training, work experience, employment, child care, and other supportive services.

For many years the budget had overstated the numbers of participants and job placements, but improvements have been noted in recent years. The 1971 amendments to the work incentives legislation expanded and redirected the program by requiring most AFDC recipients to participate in the program and accept jobs or job training. The program now focuses on employment rather than training and emphasizes on-the-job training and public service employment.

The Department of Labor has the major responsibility for determining employability and placement of participants. Of the 1.3 million individuals registered in the program at employment service offices, about 800,000 are expected to be appraised for either direct job placement or job preparation. It is estimated that 200,000 individuals will be placed in jobs during fiscal year 1976, the same number placed in the previous year. Despite rising unemployment and a fairly tight job market throughout the country, the placement record for this program appears to be holding steady.

The Department of Health, Education, and Welfare has responsibility for determining eligibility and providing participants with supportive services which include child care and homemaker services. Child care may be provided in the participant's home or in day care homes or centers. About 72,000 man-years of services are expected to be provided to participants during fiscal year 1976.

The bill includes \$80 million, the amount requested, to maintain the program level during the interim period.

#### SALARIES AND EXPENSES

The bill includes \$57,878,000, a decrease of \$1,183,000 from the amount requested, and an increase of \$6,365,000 over the amount available for fiscal year 1975, adjusted for comparability. The budget request and the amount in the bill reflect the transfer of 484 positions and \$13,714,000 from this appropriation to the "Human development" appropriation in connection with the recent transfer of the Rehabilitation Services Administration.

The Committee has approved the request for 108 new positions to expand efforts in improving the management of the medicaid program. Over the past several years, the medicaid program has grown rapidly. Federal medicaid funds have risen from \$3.2 billion in fiscal year 1971 to \$7.8 billion estimated for fiscal year 1976. The Committee is supportive of efforts to control medicaid cost and last year approved 100 new positions for administering the program. During the recent hearings on the budget request for more new positions, the Administrator of the Social and Rehabilitation Service made the following statement:

Basically they are building the capacity to utilize the additional staff we have requested for fiscal year 1976 who will be out in the field to start to embrace the major problems we have identified in the medicaid program. A year from now, whoever is here will have some good answers for you as to what we are doing about starting to control these runaway costs and some of these very questionable practices that we see in the medicaid program.

The Committee intends to pursue this matter next year and will expect "some good answers" concerning the control of medicaid costs.

The Committee has reduced the amount requested for payment to GSA of standard level user charges by 10 percent (\$360,000) consistent with the policy followed throughout the bill. Additional travel funds associated with the 108 new positions have been allowed but the total travel funds requested have been reduced based on maintaining the average cost per man-year at the current rate. In addition, the

amount available for project contracts has been reduced with the understanding that the additional funds required for technical assistance contracts related to medicaid can be partially achieved by cutting back existing contracts which were inadequately justified.

The bill includes \$14,470,000 for salaries and administrative costs accruing during the interim period. This is \$296,000 below the budget request and relates to changes made by the Committee to the request for fiscal year 1976.

#### SOCIAL SECURITY ADMINISTRATION

##### PAYMENTS TO SOCIAL SECURITY TRUST AND OTHER FUNDS

The bill includes \$4,123,363,000, a decrease of \$51,892,000 from the amount requested, and an increase of \$778,040,000 over the amount appropriated for fiscal year 1975. The budget incorrectly requested \$11,953,000 to cover estimated underfinancing of 1974 costs for hospital insurance for the uninsured. These funds are not needed because other funds have since become available. This appropriation provides for payments from Federal funds to the social security trust funds for certain benefits and related administrative costs not financed by contributions from workers and employers.

The Committee has not allowed the amount requested for standard level user charges related to social security trust fund programs. The amount requested represents charges imposed by GSA in excess of the actual cost of space and maintenance services. The Committee continues to believe that the social security trust funds should not participate in the financial support of a general buildings fund used for constructing facilities having no relationship to trust fund operations. Facilities required for social security trust fund programs should be financed directly from the trust funds, the way it has been done in previous years.

The bill provides \$2.9 billion in payments for supplementary medical insurance under part B of the medicare program. These funds together with the premiums paid by aged and disabled enrollees finance supplementary medical insurance benefits and administrative costs. The amount included in the bill is an increase of \$612 million over the 1975 funding. Most of the increase is attributable to increases in physicians' fees, number and type of services rendered, and greater use of hospital outpatient services.

Payments to cover the costs of hospital and related care for certain aged persons who are not insured under the social security or railroad retirement systems are estimated to reach \$610 million in fiscal year 1976. This is an increase of \$139 million over the amount estimated for fiscal year 1975 and results mainly from expected increases in medical care costs and utilization.

An amount of \$295 million is estimated to be required for reimbursement of benefits paid on the basis of military service credits of veterans of World War II and certain other veterans. Retirement benefits paid to persons who retired before the enactment of social

security legislation or before their occupations were covered by social security are estimated to be \$268 million in fiscal year 1976, a decrease of \$39 million from the amount for 1975 and relates primarily to the declining number of persons receiving benefits.

The bill includes \$880,940,000 to cover matching payments of premiums related to supplementary medical insurance during the interim period.

##### SPECIAL BENEFITS FOR DISABLED COAL MINERS

The bill provides \$999,778,000, the amount requested, and an increase of \$42,038,000 over the amount appropriated for fiscal year 1975. Of the total amount, \$987,000,000 is for benefit payments and \$12,778,000 is for administrative costs. This appropriation provides for cash benefits to miners who are disabled because of black lung disease, and to widows and children of miners who were entitled to these benefits or whose deaths were caused by black lung disease.

The Social Security Administration was responsible for the taking, processing and payment of claims from December 30, 1969 through June 30, 1973. Since that time, it has continued to take claims, but forwards most of them to the Department of Labor for adjudication and payment. The Social Security Administration still has jurisdiction for some new claims from survivors of miners or widows who were on its rolls at the time of death; and will continue to pay benefits and to maintain the beneficiary roll for the lifetime of all persons who filed during its jurisdiction.

At the end of fiscal year 1976, there are expected to be 502,000 miners, widows and dependents who will be receiving monthly benefits which are paid by the Social Security Administration from this appropriation.

The amount included for benefit payments is an increase of \$54 million over the amount available for fiscal year 1975. Of this amount, \$11,000,000 is for the annualization of the October 1974 Federal employee pay raise increase of 5.52 percent. The basic black lung benefit is 50 percent of the amount paid to a disabled Federal employee in step 1 of grade GS-2. Based on existing law there will be a further benefit increase in fiscal year 1976 amounting to \$58,000,000 to reflect a projected 9 percent increase in salaries to be paid to Federal employees effective October 1975. The actual cost will depend on the increase granted for Federal salaries. These increases, amounting to \$69,000,000 are partially offset by a \$15,000,000 decrease due to a decline in the number of claims with retroactive payments. Administrative expenses are expected to decline from \$24,740,000 to \$12,778,000 in 1976. Of this decrease, almost \$11,000,000 results from a 56 percent decrease in the total black lung workload.

For the interim period, the bill includes \$234,600,000, the amount requested to maintain benefit payments and related administrative costs at approximately the fiscal year 1976 program level.

##### SUPPLEMENTAL SECURITY INCOME

The bill includes \$5,518,523,000, a decrease of \$20 million from the amount requested, and an increase of \$661,421,000 over the 1975

appropriation. The Social Security Amendments of 1972 established this federally administered program of basic cash payments for aged, blind and disabled people with very low income. It replaced the State and local programs of aid to these groups, and the first payments under Federal administration were made in January, 1974. Thus, as a Federal program it has been in operation for about a year and a half.

The Committee has made a net reduction of \$20 million in the budget estimate based on updated information on projected cost-of-living increases. The budget assumed an 8.7 percent projected increase in the cost-of-living, but the actual increase as measured by the latest consumer price index shows a projected increase of 8 percent. Thus the budget for benefit payments is overstated by \$35 million, which is offset by an additional \$15 million required for hold harmless protection.

The number of beneficiaries on the rolls is expected to increase from 4 million to 4.5 million by the end of fiscal year 1976. Total benefit payments are estimated to be \$4,760 million, a net increase of \$680 million over the amount estimated for fiscal year 1975. Most of the increase results from the rise in payments to recipients and the additional number of recipients expected to be enrolled during fiscal year 1976.

The bill provides \$205 million in Federal contributions toward State supplementary payments designed to protect beneficiaries against reductions in income (so-called hold harmless protection); \$54.9 million for vocational rehabilitation services provided by State agencies to blind and disabled recipients; and, \$498.6 million for repayments to the social security trust funds for the cost of administering the program.

The bill includes \$1,503,541,000 for program costs and administration during the interim period. This amount is a reduction of \$5 million from the budget request and relates to the net reduction made in the estimate for benefit payments for fiscal year 1976.

#### LIMITATION ON SALARIES AND EXPENSES

The bill includes authority to spend \$2,373,132,000 from the social security trust funds for administrative costs. This is the amount requested and an increase of \$247,145,000 over the limitation approved for fiscal year 1975. Of the total amount provided, \$1,142 million is for administering the cash benefit programs of old-age, survivors and disability insurance, \$707.5 million is for medicare, and \$498.6 million is for the supplemental security income program. Workloads for fiscal year 1976 include 4.1 million new claims for benefits from retired workers, dependents of retired workers, and survivors of deceased workers; 1.8 million new claims from disabled workers and their dependents; and new social security account numbers to be issued to over 15 million individuals. The total manpower available would be the equivalent of 90,000 man-years, an increase of 4,848 man-years over the number available in fiscal year 1975.

The bill also includes the requested authority to spend \$629.9 million from the trust funds to provide for administrative costs during the interim period.

#### LIMITATION ON CONSTRUCTION

The bill provides authority to spend \$6,300,000 from the social security trust funds for purchase contract payments on three new program center buildings. The amount authorized in the bill, together with \$3,600,000 provided in fiscal year 1975, would cover the estimated purchase contract costs for buildings expected to be occupied during fiscal year 1976. In addition the Committee has approved the reprogramming of \$1,147,876 of previously authorized program center funds for use in completing several headquarters projects in Baltimore.

#### OFFICE OF HUMAN DEVELOPMENT

##### HUMAN DEVELOPMENT

The bill includes \$1,500,049,000, an increase of \$95,367,000 over the budget request, and \$41,347,000 over the amount available for fiscal year 1975 adjusted for comparability. Also included is authority to spend \$600,000 from the social security trust funds. This appropriation now includes the vocational rehabilitation programs formerly shown as a separate appropriation account under the Social and Rehabilitation Service. The Rehabilitation Act Amendments of 1974 mandated the transfer of the vocational rehabilitation program to the Office of the Secretary. The Committee has deferred consideration of funds requested under the Older Americans Act (except Title VII nutrition program) and the Developmental Disabilities Services and Facilities Construction Act until the authorizations for these programs are extended.

The Committee recommends \$450 million for the Head Start program, an increase of \$15.7 million over the budget request, and an increase of \$9 million over the amount appropriated for fiscal year 1976. Head Start is a comprehensive preschool program which serves children and their families, primarily those with low incomes. It includes a wide range of activities in full-year and summer programs with special emphasis on parental involvement. The basic law mandates that at least 10 percent of the total enrollment must be handicapped children. Several experimental activities are conducted, along with preparation and training of staffs of local project sponsors and provision for certain kinds of health services for children enrolled in the program. Grants are made to public and private non-profit community agencies, with the Federal share comprising 80 percent of the total project cost. The Committee has added funds to help meet increased operating costs and to offset some of the costs of special training and related services to handicapped children.

For research and demonstration projects authorized by Section 426 of the Social Security Act, the Committee has approved the budget request of \$15.7 million. This is the same amount as available for fiscal year 1975 and will assure continuation of projects relating to day care, child development, and handicapped children. An amount of \$18,928,000 is included to continue activities authorized by the Child Abuse Prevention and Treatment Act. Some of these activities include demonstration centers providing a broad range of services

to children and their families, research projects exploring the causes of child abuse and neglect, and grants to States to assist in developing and carrying out programs for the prevention and treatment of child abuse and neglect.

The Committee has approved \$5,000,000 requested for the runaway youth program. This program was initiated during fiscal year 1975 to provide temporary shelter care as well as services designed to meet the immediate emotional, psychological, physical, and social needs of runaway youth.

The bill includes \$125 million for the nutrition program for the elderly authorized by Title VII of the Older Americans Act. This is an increase of \$25.4 million over the budget request and the same amount appropriated for fiscal year 1975. Funds under this program are allocated by formula to the States to pay up to 90 percent of the cost for the establishment, maintenance, and operation of low-cost meals projects, including nutrition training and education, and supporting social services. It is estimated that the program will serve over 250,000 meals per day, five days per week, in fiscal year 1976 to persons 60 and over. Most of these meals will be served in a congregate setting, while about 13 percent will be delivered to homes. The meals projects are concentrated in areas with a high proportion of low-income elderly.

The Committee expects that the operating level of the nutrition program will be \$150 million during fiscal year 1976, which can be achieved through a combination of funds in the bill and funds available from the fiscal year 1975 appropriation. The Committee continues to be concerned about delays in expanding the program as the Congress has intended and as expressed in the conference report on the supplemental appropriations bill for 1975. The Committee intends to monitor the allocation of funds during fiscal year 1976 to guard against unwarranted delays in funding local nutrition projects.

The bill includes \$720 million for grants to States for basic vocational rehabilitation services, an increase of \$40 million over the budget request and the amount appropriated for fiscal year 1975. Allotments are made to States based upon a formula that takes into account population and per capita income, with each State allotted a minimum of \$2 million. The financial participation is 80 percent Federal and 20 percent State. In addition to basic grants, States receive other Federal funds for rehabilitation services from the supplemental security income program and the beneficiary rehabilitation program authorized under provisions of the Social Security Act. From all funds available for vocational rehabilitation, States will be able to serve an estimated 1,660,000 handicapped persons and rehabilitate approximately 332,000.

The amount provided by the Committee for basic grants is the full amount authorized. Information available to the Committee indicates that States have sufficient funds on hand to match the authorized allotment of \$720 million. There is no justification for delaying the appropriation of the full amount required as the budget had proposed to do.

The Committee has included \$15 million for innovation and expansion grants for which the budget proposed no funding. These programs serve to supplement the basic grant and enable the States

to design special programs to meet the needs of the poor and severely handicapped. The Committee has approved the funds requested for the national center for deaf-blind youths and adults, special studies, training services and facilities improvement. Projects with industry will continue at the 1975 funding level.

The Committee has approved the request of \$20,000,000 to continue the rehabilitation research program. The basic law requires that 25 percent of the research funds be used to support rehabilitation engineering research centers. The Committee urges that maximum effort be directed toward studies in the areas of end-stage renal disease, spinal cord injuries and other severe handicaps. The bill includes \$22.2 million for rehabilitation training, which together with funds available from previous years will maintain a program level of \$28 million. A portion of the funds provided may be used for international rehabilitation research, demonstration and training including the development of a domestic center to assist in coordinating information, research, and training relating to the rehabilitation of handicapped individuals.

For hospital improvement and rehabilitation service projects for the developmentally disabled, the bill includes \$18,500,000, the same as the amount available for 1975. These funds are used to improve care in institutions, initiate and expand community programs, rehabilitate the mentally retarded, and provide in-service training.

The bill includes \$32 million for special programs for Native Americans, the amount requested, and the same as the amount appropriated for fiscal year 1975. This program provides funds to tribal organizations or other public and private nonprofit agencies to meet special needs of Indians and Native Hawaiians and Alaskans. Financial assistance would be provided to 87 tribal groups and 58 urban Indian centers. Training and technical assistance would be available to strengthen the self-government capability of Native Americans.

The Committee recommends \$44,321,000 for salaries and expenses, a reduction of \$733,000 from the budget request. Payment of standard level user charges to GSA has been reduced by 10 percent following the general policy used throughout the bill. The requested increase of \$854,000 for technical assistance has been reduced to \$427,000 because of inadequate justification. In addition \$600,000 is authorized to be expended from trust funds.

Since substantial funds are included in the bill for rehabilitating handicapped individuals, it is essential that the work environment of rehabilitated handicapped individuals is accessible to them. To achieve this goal, a mandate was given to the Architectural Barriers Compliance Board by the Rehabilitation Act of 1973. It is obvious that a permanent full-time staff is needed to perform this activity. Therefore, the Committee feels that an additional \$700,000, or a total of \$1,000,000, and 20 full-time permanent positions should be provided to the Board to insure that adequate resources are devoted to this program.

The bill includes \$371,505,000 and authority to use \$150,000 in trust funds to maintain program levels and costs of administration during the interim period. This is \$23,342,000 over the budget request and is due to the changes made by the Committee in the amount requested for fiscal year 1976.

## DEPARTMENTAL MANAGEMENT

## OFFICE FOR CIVIL RIGHTS

The bill includes \$24,686,000, a reduction of \$461,000 from the budget request, and an increase of \$2,479,000 over the amount appropriated for fiscal year 1975. Also included is authority to spend \$1,351,000 from the social security trust funds.

The Committee has allowed the request for 60 new positions, of which 42 are for implementing section 504 of the Rehabilitation Act of 1973 which prohibits discrimination against the handicapped by recipients of Federal assistance; 12 are for compliance enforcement activities in hospitals, nursing homes, and home health care agencies; and 6 are for enforcing the sex discrimination provisions of Title IX of the Education Amendments of 1972.

The Committee has reduced the amount requested for standard level user charges by 10 percent as done throughout the bill, and has reduced the amount requested for travel by maintaining the average travel cost per man-year at the 1975 rate. Additional funds over the 1975 level have been provided for the full year cost of new positions, pay increases, and health benefits allowed during the previous year.

The bill includes \$6,379,000 and authority to use \$352,000 in trust funds for salaries and administrative costs accruing during the interim period. This is \$115,000 below the budget request and relates to changes made by the Committee to the request for fiscal year 1976.

## GENERAL DEPARTMENTAL MANAGEMENT

The bill includes \$87,289,000, a reduction of \$5,746,000 from the budget, and an increase of \$7,645,000 over the amount available for fiscal year 1975, adjusted for comparability. In addition, \$12,751,000 is authorized to be transferred from the social security trust funds.

The Committee recommends 187 positions instead of 325 requested in the budget. The requests for 12 positions for the investigations staff and 37 positions for the audit agency have been allowed because the Committee believes that the Department needs additional resources to monitor its many programs, particularly the larger ones such as medicare, medicaid, and guaranteed student loans—all of which directly involve the private sector. No positions are recommended for the assistant secretaries because the present staff of 209 is more than adequate and any new work load should be managed through redeployment of existing staff. In considering the 270 positions requested for grant and procurement activities, facilities management, general counsel, legal services, fair information practice, and nursing home standards enforcement, the Committee agrees that more staff is needed but has reduced the request to take into account the difficulty in recruiting large numbers of attorneys, nursing home specialists, medical consultants, and supply and procurement specialists.

Total funds requested for payments to GSA of standard level user charges have been reduced by 10 percent (\$1,275,000) following the general policy used throughout the bill. Travel funds have been reduced on the basis of maintaining the average travel cost per man-

year at the average for fiscal year 1975. The Committee has not approved the requested increases for executive development training, facilities management system, and "other special requests".

The bill includes \$22,670,000 and authority to use \$3,284,000 in trust funds for administrative costs during the interim period. This is \$1,436,000 below the budget request and relates to changes made by the Committee to the request for fiscal year 1976.

## POLICY RESEARCH

The bill includes \$26,300,000, a reduction of \$2,960,000 from the budget request, and the same amount as the comparable appropriation for fiscal year 1975. This is a new appropriation account derived from activities previously shown under the appropriation for "Departmental management". These activities are authorized by Section 232 of the Community Services Act of 1974 and Section 1110 of the Social Security Act.

The major areas of research under this appropriation are income maintenance, employment, health insurance, education, and human development services. The Committee continues to be concerned about overlap and duplication between "policy research" and other research supported not only within HEW, but also in other departments and agencies involved with social programs. Testimony from government witnesses during the recent hearings on the budget request revealed little or no awareness of the projects supported under policy research.

The amount included in the bill is sufficient to continue existing projects at the current level of support. A study of the activities supported under this appropriation is currently underway. Future funding levels for policy research will be guided by the results of this study.

The bill includes \$6,575,000 to maintain program costs during the interim period. This is \$740,000 below the budget request and relates to changes made by the Committee to the request for fiscal year 1976.

## TITLE III—RELATED AGENCIES

## ACTION

## OPERATING EXPENSES, DOMESTIC PROGRAMS

The bill includes \$101,313,000 for the domestic programs of Action, a reduction of \$261,000 from the budget request, and an increase of \$1,313,000 over the 1975 appropriation. The major domestic programs administered by Action are Volunteers in Service to America (Vista), University Year for Action, Foster Grandparents, and the Retired Senior Volunteer Program.

The Committee has added \$2,357,000 to restore the Foster Grandparents program to its 1975 level. The budget proposed to reduce the program by that amount. The request of \$6,088,000 for Special Volunteer Programs has been reduced by \$2,357,000. The Special Volunteer Programs are primarily small research and demonstration programs.

The Committee has reduced the request for staff travel by \$147,000 and has reduced the request for payment of standard level user

charges to the General Services Administration by 10 percent (\$114,000). The remainder of the budget request has been approved. No new positions were requested for 1976.

The increase over the 1975 appropriation results primarily from an increase in Vista volunteer allowances, an expansion of the University Year for Action program to 70 schools, the annualization of Retired Senior Volunteer Program grants, and several near-mandatory increases, such as the full-year cost of the Federal pay raise effective for part of the year in 1975. There were several minor offsetting decreases proposed in the budget.

For the interim period, the bill includes \$21,083,000, the amount of the budget request.

## COMMUNITY SERVICES ADMINISTRATION

### COMMUNITY SERVICES PROGRAM

The bill includes \$399,185,000, an increase of \$36,185,000 over the budget request, and a decrease of \$108,515,000 from the amount expected to be appropriated in 1975. The Community Services Administration is the successor agency to the former Office of Economic Opportunity, and has responsibility for basically the same programs. It is an independent agency within the executive branch.

For community action operations, the Committee has approved the budget request of \$295,000,000 to provide support for the administration and general operating costs of community action agencies throughout the Nation. These funds also provide for a wide variety of local programs operated by community action agencies. The Committee has restored the State Economic Opportunity Offices and the emergency energy conservation services program to their 1975 funding levels of \$12,000,000 and \$16,500,000, respectively. The budget proposed not to fund either program.

The bill includes \$8,000,000 for the senior opportunities and services program, which the budget proposed to eliminate. The bill includes the budget request of \$39,000,000 for community economic development under Title VII of the Community Services Act. The Committee has approved the request for program administration, with the exception of a 10 percent reduction for payment of standard level user charges (\$315,000), making a total of \$28,685,000. No new positions were requested in 1976.

The Committee has deferred consideration at this time of summer recreation programs for the summer of 1976 which the budget proposed not to fund.

The bill also includes funds, not specifically earmarked, to permit the organization where desired of community development credit unions under the Act.

For the interim period, the bill includes \$99,800,000, an increase of \$9,050,000 over the budget request.

### FEDERAL MEDIATION AND CONCILIATION SERVICE

#### SALARIES AND EXPENSES

The bill includes \$17,704,000, a decrease of \$546,000 from the budget request, and an increase of \$1,459,000 over the 1975 appropriation.

The Committee has allowed 40 of the 76 new permanent positions requested in the budget. The new positions are needed primarily to enable the Service to keep pace with the increased workload resulting from Public Law 93-360, which extended the coverage of the National Labor Relations Act to private nonprofit hospitals and health care facilities. The Committee has approved the request for 50 new temporary positions to be used for health care boards of inquiry pursuant to the new law. These are fact-finding boards established by the Director in order to avert strikes and work stoppages. The request for payment of standard level user charges to the General Services Administration has been reduced by 10 percent (\$134,000). The increase over the 1975 appropriation is accounted for primarily by the cost of the new positions to be added and by several mandatory items, such as the full-year cost of the Federal pay raise effective for only part of the year in 1975.

For the interim period, the bill includes \$4,426,000, a reduction of \$374,000 from the budget request.

### NATIONAL COMMISSION ON LIBRARIES AND INFORMATION SCIENCE

#### SALARIES AND EXPENSES

The bill includes \$409,000, a reduction of \$93,000 from the budget request, and the same amount that was appropriated in 1975. The Committee has denied the request for four new positions because it is not convinced that it is desirable to increase the existing staff of the Commission.

For the interim period, the bill includes \$102,000, a reduction of \$23,000 from the budget request.

### NATIONAL LABOR RELATIONS BOARD

#### SALARIES AND EXPENSES

The bill includes \$67,461,000, a reduction of \$1,038,000 from the budget request, and an increase of \$4,792,000 over the 1975 appropriation. The Committee has allowed 50 of the 97 new positions requested in the budget. The additional positions are required to permit the Board to keep pace with its mounting workload, including the effect of Public Law 93-360 which extended the coverage of the National Labor Relations Act to private nonprofit hospitals and health care facilities. The Committee has reduced the request for travel by \$150,000 and has reduced the request for payment of standard level user charges to the General Services Administration by 10 percent (\$428,000). The increase over the 1975 appropriation is accounted for primarily by the cost of the new positions added, the annualization of the most recent Federal pay increase, the cost of grade and within-grade increases, increases in overtime, and increased reporting costs.

For the interim period, the bill includes \$16,865,000, a reduction of \$262,000 from the budget request.

## NATIONAL MEDIATION BOARD

## SALARIES AND EXPENSES

The bill includes \$3,405,000, an increase of \$300,000 over the budget request and \$169,000 over the 1975 appropriation. The Committee has deleted requested appropriation language which would have prohibited the Board from paying more than 75 percent of the cost of arbitration of railroad grievances under Section 3 of the Railway Labor Act. The Committee does not believe that it is proper to, in effect, change the basic law in the appropriations bill and force labor and management to pay the remaining 25 percent of the cost. If the basic law needs to be changed, it should be done through the normal legislative process. Deletion of the requested language makes it necessary to add \$300,000 over the budget to enable the Board to pay the full cost of arbitration of railroad grievances. The increase over the 1975 appropriation is accounted for by such mandatory items as within-grade promotions and the annualization of the Federal pay raise effective for part of the year in 1975. No new positions were requested in 1976.

For the interim period the bill includes \$850,000, an increase of \$75,000 over the budget request.

## OCCUPATIONAL SAFETY AND HEALTH REVIEW COMMISSION

## SALARIES AND EXPENSES

The bill includes \$5,638,000, a reduction of \$37,000 from the budget request, and an increase of \$126,000 over the 1975 appropriation. The Committee has approved the request for three new administrative law judge positions, providing a total of 44 for the Commission. The request for payment of standard level user charges to the General Services Administration has been reduced by 10 percent (\$37,000). The increase over the 1975 appropriation is accounted for primarily by the cost of the new positions and an increase in reporting costs, offset partially by a budgeted reduction in printing costs.

For the interim period, the bill includes the budget request of \$1,418,000.

## RAILROAD RETIREMENT BOARD

## PAYMENTS TO RAILROAD RETIREMENT TRUST FUNDS

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

No appropriation is required in the interim period.

## REGIONAL RAIL TRANSPORTATION PROTECTIVE ACCOUNT

The bill includes \$37,600,000, a reduction of \$17,500,000 from the budget request. This is the first appropriation for this account to pro-

vide for the payment of certain benefits to protected employees who are adversely affected in the establishment of the Northeast and Midwest rail system under the Regional Rail Reorganization Act of 1973. The amount in the bill provides for the payment of separation and displacement allowances to eligible railroad employees, with the actual payments being made by the proposed Consolidated Rail Corporation, the United States Railway Association, and acquiring railroads, as the case may be. The Railroad Retirement Board will then reimburse these organizations for the payments, upon proper certification to the Board. The bill includes \$100,000 for the administrative expenses of the Board that are related to making the reimbursements. The Committee has reduced the request for benefit payments by \$17,500,000 in order to provide for six months of payments in fiscal year 1976, rather than nine months as provided in the budget. The Committee does not believe it is likely that the final reorganization plan under the Regional Rail Reorganization Act will go into effect before the middle of fiscal year 1976. If it develops that the funds are not needed at all in 1976, they would simply revert to the Treasury on June 30, 1976.

For the interim period, the bill includes the budget request of \$10,030,000.

## LIMITATION ON SALARIES AND EXPENSES

The bill includes \$28,703,000, a reduction of \$1,000,000 from the budget request, and an increase of \$2,945,000 over the 1975 appropriation. This account is a limitation on the amount in the railroad retirement account which may be used by the Railroad Retirement Board for administrative purposes. The Committee has approved the budget request, with the exception of reducing the request for payment of standard level user charges to the General Services Administration by \$1,000,000. The Board has informed the Committee that the budget contains \$2,000,000 for payment of these charges, but that the actual cost of occupying space is only \$1,000,000. The Committee reiterates its belief that trust funds should not be used to pay the cost of constructing Federal office buildings which will be used for purposes unrelated to the program financed by the trust funds. For this reason, the Committee has reduced the budget request to ensure that the Board pays only the actual cost of occupying space. The increase over the 1975 appropriation is accounted for by such near-mandatory items as the cost of within-grade promotions, the annualization cost of new positions received during fiscal year 1975, and the annualization of the Federal pay raise effective for part of the year in 1975. No new positions were requested for 1976.

For the interim period, the bill includes \$7,175,000, a reduction of \$255,000 from the budget request.

## SOLDIERS' AND AIRMEN'S HOME

## OPERATION AND MAINTENANCE

The bill includes authority to use \$15,665,000 from the Soldiers' and Airmen's Home Permanent Fund, the amount of the budget request, and an increase of \$274,000 over the authorization for 1975. No new positions were requested for 1976. The increase over 1975 is accounted for primarily by the annualization of the Federal pay raise

effective for only part of the year in 1975 and by the increase in the minimum wage.

#### LIMITATIONS AND LEGISLATIVE PROVISIONS

The following limitation not heretofore carried in connection with any appropriation bill is recommended.

On page 8 in connection with "Employment Standards Administration, salaries and expenses":

*together with \$225,000 which may be expended from the Special Fund in accordance with Sections 39(c) and 44(j) of the Longshoremen's and Harbor Workers' Compensation Act.*

#### CHANGES IN EXISTING LAW

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

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

2. As mentioned in the introduction to this report, the bill includes a number of special, one-time appropriations for the three-month period from July 1, 1976 to September 30, 1976.

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

4. On page 9 of the bill is a provision which was carried in the appropriation bill for the current fiscal year, which authorizes the Secretary of Labor to appoint qualified persons to conduct certain hearings without meeting the requirements for hearing examiners appointed under 5 U.S.C. 3105. Similar language is included on page 32 with respect to the Commissioner of Social Security.

5. On page 10 of the bill is a provision, carried in the appropriation act for the current year, requiring that none of the funds appropriated in 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.

6. On pages 12 and 13 of the bill, Section 102 prohibits use of funds in the bill to pay unemployment compensation to certain teachers who have a contract for the next academic year.

7. On page 34 of the bill is a provision authorizing expenditure of funds for administration within the United States of the social insurance program of the United Kingdom, under terms of an agreement wherein similar services will be provided by the United Kingdom in

that country for administration of the social insurance program of the United States. This provision was carried in the fiscal year 1975 appropriation act.

8. On page 46 of the bill is a provision requiring that appropriations to the NLRB shall not be available to organize or assist in organizing agricultural laborers or used in connection with investigations, hearings, directives, or orders concerning bargaining units composed of agricultural laborers as referred to in section 2(3) of the Act of July 5, 1935 (29 U.S.C. 152), and as amended by the Labor-Management Relations Act, 1947, as amended, and as defined in section 3(f) of the Act of June 25, 1938 (29 U.S.C. 203), and including in said definition employees engaged in the maintenance and operation of ditches, canals, reservoirs, and waterways when maintained or operated on a mutual, non-profit basis and at least 95 per centum of the water stored or supplied thereby is used for farming purposes.

This provision has appeared in many previous appropriation acts.

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

#### INFLATIONARY IMPACT STATEMENT

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

The total budget authority recommended in the bill exceeds the budget request by \$720,000,000. This increase relates primarily to programs and activities which the budget proposes to reduce below the anticipated funding level for fiscal year 1975. In total, the bill amounts to approximately \$5 billion less than the comparable appropriation for fiscal year 1975.

The result has been a series of chilling revelations which have come with increasing frequency over the last two years: Vinyl chloride, a clear, colorless gas used to make a form of plastic, has been found to be a potent carcinogen. Asbestos, a mineral now believed to be causing lung cancer, was found in the walls of schools and homes. The result has been a series of chilling revelations which have come with increasing frequency over the last two years:

### ADDITIONAL VIEWS OF REP. DAVE OBEY

Members who have served in previous Congresses know that I am not very often enthusiastic about budget recommendations made by the Appropriations Committee. My usual role in this House has been one of challenging assumptions made by this Committee. I am delighted that this bill is an exception.

I am convinced that our cancer research program in this country is out of balance. We have placed great emphasis in the past few years upon finding cures for cancer. God knows that is understandable and necessary. But in comparison to the recent effort placed upon finding cures for cancer, we have really given much less attention than I believe is necessary to the question of finding the root causes of cancer. I believe that in cancer, as well as in any other medical field, the best medicine and the cheapest medicine in the long run in terms of dollars expended and human misery prevented is preventive medicine. And I think this bill provides a greater recognition of that need than we have seen in past legislation on cancer control.

This budget bill contains a dramatic increase in funding for what I consider to be the most underrated and the most poorly understood health problem in America, occupational and environmental disease. Exploding technology has changed man's environment so drastically that today we are in constant contact with hundreds of chemical substances that didn't exist a generation ago. Consider:

Our food is grown with fertilizers, protected by herbicides and wrapped in plastics that were unknown 25 years ago.

Our homes are full of hair sprays, deodorants, cleaning compounds and other products that are chock full of active ingredients only recently developed in corporate laboratories across the nation.

Our drinking water contains more and more chemicals, both as a result of pollution and as a result of the chemical reactions which take place between pollutants and the chlorine used to kill bacteria in the water.

Total U.S. industrial output in one single category, synthetic organic chemicals, has increased from 15 billion pounds in 1945 to 164 billion pounds in 1972—an 11-fold increase in 27 years.

Many of these chemicals are harmless. But more and more we are finding others that are deadly. While our economic dependence on complex chemical substances such as plastics and pesticides has become so great that our survival as a modern society may depend on their continued use, our inability to distinguish between those which are dangerous and those which aren't is increasingly placing us in the position of having to choose between alternatives which either put the health of a substantial portion of the population at risk or involve severe economic dislocation. What few people fully grasp is that there is no full-scale testing taking place on most chemicals being put on the market to determine whether or not they cause diseases such as cancer, and for many health problems which are caused by chemical exposures there are simply no tests in existence.

that country for administration of the social insurance program of the United States. This provision was carried in the fiscal year 1973 appropriation act.

2. On page 46 of the bill is a provision requiring that appropriations to the NLRB shall not be available to organize or assist in organizing agricultural laborers or need in connection with investigations, hearings, directives, or orders concerning bargaining units composed of agricultural laborers as referred to in section 8(a) of the Act of July 1935 (29 U.S.C. 152), and as amended by the Labor-Management Relations Act 1947, as amended, and as defined in section 3(1) of the Act of June 25, 1935 (29 U.S.C. 152), and including in said definition employees engaged in the maintenance and operation of the canal, reservoir, and waterways when maintained or operated on a mutual, non-profit basis and at least 95 per centum of the water stored or supplied thereby is used for farming purposes.

This provision has appeared in similar previous appropriation acts. Sections 201-208 and 210 of the bill contain a number of general provisions, all of which have been carried in previous appropriations acts, which place limitations on the special funds in the bill and which might, under some circumstances, be construed as changing the application of existing law. It is noted that each of these provisions is carried in the bill and in the House Report.

Section 211 of the bill is a provision which is carried in the bill and in the House Report. Pursuant to clause 2(1)(4), rule XI of the House of Representatives, the Committee estimates that enactment of this bill would have a minimal overall inflationary impact on prices and costs in the operation of the national economy. The total budget authority recommended in the bill exceeds the budget request by \$710,000,000. This increase relates primarily to programs and activities which the budget process to reduce below the anticipated funding level for fiscal year 1975. In total, the bill amounts to approximately \$5 billion less than the comparable appropriation for fiscal year 1975.

Section 212 of the bill is a provision which is carried in the bill and in the House Report. Similar language is carried in the bill and in the House Report. Section 213 of the bill is a provision which is carried in the bill and in the House Report.

5. On page 10 of the bill, Section 102 prohibits use of funds in the bill to pay unemployment compensation to certain teachers who have a contract for the next academic year.

6. On pages 12 and 13 of the bill, Section 102 prohibits use of funds in the bill to pay unemployment compensation to certain teachers who have a contract for the next academic year.

7. On page 34 of the bill is a provision authorizing expenditure of funds for the maintenance of certain buildings owned by the United States. The bill provides that the maintenance of certain buildings owned by the United States shall be provided by the United States.

The result has been a series of chilling revelations which have come with increasing frequency over the last two years:

Vinyl Chloride, a clear, odorless gas used to make a form of plastic that is used in everything from car tops to baby bottles, is now believed to be causing in exposed workers a rare form of liver cancer as well as brain and lung cancer, enlargement of the liver and spleen, and deterioration of the bones of the fingers. Inorganic arsenic, used in some pesticides, has been linked to cancer.

Anesthetics used in hospitals for surgery have been linked to an unusual incidence of cancer and miscarriages among operating room personnel and birth defects among their offspring.

Trichloroethelene, a chemical cousin to vinyl chloride, used in dry cleaning, degreasing of auto parts and as an industrial solvent, is now suspected on the basis of preliminary data as a cause of certain forms of cancer.

And while cancer is the most dramatic result of our ignorance of the impact of chemicals on health—scientists estimate that 70% to 90% of all cancer is a result of environmental factors—it does not account for a majority of the deaths and disabilities stemming from environmental and occupational exposure to hazardous chemicals. Only last month, a study by the University of Wisconsin Medical School was released through my office which clearly documents a relationship between working in grain elevators where workers are exposed to a high level of grain dust—often containing the residues of fumigants and pesticides—and various forms of lung and respiratory disease. Although the average age of the 300 workers studied was less than 40, nearly 60% had some type of lung abnormality and 37% suffered from chronic bronchitis, the number one disabler of the American male and a disease which is costing \$90 million a year in Social Security Disability Benefits. Bronchitis emphysema, non-alcoholic cirrhosis of the liver are all diseases which are linked to exposure to hazardous chemicals and are killing a growing number of Americans each year—smokers and nonsmokers alike.

I am concerned about our contact with these chemicals in food, water, air and consumer products but I am particularly concerned about the heavy day-to-day exposures to these chemicals which occur in our workplaces. As the above examples of recent revelations of chemical hazards demonstrate, the workplace is where the problem is likely to show up first and where it is likely to be the most severe.

It has been estimated that a minimum of 100,000 workers die each year of occupationally related diseases, most of which are a result of exposure to dangerous chemicals. While enforcement of existing standards regulating exposure to dangerous chemicals would mark a great step forward in the reduction of this tragic death toll, there are at present standards to regulate fewer than 500 workplace chemicals although scientists estimate that somewhere between 15,000 and 50,000 chemicals may be commonly found in the work environment. Just in the area of cancer, scientists have established a positive link between 1600 different chemicals and tumor growth, yet standards have been developed to regulate only 14 chemicals as carcinogens.

The reason for this terrible record is complex. In large part, the problem has been ignored by the press. The typical bureaucratic roadblocks have also taken a toll, as have some not so typical road-

blocks. But more than anything else, the problem has been one of money.

The two agencies most directly involved in research on chemical exposures which are funded in this appropriation bill are the National Institute of Environmental Health Sciences which is primarily involved in the development of more effective means of testing chemicals to determine their long term effects on human health and the National Institute of Occupational Safety and Health which is charged with the responsibility of researching work related health hazards and recommending to the Department of Labor what exposure standards should be promulgated to protect the health of workers from suspected chemicals and other agents. Both of these agencies have remained at a fraction of their intended size because of budget or personnel restrictions and both agencies have been hampered by inadequate facilities to house their research operations.

This year the administration proposed to reduce the National Institute for Environmental Health Sciences to a budget of \$31,113,000 or \$3.8 million below the amount Congress appropriated. That \$31,113,000 was approximately \$11 million or 25% below the amount the agency had requested for FY 76.

The President's request for NIOSH was \$32 million the same amount appropriated by the Congress in FY 75 and \$12 million or 29% below what the agency had requested for FY 76. The major item eliminated from the request made by NIOSH was the Occupational Carcinogenesis Program for research on chemicals already linked to cancer for which there are no federal standards. Although the agency in its Forward Health Plan has set for itself the goal of reducing the incidence of occupational cancer by the year 1980 by 10% administration witnesses conceded during questioning that OMB's refusal to provide adequate funds for NIOSH would probably mean an actual increase in the incidence of occupational cancer by that year.

In total the Committee has increased funding for these two agencies by \$83 million in FY 76. The added amount for NIOSH will allow for complete restoration of the requested NIOSH Occupational Carcinogenesis Program and restoration of the agency's manpower training program which is aimed at dealing with the critical shortage of qualified personnel in the field of occupational health. The need for added training of specialized personnel in this area is critical. Administration witnesses testified to the incredible gap between the number of qualified medical personnel available in the field and the number needed. That gap is illustrated in the following table.

ESTIMATED OCCUPATIONAL SAFETY AND HEALTH MANPOWER DEFICIT

	Present census	Deficit
Occupational physicians, board qualified or certified	500	1,200
Industrial physicians, with special short-term training	2,700	4,200
Occupational safety and health professions	3,700	8,530
Industrial hygienists (certified, ABIH)	770	3,830
Safety specialists (certified, ASSE)	3,000	4,700
Occupational health nurses (certified AOHN)	1,000	8,400
Other nurses (on-the-job training) <sup>1</sup>	17,000	19,700
OSH technicians <sup>2</sup>	15,000	8,800
Total	39,970	50,830

<sup>1</sup> Includes equally qualified physician assistants.

<sup>2</sup> Includes those working in safety or industrial hygiene who are not now board certified.

10 The expansion of qualified medical personnel in this area must be an absolute top priority item because expansion of research in this area will be severely limited until the number of trained personnel in this field is substantially increased.

11 The Committee also provided NIOSH with \$1.1 million for the planning of a new lab and research facility to replace the unsafe and overcrowded structure now located in Cincinnati. NIOSH simply cannot really grow without new facilities.

12 The Committee restored NIEHS to last year's funding level and provided additional funds to permit among other things substantial expansion of the agency's mutagenesis program which it is hoped will lead to inexpensive short term tests for carcinogenesis and will permit the screening of massive numbers of chemicals at an acceptable cost and without excessive use of trained personnel. This program will be increasingly important if Congress passes a new Toxic Substances Act requiring pre-testing of new chemicals. The Committee also acted to provide NIEHS with a new research facility in recognition of the fact that the existing facility will only permit the agency to expand to one-fourth of its intended size.

13 The Committee action will allow NIEHS to continue the research project ordered by the Committee last year to determine the danger to human health of oral ingestion of asbestos. This study was funded last year by the Committee because of concerns expressed about asbestos-like fibers contained in the 67,000 tons of taconite tailings per day dumped by Reserve Mining Company into Lake Superior which is the source of community drinking water.

14 These are important, you might even say dramatic strides toward the development of the kinds of environmental and occupational health programs which anyone familiar with the magnitude of these problems knows this country must have. It clearly demonstrates that at last the Congress is beginning to recognize the necessity to treat the area of environmental and occupational health as high priority items. But we still have a long way to go. Even if the increases contained in this bill are signed into law, our total expenditure for research in the area of occupational health will amount to only 43¢ per worker in FY 76. That is an improvement in a scandalously low figure but it hardly represents the kind of effort needed to protect over 90 million working Americans from the tens of thousands of untested substances now in the workplace. And that protection ought to be recognized as a basic right of every American worker—and every American citizen.

15 Since many of the diseases caused by exposure to toxic substances (cancer in particular) may take 20 to 30 years to develop, we simply do not know what the long term cost of our exposure to untested chemicals will be until many years after initial exposure. It will be the mid-1980s before we begin to understand the real effects of chemicals introduced into the environment in the 1950s, and all too often we will have provided the test results with our own bodies. It will be the year 2000 before we begin to see the kinds of irreversible diseases which may result from exposure to chemicals such as:

16 Vinyl bromide, a new flame retardant being used in children's sleepwear which scientists believe may not only be similar to vinyl chloride in chemical structure but also in its effects on human health.

17 Ethylene dibromide, an anti-knock additive in gasoline which has been linked to cancer in animals but has not been tested in man.

18 Chloroprene, a chemical used in the manufacture of synthetic rubber, which Russian scientists have already demonstrated may be causing excessive rates of skin and lung cancer among workers in the Soviet Union but for which no tests have been completed in the United States.

19 Asbestos in drinking water in cities such as Duluth, Minnesota and San Francisco, California which some scientists fear may be having the same long term effect as airborne asbestos—a deadly form of cancer known as mesothelioma.

20 Ethylene oxide which is used in the production of antifreeze and as a fumigant for dried fruit and cereals and is suspected of causing birth defects.

21 Dichloroethyl ether which is used in lubricating oils, as an insecticide, as a dry cleaning agent and is suspected of causing cancer.

22 Propane sulfone which is a wetting agent and is used as a photographic developer has been proven to cause cancer in animals but as yet tests have not determined whether or not it causes cancer in man.

23 Hydrazine, a jet propulsion fuel also used as a photographic developer and anticorrosive agent and as a pesticide, has been linked to cancer in animals but at present no evidence exists on its effect on man.

24 The answer to these questions can only come through testing and that can only take place if we as a society are determined to allocate the resources required to perform such tests. That is the only way we can prevent the potential tragedies which will result in future years from our unwise use of hazardous substances today. We have done a very poor job in the area of prevention thus far and the result is that despite billions of dollars spent on care and treatment annually, an increasing number of Americans are dying of cancer, bronchitis, emphysema and liver disease with each passing year.

DAVE OBEY.

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1975 AND THE BUDGET ESTIMATES FOR 1976**

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

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

Agency and item	New budget (obligational) authority, 1975	Budget estimate of new (obligational) authority, 1976 and transition period	Increase (+) or decrease (-)
<b>DEPARTMENT OF LABOR</b>			
Manpower Administration: Unemployment trust funds.....	\$9,702,700,000	\$9,759,931,000	+\$57,231,000
Transition period.....		2,923,400,000	
Special workers' compensation expenses.....	5,184,000	2,751,000	-2,433,000
Transition period.....		690,000	
Total, Department of Labor.....	9,707,884,000	9,762,682,000	+54,798,000
Transition period.....		2,924,090,000	
<b>DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE</b>			
Assistant Secretary for Health: Public Health Service trust funds.....	1,463,000	1,527,000	+64,000
Transition period.....		381,750	
Office of Education: Special statistical compilations and surveys.....	20,000	21,000	+1,000
Transition period.....		5,250	
Social Security Administration:			
Federal old-age survivors insurance trust fund.....	58,324,712,000	61,820,364,000	+3,495,652,000
Transition period.....		16,087,000,000	
Federal disability insurance trust fund.....	7,768,642,000	8,251,014,000	+482,372,000
Transition period.....		2,115,000,000	
Federal hospital insurance trust fund.....	12,473,072,000	13,583,401,000	+1,110,329,000
Transition period.....		3,285,000,000	
Federal supplementary medical insurance trust fund.....	4,294,735,000	4,970,032,000	+675,297,000
Transition period.....		1,401,000,000	
Total, Department of Health, Education, and Welfare.....	82,862,644,000	88,626,359,000	+5,763,715,000
Transition period.....		22,888,387,000	
<b>RAILROAD RETIREMENT BOARD</b>			
Railroad retirement account.....	2,382,767,000	3,232,100,000	+849,333,000
Transition period.....		480,430,000	
<b>SOLDIERS' AND AIRMEN'S HOME</b>			
Payment of claims.....	5,000	5,000	
Total, permanent new budget (obligational) authority, trust funds.....	94,953,300,000	101,621,146,000	+6,667,846,000
Transition period.....		26,292,907,000	

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**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1975 AND BUDGET ESTIMATES  
AND AMOUNTS RECOMMENDED IN THE BILL FOR 1976**

Agency and item  (1)	New budget (obligational) authority, fiscal year 1975  (2)	Budget estimates of new (obligational) authority, fiscal year 1976 and transition period  (3)	New budget (obligational) authority recommended in the bill  (4)	Bill compared with—	
				New budget (obligational) authority, fiscal year 1975  (5)	Budget estimates of new (obligational) authority, fiscal year 1976 and transition period  (6)
<b>TITLE I—DEPARTMENT OF LABOR</b>					
<b>MANPOWER ADMINISTRATION</b>					
Program administration.....	\$67,009,000	\$66,438,000	\$66,632,000	-\$377,000	+\$194,000
Transition period.....		16,195,000	16,748,000		+553,000
<i>Trust fund transfer</i> .....	(28,665,000)	(29,866,000)	(29,866,000)	(+1,201,000)	(.....)
<i>Transition period</i> .....	(.....)	(7,377,000)	(7,377,000)	(.....)	(.....)
Comprehensive manpower assistance.....	2,852,450,000	2,394,400,000	2,388,400,000	-464,050,000	-6,000,000
Transition period.....		599,000,000	597,500,000		-1,500,000
Federal unemployment benefits and allow- ances.....	2,365,000,000	410,000,000	410,000,000	-1,955,000,000	
Transition period.....		95,000,000	95,000,000		
Advances to the Unemployment Trust Fund and Other Funds.....	5,750,000,000			-5,750,000,000	
Grants to States for unemployment insur- ance and employment services.....	64,400,000	74,000,000	81,300,000	+16,900,000	+7,300,000
Transition period.....		18,500,000	20,300,000		+1,800,000
<i>Trust fund transfer</i> .....	(1,177,900,000)	(995,000,000)	(1,056,300,000)	(-121,600,000)	(+61,300,000)
<i>Transition period</i> .....	(.....)	(248,750,000)	(264,100,000)	(.....)	(+15,350,000)
<b>Total, Manpower Administration</b> .....	<b>11,098,859,000</b>	<b>2,944,838,000</b>	<b>2,946,332,000</b>	<b>-8,152,527,000</b>	<b>+1,494,000</b>
Transition period.....		<b>728,695,000</b>	<b>729,548,000</b>		<b>+853,000</b>
<b>LABOR-MANAGEMENT SERVICES ADMINISTRATION</b>					
Salaries and expenses.....	36,845,000	42,000,000	41,232,000	+4,387,000	-768,000
Transition period.....		10,047,000	10,047,000		
<b>EMPLOYMENT STANDARDS ADMINISTRATION</b>					
Salaries and expenses.....	76,116,000	79,715,000	81,560,000	+5,444,000	+1,845,000
Transition period.....		19,929,000	20,390,000		+461,000
<i>Trust fund transfer</i> .....	(.....)	(225,000)	(225,000)	(+225,000)	(.....)
<i>Transition period</i> .....	(.....)	(56,000)	(56,000)	(.....)	(.....)
Special benefits.....	165,000,000	201,000,000	201,000,000	+36,000,000	
Transition period.....		70,000,000	70,000,000		
<b>Total, Employment Standards Ad- Administration</b> .....	<b>241,116,000</b>	<b>280,715,000</b>	<b>282,560,000</b>	<b>+41,444,000</b>	<b>+1,845,000</b>
Transition period.....		<b>89,929,000</b>	<b>90,390,000</b>		<b>+461,000</b>

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1975 AND BUDGET ESTIMATES  
AND AMOUNTS RECOMMENDED IN THE BILL FOR 1976—Continued**

Agency and item  (1)	New budget (obligational) authority, fiscal year 1975  (2)	Budget estimates of new (obligational) authority, fiscal year 1976 and transition period  (3)	New budget (obligational) authority recommended in the bill  (4)	Bill compared with—	
				New budget (obligational) authority, fiscal year 1975  (5)	Budget estimates of new (obligational) authority, fiscal year 1976 and transition period  (6)
<b>TITLE I—DEPARTMENT OF LABOR—</b>					
Continued					
OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION					
Salaries and expenses.....	\$102,006,000	\$116,025,000	\$108,221,000	+\$6,215,000	-\$7,804,000
Transition period.....		29,000,000	27,000,000		-2,000,000
BUREAU OF LABOR STATISTICS					
Salaries and expenses.....	54,422,000	61,683,000	64,846,000	+10,424,000	+3,163,000
Transition period.....		15,250,000	16,210,000		+960,000
DEPARTMENTAL MANAGEMENT					
Salaries and expenses.....	30,339,000	33,242,000	32,297,000	+1,958,000	-945,000
Transition period.....		7,781,000	7,781,000		
Trust fund transfer.....	(820,000)	(881,000)	(881,000)	(+61,000)	(-----)
Transition period.....	(-----)	(221,000)	(221,000)	(-----)	(-----)
Special foreign currency program.....	200,000	200,000	70,000	-130,000	-130,000
Total, Departmental Management.....	30,539,000	33,442,000	32,367,000	+1,828,000	-1,075,000
Transition period.....		7,781,000	7,781,000		
Total, new budget (obligational) authority, Department of Labor.....	11,563,787,000	3,478,703,000	3,475,558,000	-8,088,229,000	-3,145,000
Transition period.....		880,702,000	880,976,000		+274,000
<b>TITLE II—DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE</b>					
HEALTH SERVICES ADMINISTRATION					
Health services.....	483,226,000	426,782,000	522,736,000	+39,510,000	+95,954,000
Transition period.....	(436,771,000)	(269,754,000)	(1)		-1,155,000
Transition period.....		136,656,000	135,501,000		
Transition period.....		(63,800,000)	(1)		
Trust fund transfer.....	(5,774,000)	(24,671,000)	(26,671,000)	(+20,897,000)	(+2,000,000)
Transition period.....	(-----)	(6,521,000)	(7,021,000)	(-----)	(+500,000)
CENTER FOR DISEASE CONTROL					
Preventive health services.....	96,045,000	99,601,000	107,115,000	+11,070,000	+7,514,000
Transition period.....	(56,300,000)	(33,710,000)	(1)		
Transition period.....		26,828,000	28,032,000		+1,204,000
Transition period.....		(6,500,000)	(1)		

See footnote at end of table.

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1975 AND BUDGET ESTIMATES  
AND AMOUNTS RECOMMENDED IN THE BILL FOR 1976—Continued**

Agency and item  (1)	New budget (obligational) authority, fiscal year 1975  (2)	Budget estimates of new (obligational) authority, fiscal year 1976 and transition period  (3)	New budget (obligational) authority recommended in the bill  (4)	Bill compared with—	
				New budget (obligational) authority, fiscal year 1975  (5)	Budget estimates of new (obligational) authority, fiscal year 1976 and transition period  (6)
<b>TITLE II—DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE—Con.</b>					
NATIONAL INSTITUTES OF HEALTH					
National Cancer Institute.....	\$669,503,000	\$586,837,000	\$703,564,000	+\$34,061,000	+\$116,727,000
	(22,163,000)	(18,163,000)	(1)		
Transition period.....		149,700,000	149,700,000		
		(1,550,000)	(1)		
National Heart and Lung Institute.....	303,515,000	271,840,000	329,059,000	+25,544,000	+57,219,000
	(21,115,000)	(20,954,000)	(1)		
Transition period.....		58,015,000	58,015,000		
		(1,700,000)	(1)		
National Institute of Dental Research.....	44,233,000	38,039,000	45,794,000	+1,561,000	+7,755,000
	(5,769,000)	(5,497,000)	(1)		
Transition period.....		7,674,000	7,674,000		
		(250,000)	(1)		
National Institute of Arthritis, Metabolism and Digestive Diseases.....	161,040,000	144,065,000	173,972,000	+12,932,000	+29,907,000
	(12,474,000)	(4,344,000)	(1)		
Transition period.....		35,052,000	43,052,000		+8,000,000
		(2,050,000)	(1)		
National Institute of Neurological and Communicative Disorders and Stroke.....	129,475,000	107,055,000	136,546,000	+7,071,000	+29,491,000
	(13,023,000)	(7,900,000)	(1)		
Transition period.....		27,964,000	32,964,000		+5,000,000
		(775,000)	(1)		
National Institute of Allergy and Infectious Diseases.....	110,492,000	100,777,000	118,918,000	+8,426,000	+18,141,000
	(8,960,000)	(7,934,000)	(1)		
Transition period.....		26,974,000	26,974,000		
		(130,000)	(1)		
National Institute of General Medical Sciences.....	135,533,000	120,779,000	146,461,000	+10,928,000	+25,682,000
	(51,867,000)	(40,851,000)	(1)		
Transition period.....		32,961,000	32,961,000		
		(7,334,000)	(1)		

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See footnote at end of table.

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1975 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1976—Continued**

Agency and item  (1)	New budget (obligational) authority, fiscal year 1975  (2)	Budget estimates of new (obligational) authority, fiscal year 1976 and transition period  (3)	New budget (obligational) authority recommended in the bill  (4)	Bill compared with—	
				New budget (obligational) authority, fiscal year 1975  (5)	Budget estimates of new (obligational) authority, fiscal year 1976 and transition period  (6)
<b>TITLE II—DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE—Con.</b>					
NATIONAL INSTITUTES OF HEALTH—Con.					
National Institute of Child Health and Human Development.....	\$132, 578, 000	\$96, 547, 000	\$126, 889, 000	-\$5, 689, 000	+\$30, 342, 000
Transition period.....	(9, 857, 000)	(9, 515, 000)	(1)		
		23, 566, 000	23, 566, 000		
		(883, 000)	(1)		
National Institute on Aging.....		14, 428, 000	15, 526, 000	+15, 526, 000	+1, 098, 000
Transition period.....		(1, 762, 000)	(1)		
		3, 943, 000	3, 943, 000		
		(105, 000)	(1)		
National Eye Institute.....	39, 486, 000	34, 554, 000	42, 608, 000	+3, 122, 000	+8, 054, 000
Transition period.....	(4, 647, 000)	(4, 647, 000)	(1)		
		9, 103, 000	9, 103, 000		
		(697, 000)	(1)		
National Institute of Environmental Health Sciences.....	31, 896, 000	29, 368, 000	35, 915, 000	+4, 019, 000	+6, 547, 000
Transition period.....	(3, 275, 000)	(1, 745, 000)	(1)		
		7, 540, 000	7, 540, 000		
		(220, 000)	(1)		
Research resources.....	126, 766, 000	80, 724, 000	128, 731, 000	+1, 965, 000	+48, 007, 000
Transition period.....	(434, 000)	(334, 000)	(1)		
		20, 195, 000	20, 195, 000		
		(70, 000)	(1)		
John E. Fogarty Center.....	5, 589, 000	4, 540, 000	5, 345, 000	-244, 000	+805, 000
Transition period.....		1, 135, 000	1, 135, 000		
National Library of Medicine.....	28, 850, 000	28, 815, 000	28, 815, 000	-35, 000	
Transition period.....		6, 572, 000	6, 572, 000		
Buildings and facilities.....	3, 000, 000	3, 000, 000	93, 000, 000	+90, 000, 000	+90, 000, 000
Transition period.....		750, 000	750, 000		
Office of the Director.....	17, 326, 000	19, 986, 000	19, 612, 000	+2, 286, 000	-374, 000
Transition period.....		4, 997, 000	4, 903, 000		-94, 000
Total, National Institutes of Health.....	1, 939, 282, 000	1, 681, 354, 000	2, 150, 755, 000	+211, 473, 000	+469, 401, 000
Transition period.....		416, 141, 000	429, 047, 000		+12, 906, 000

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See footnote at end of table.

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1975 AND BUDGET ESTIMATES  
AND AMOUNTS RECOMMENDED IN THE BILL FOR 1976—Continued**

Agency and item  (1)	New budget (obligational) authority, fiscal year 1975  (2)	Budget estimates of new (obligational) authority, fiscal year 1976 and transition period  (3)	New budget (obligational) authority recommended in the bill  (4)	Bill compared with—	
				New budget (obligational) authority, fiscal year 1975  (5)	Budget estimates of new (obligational) authority, fiscal year 1976 and transition period  (6)
<b>TITLE II—DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE—Con.</b>					
<b>ALCOHOL, DRUG ABUSE, AND MENTAL HEALTH ADMINISTRATION</b>					
Alcohol, drug abuse, and mental health.....	\$619,329,000	\$476,279,000	\$557,654,000	-\$61,675,000	+\$81,375,000
	(163,576,000)	(177,348,000)	(1)		
Transition period.....		116,565,000	84,242,000		-32,323,000
		(13,290,000)	(1)		
St. Elizabeths Hospital (indefinite).....	48,758,000	48,064,000	48,064,000	-694,000	
Transition period.....		15,500,000	15,500,000		
Buildings and facilities.....			2,500,000	+2,500,000	+2,500,000
Transition period.....					
Total, Alcohol, Drug Abuse and Mental Health Administration.....	668,087,000	524,343,000	608,218,000	-59,869,000	+83,875,000
Transition period.....		132,065,000	99,742,000		-32,323,000
<b>HEALTH RESOURCES ADMINISTRATION</b>					
Health resources.....	302,319,000	325,329,000	360,709,000	+58,390,000	+35,380,000
	(507,208,000)	(286,158,000)	(1)		
Transition period.....		81,790,000	78,790,000		-3,000,000
		(53,500,000)	(1)		
Trust fund transfer.....	(8,620,000)	(42,000)	(42,000)	(-8,578,000)	(.....)
Transition period.....	(.....)	(11,000)	(11,000)	(.....)	(.....)
Medical facilities guarantee and loan fund.....		10,000,000	10,000,000	+10,000,000	
Transition period.....		7,000,000	7,000,000		
Payment of sales insufficiencies and interest losses.....	4,000,000	4,000,000	4,000,000		
Total, Health Resources Adminis- tration.....	306,319,000	339,329,000	374,709,000	+68,390,000	+35,380,000
Transition period.....		88,790,000	85,790,000		-3,000,000
<b>ASSISTANT SECRETARY FOR HEALTH</b>					
Assistant Secretary for Health.....	30,992,000	23,288,000	23,142,000	-7,850,000	-146,000
Transition period.....		6,302,000	5,785,000		-517,000
Trust fund transfer.....	(27,080,000)	(.....)	(.....)	(-27,080,000)	(.....)
Retirement pay and medical benefits for commissioned officers (indefinite).....	39,200,000	45,013,000	45,013,000	+5,813,000	
Transition period.....		13,552,000	13,552,000		
Total, Assistant Secretary for Health	70,192,000	68,301,000	68,155,000	-2,037,000	-146,000
Transition period.....		19,854,000	19,337,000		-517,000

See footnote at end of table.

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1975 AND BUDGET ESTIMATES  
AND AMOUNTS RECOMMENDED IN THE BILL FOR 1976—Continued**

Agency and item  (1)	New budget (obligational) authority, fiscal year 1975  (2)	Budget estimates of new (obligational) authority, fiscal year 1976 and transition period  (3)	New budget (obligational) authority recommended in the bill  (4)	Bill compared with—	
				New budget (obligational) authority, fiscal year 1975  (5)	Budget estimates of new (obligational) authority, fiscal year 1976 and transition period  (6)
<b>TITLE II-DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE—Con.</b>					
<b>SOCIAL AND REHABILITATION SERVICE</b>					
Public assistance.....	\$13,841,227,000	\$14,998,833,000	\$15,000,000,000	+\$1,158,773,000	+\$1,167,000
Transition period.....		3,964,619,000	3,965,000,000		+381,000
Work incentives.....	210,000,000	330,000,000	330,000,000	+120,000,000	
Transition period.....		80,000,000	80,000,000		
Salaries and expenses.....	65,822,000	59,061,000	57,878,000	-7,944,000	-1,183,000
Transition period.....		14,766,000	14,470,000		-296,000
Trust fund transfer.....	(600,000)	(.....)	(.....)	(-600,000)	(.....)
Total, Social and Rehabilitation Service.....	14,117,049,000	15,387,894,000	15,387,878,000	+1,270,829,000	-16,000
Transition period.....		4,059,385,000	4,059,470,000		+85,000

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<b>SOCIAL SECURITY ADMINISTRATION</b>					
Payments to social security trust and other funds.....	3,345,323,000	4,175,255,000	4,123,363,000	+778,040,000	-51,892,000
Transition period.....		892,000,000	880,940,000		-11,060,000
Special benefits for disabled coal miners.....	957,740,000	999,778,000	999,778,000	+42,038,000	
Transition period.....		234,600,000	234,600,000		
Supplemental security income program.....	4,857,102,000	5,538,523,000	5,518,523,000	+661,421,000	-20,000,000
Transition period.....		1,508,541,000	1,503,541,000		-5,000,000
Limitation on salaries and expenses.....	(2,125,987,000)	(2,373,132,000)	(2,373,132,000)	(+247,145,000)	(.....)
Transition period.....	(.....)	(629,900,000)	(629,900,000)	(.....)	(.....)
Limitation on construction.....	(8,232,000)	(6,300,000)	(6,300,000)	(-1,932,000)	(.....)
Transition period.....	(.....)	(3,633,000)	(3,633,000)	(.....)	(.....)
Total, Social Security Administration	9,160,165,000	10,713,556,000	10,641,664,000	+1,481,499,000	-71,892,000
Transition period.....		2,635,141,000	2,619,081,000		-16,060,000
<b>ASSISTANT SECRETARY FOR HUMAN DEVELOPMENT</b>					
Human development.....	1,445,595,000	1,404,682,000	1,500,049,000	+54,454,000	+95,367,000
Transition period.....	(155,625,000)	(138,625,000) 348,163,000	( <sup>(1)</sup> ) 371,505,000		+23,342,000
		(34,543,000)	( <sup>(1)</sup> )		
Trust fund transfer.....	(.....)	(600,000)	(600,000)	(+600,000)	(.....)
Transition period.....	(.....)	(150,000)	(150,000)	(.....)	(.....)

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See footnote at end of table.

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1975 AND BUDGET ESTIMATES  
AND AMOUNTS RECOMMENDED IN THE BILL FOR 1976—Continued**

Agency and item  (1)	New budget (obligational) authority, fiscal year 1975  (2)	Budget estimates of new (obligational) authority, fiscal year 1976 and transition period  (3)	New budget (obligational) authority recommended in the bill  (4)	Bill compared with—	
				New budget (obligational) authority, fiscal year 1975  (5)	Budget estimates of new (obligational) authority, fiscal year 1976 and transition period  (6)
<b>TITLE II—DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE—Con.</b>					
DEPARTMENTAL MANAGEMENT					
Office for Civil Rights.....	\$22,207,000	\$25,147,000	\$24,686,000	+\$2,479,000	-\$461,000
Transition period.....		6,494,000	6,379,000		-115,000
Trust fund transfer.....	(1,466,000)	(1,351,000)	(1,351,000)	(-115,000)	(.....)
Transition period.....	(.....)	(352,000)	(352,000)	(.....)	(.....)
General departmental management.....	110,028,000	93,035,000	87,289,000	-22,739,000	-5,746,000
Transition period.....		24,106,000	22,670,000		-1,436,000
Trust fund transfer.....	(8,255,000)	(12,751,000)	(12,751,000)	(+4,496,000)	(.....)
Transition period.....	(.....)	(3,284,000)	(3,284,000)	(.....)	(.....)
Policy research.....		29,260,000	26,300,000	+26,300,000	-2,960,000
Transition period.....		7,315,000	6,575,000		-740,000
Total, Departmental Management.....	132,235,000	147,442,000	138,275,000	+6,040,000	-9,167,000
Transition period.....		37,915,000	35,624,000		-2,291,000

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Total, new budget (obligational) authority, Department of Health, Education, and Welfare.....	28,418,195,000	30,793,284,000	31,499,554,000	+3,081,359,000	+706,270,000
Transition period.....		7,900,938,000	7,883,129,000		-17,809,000

<b>TITLE III—RELATED AGENCIES</b>					
Action (domestic programs).....	100,000,000	101,574,000	101,313,000	+1,313,000	-261,000
Transition period.....		21,083,000	21,083,000		
Community Services Administration.....	507,700,000	363,000,000	399,185,000	-108,515,000	+36,185,000
Transition period.....		90,750,000	99,800,000		+9,050,000
Corporation for Public Broadcasting.....	(62,000,000)	(70,000,000)	( <sup>1</sup> )		
Transition period.....	(.....)	(17,500,000)	( <sup>1</sup> )		
Federal Mediation and Conciliation Service.....	16,245,000	18,250,000	17,704,000	+1,459,000	-546,000
Transition period.....		4,800,000	4,426,000		-374,000
National Commission on Libraries and Information Science.....	409,000	502,000	409,000		-93,000
Transition period.....		125,000	102,000		-23,000
National Labor Relations Board.....	62,669,000	68,499,000	67,461,000	+4,792,000	-1,038,000
Transition period.....		17,127,000	16,865,000		-262,000
National Mediation Board.....	3,236,000	3,105,000	3,405,000	+169,000	+300,000
Transition period.....		775,000	850,000		+75,000
Occupational Safety and Health Review Commission.....	5,512,000	5,675,000	5,638,000	+126,000	-37,000
Transition period.....		1,418,000	1,418,000		

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See footnote at end of table.

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1975 AND BUDGET ESTIMATES  
AND AMOUNTS RECOMMENDED IN THE BILL FOR 1976—Continued**

Agency and item  (1)	New budget (obligational) authority, fiscal year 1975  (2)	Budget estimates of new (obligational) authority, fiscal year 1976 and transition period  (3)	New budget (obligational) authority recommended in the bill  (4)	Bill compared with—	
				New budget (obligational) authority, fiscal year 1975  (5)	Budget estimates of new (obligational) authority, fiscal year 1976 and transition period  (6)
<b>TITLE III—RELATED AGENCIES— Continued</b>					
Railroad Retirement Board:					
Payments to Railroad Retirement Trust Funds.....	\$3, 516, 000	\$250, 000, 000	\$250, 000, 000	+\$246, 484, 000	-----
Transition period.....	-----	-----	-----	-----	-----
Regional Rail Transportation Protec- tive Account.....	-----	55, 100, 000	37, 600, 000	+37, 600, 000	-\$17, 500, 000
Transition period.....	-----	10, 030, 000	10, 030, 000	-----	-----
Limitation on salaries and expenses.....	(25, 758, 000)	(29, 703, 000)	(28, 703, 000)	(+2, 945, 000)	(-1, 000, 000)
Transition period.....	(-----)	(7, 430, 000)	(7, 175, 000)	(-----)	(-255, 000)
Soldiers' and Airmen's Home (trust fund appropriation): Operation and main- tenance.....	15, 391, 000	15, 665, 000	15, 665, 000	+274, 000	-----
Transition period.....	-----	3, 905, 000	3, 905, 000	-----	-----
Total, new budget (obligational) au- thority, Related Agencies.....	714, 678, 000	881, 370, 000	898, 380, 000	+183, 702, 000	+17, 010, 000
Transition period.....	-----	150, 013, 000	158, 479, 000	-----	+8, 466, 000
Grand total, new budget (obligational) authority.....	40, 696, 660, 000	35, 153, 357, 000	35, 873, 492, 000	-4, 823, 168, 000	+720, 135, 000
Transition period.....	-----	8, 931, 653, 000	8, 922, 584, 000	-----	-9, 069, 000
Consisting of—					
Definite appropriations.....	40, 608, 702, 000	35, 060, 280, 000	35, 780, 415, 000	-4, 828, 287, 000	+720, 135, 000
Transition period.....	-----	8, 902, 601, 000	8, 893, 532, 000	-----	-9, 069, 000
Indefinite appropriations.....	87, 958, 000	93, 077, 000	93, 077, 000	+5, 119, 000	-----
Transition period.....	-----	29, 052, 000	29, 052, 000	-----	-----

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

**DEPARTMENT OF HEW AND RELATED AGENCIES  
APPROPRIATIONS BILL, FISCAL YEAR 1976**

DECEMBER 2, 1975.—Ordered to be printed

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

**CONFERENCE REPORT**

[To accompany H.R. 8069]

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 8069) "making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1976, and the period ending September 30, 1976, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 1, 2, 3, 5, 11, 12, 14, 15, 18, 21, 25, 26, 28, 29, 30, 31, 33, 35, 37, 38, 40, 44, 49, 51, 54, 74, 86, and 87.

That the House recede from its disagreement to the amendments of the Senate numbered 13, 19, 32, 46, 47, 50, 52, 55, 56, 57, 58, 60, 62, 68, 69, 70, 77, 78, 79, 80, and 81, and agree to the same.

**Amendment numbered 7:**

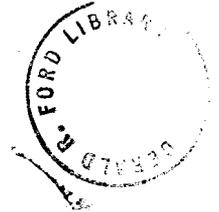
That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert \$82,410,000; and the Senate agree to the same.

**Amendment numbered 8:**

That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert \$20,602,000; and the Senate agree to the same.



## Amendment numbered 9:

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

In lieu of the sum named by said amendment insert *\$116,221,000*; and the Senate agree to the same.

## Amendment numbered 10:

That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted insert: "*not to exceed \$9,000,000*"; and the Senate agree to the same.

## Amendment numbered 16:

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

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

## Amendment numbered 17:

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

In lieu of the sum proposed by said amendment insert *\$557,693,000*; 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 *\$108,971,000*; 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 *\$743,564,000*; 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 *\$349,059,000*; and the Senate agree to the same.

## Amendment numbered 27:

That the House recede from its disagreement to the amendment of the Senate numbered 27, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *\$175,172,000*; and the Senate agree to the same.

## Amendment numbered 34:

That the House recede from its disagreement to the amendment of the Senate numbered 34, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *\$17,526,000*; and the Senate agree to the same.

## Amendment numbered 36:

That the House recede from its disagreement to the amendment of the Senate numbered 36, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *\$45,565,000*; and the Senate agree to the same.

## Amendment numbered 39:

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

In lieu of the sum proposed by said amendment insert *\$129,931,000*; and the Senate agree to the same.

## Amendment numbered 41:

That the House recede from its disagreement to the amendment of the Senate numbered 41, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *\$5,705,000*; 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 *\$860,000*; and the Senate agree to the same.

## Amendment numbered 43:

That the House recede from its disagreement to the amendment of the Senate numbered 43, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *\$29,065,000*; 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 *\$54,000,000*; 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 *\$579,554,000*; and the Senate agree to the same.

Amendment numbered 59:

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

In lieu of the matter stricken and inserted insert: "\$15,003,950,000, of which \$52,500,000"; 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 \$60,378,000; and the Senate agree to the same.

Amendment numbered 65:

That the House recede from its disagreement to the amendment of the Senate numbered 65, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert \$1,516,858,318; 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 \$103,266,000; and the Senate agree to the same.

Amendment numbered 75:

That the House recede from its disagreement to the amendment of the Senate numbered 75, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert \$494,652,000; and the Senate agree to the same.

Amendment numbered 82:

That the House recede from its disagreement to the amendment of the Senate numbered 82, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert \$67,766,000; 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 \$16,941,000; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 4, 6, 23, 53, 63, 64, 66, 67, 71, 72, 76, 84, and 85.

DANIEL J. FLOOD,  
WILLIAM H. NATCHER,  
NEAL SMITH,  
BOB CASEY,  
EDWARD J. PATTEN,  
DAVID OBEY,  
EDWARD R. ROYBAL,  
GEORGE MAHON,  
SILVIO O. CONTE,

*Managers on the Part of the House.*

WARREN G. MAGNUSON,  
JOSEPH M. MONTOYA,  
ERNEST F. HOLLINGS,  
BIRCH BAYH,  
JOHN L. McCLELLAN,  
MIKE MANSFIELD,  
EDWARD W. BROOKE,  
CLIFFORD P. CASE,  
HIRAM L. FONG,  
TED STEVENS,  
DICK SCHWEIKER,  
MILTON R. YOUNG,

*Managers on the Part of the Senate.*

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

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 8069) making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1976, and the period ending September 30, 1976, 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**

**COMPREHENSIVE MANPOWER ASSISTANCE**

Amendments Nos. 1 and 2: Appropriate \$2,388,400,000, as proposed by the House, instead of \$2,394,400,000, as proposed by the Senate, and \$597,500,000 for the period July 1, 1976 through September 30, 1976, as proposed by the House, instead of \$599,000,000 as proposed by the Senate.

The conferees are agreed that support for national contractors of demonstrated effectiveness should be maintained at not less than current levels.

Although the conferees have deferred consideration of the Community Service Employment for Older Americans appropriation, the Department of Labor is nevertheless directed to permit all States to operate at their full Older Americans Act Title IX formula, or "hold harmless" level, whichever is higher, into fiscal year 1976. In a subsequent supplemental, it is the conferees' intent to provide the necessary funding to at least maintain this level for the remainder of fiscal year 1976. This is not intended to preclude the Department from entering into contracts with organizations such as those serving minority groups seeking to operate new Older American jobs programs. It remains the conferees' intent that this program be handled primarily through national contracts, rather than through prime sponsors.

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

Amendment No. 3: Appropriates \$81,300,000 as proposed by the House, instead of \$82,800,000 as proposed by the Senate.

Amendment No. 4: 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 provide that

\$1,051,300,000 may be expended from the Employment Security Administration account in the Unemployment Trust Fund, instead of \$1,056,300,000, as proposed by the House, and \$1,054,800,000, 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. The conference agreement includes \$15,000,000 for expansion of computerized job matching, instead of the \$20,000,000 proposed by the House and \$10,000,000 proposed by the Senate.

Amendment No. 5: Appropriates \$20,300,000 for the transition period, as proposed by the House, instead of \$20,700,000 as proposed by the Senate.

Amendment No. 6: 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 provide that \$262,850,000 may be expended during the transition period from the Employment Security Administration account in the Unemployment Trust Fund, instead of \$264,100,000 as proposed by the House, and \$263,700,000, 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.

#### EMPLOYMENT STANDARDS ADMINISTRATION

##### SALARIES AND EXPENSES

Amendments Nos. 7 and 8: Appropriate \$82,410,000 instead of \$81,560,000, as proposed by the House and \$83,643,000, as proposed by the Senate, and \$20,602,000 for the transition period, instead of \$20,390,000, as proposed by the House, and \$20,911,000, as proposed by the Senate.

The additional \$850,000 and \$212,000 agreed to over the House allowance is intended to provide the funds necessary to continue 74 temporary positions to reduce the backlog of work in the Federal Employees' Compensation Act program. The Administration should submit a supplemental request if additional Federal funds are necessary for administrative costs under the Longshoremen's and Harbor Workers' Compensation Act, without making reductions in any other activities of the Employment Standards Administration.

#### OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION

##### SALARIES AND EXPENSES

Amendment No. 9: Appropriates \$116,221,000, instead of \$108,221,000 as proposed by the House, and \$123,221,000, as proposed by the Senate. The increase over the amount proposed by the House includes \$4,000,000 for the support of 333 additional positions for compliance officers and associated clerical support and \$4,000,000 for consultation services to employers.

Amendment No. 10: Earmarks not to exceed \$9,000,000 for consultation services to employers, instead of not to exceed \$5,000,000 as proposed by the House, and \$10,000,000 as proposed by the Senate.

Amendments Nos. 11 and 12: Delete legal citations inserted by the Senate.

Amendment No. 13: Makes technical correction in language, as proposed by the Senate.

Amendment No. 14: Deletes language proposed by the Senate which would have prohibited use of funds appropriated in this Act for costs incident to the assessment of any penalty of more than \$50 for a citation issued for any violation other than a serious violation as defined in section 17(k) of the Occupational Safety and Health Act of 1970 (29 U.S.C. 666(j) of rules or standards during the initial inspection of any establishment or workplace that has fifteen or fewer employees, that can be inspected under the Act.

Amendment No. 15: Deletes language proposed by the Senate which would have prohibited use of funds appropriated by this Act to pay the salaries of any employees of the Federal Government who inspect firms employing three or fewer persons to enforce compliance with the Occupational Safety and Health Act of 1970.

Amendment No. 16: Appropriates \$29,000,000 for the transition period instead of \$27,000,000 as proposed by the House and \$29,500,000 as proposed by the Senate.

The conferees direct the Department of Labor to take the following actions in the area of occupational safety and health:

(1) Immediate steps to dramatically upgrade the skills of OSHA inspectors through intensive retraining. This retraining should be conducted irrespective of a possible reduction in the number of inspections completed during the coming year and should accomplish the following objectives:

(a) provide each inspector with a clear sense of priorities as to which workplace hazards pose the greatest threat to the health and well being of workers

(b) provide inspection procedures to insure that citations, fines and abatement orders are based on those priorities

(c) provide a clear understanding of the meaning of each OSHA standard by all inspectors and develop the technical skills necessary to concentrate enforcement efforts on workplace hazards which pose the greatest threat to the well being of the workers, particularly in the area of health.

(2) Review and simplification of existing OSHA standards and elimination of so-called "nuisance standards" or standards which do not deal with workplace conditions that are clearly hazardous to the health or safety of workers or are more properly under the jurisdiction of State Departments of Public Health.

(3) Redirection of enforcement program to place increased emphasis on problems related to worker health. The Conferees note that the overwhelming number of inspections have been in the field of safety despite reports by the Administration that deaths due to occupational health problems exceed 100,000 per year while problems involving safety account for 11,000 deaths a year.

(4) Substantial redirection of inspection efforts away from industries with good worker health and safety records so as to permit increased inspection in industries with the greatest health and safety problems.

(5) Development of fine-free on-site consultation programs which are available to employers throughout the United States, are clearly understood by employers, and are staffed by competent consultants qualified to advise employers of the application of OSHA standards

in their workplace. An evaluation of the on-site consultation program shall be completed within three months of the enactment of this bill and shall be transmitted to the House and Senate Appropriations Committees.

(6) The Secretary of Labor shall report in writing to the House and Senate Appropriations Committees at least 30 days prior to the first day of scheduled appropriation hearings on the President's fiscal year 1977 budget request for the Occupational Safety and Health Administration on what actions have been taken to comply with these directives.

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

### POSITIONS AUTHORIZED FOR HEALTH AGENCIES

It is the explicit intent of the Conferees that increases in positions shall be authorized and distributed to the various health programs as set forth in the following table.

The additional positions provided over the fiscal year 1975 level are to be used exclusively for research, services, and grants and contracts management—not for the Offices of the Assistant Secretary for Health or of the various directors of the health agencies.

These positions have been clearly set forth in the conference report to insure the continued excellence of health programs and to prevent the dismantling of high priority health programs through the impoundment of positions without the consent of Congress.

The conferees are agreed that the 100 additional positions provided for the Alcohol, Drug Abuse, and Mental Health Administration include 40 for the National Institute of Mental Health and 60 for the National Institute on Alcohol Abuse and Alcoholism.

	1975	Budget request	Conference allowance
Health Services Administration.....	7,796	6,995	7,797
Center for Disease Control.....	3,569	3,508	3,648
<b>National Institutes of Health:</b>			
Cancer.....	1,906	1,836	1,968
Heart.....	711	691	747
Dental.....	272	268	282
Arthritis.....	566	566	588
Neurology.....	513	510	543
Allergy.....	593	587	621
General Medical Sciences.....	155	152	164
Child Health.....	358	349	377
Aging.....	175	173	193
Eye.....	142	132	152
Environmental.....	240	238	271
Research Resources.....	75	72	77
Fogarty.....	51	49	51
Library of Medicine.....	475	468	472
Office of the Director.....	549	546	546
<b>Central services:</b>			
Management fund.....	3,198	3,198	3,353
Service and supply.....	732	732	749
<b>NIH subtotal.....</b>	<b>10,708</b>	<b>10,557</b>	<b>11,154</b>
Alcohol, Drug Abuse, and Mental Health Administration.....	1,686	1,580	1,796
St. Elizabeths.....	4,028	4,028	4,132
Health Resources Administration.....	2,046	2,046	2,066
<b>Grand total.....</b>	<b>29,843</b>	<b>28,724</b>	<b>30,593</b>

## HEALTH SERVICES ADMINISTRATION

### HEALTH SERVICES

Amendment No. 17: Appropriates \$557,693,000, instead of \$553,685,000, as proposed by the House, and \$560,302,000, as proposed by the Senate. The Conference agreement includes the following changes from the amounts proposed by the House:

Maternal and child health research and training.....	+ \$2,208,000
Sudden infant death syndrome.....	+300,000
Medical care standards.....	-1,000,000
Professional standards review organizations.....	-2,500,000
Public health service hospitals and clinics.....	+5,000,000
Emergency medical services.....	+1,500,000
Program direction.....	-1,500,000

The conferees direct the Secretary to submit to Congress a report either certifying that the Department is in compliance with Section 818 of Public Law 93-155 or setting out the specific steps which must be taken before he can give such certification within 6 months following enactment of the bill.

Amendment No. 18: Deletes language proposed by the Senate which would have authorized \$1,000,000 to be expended for salaries and related costs of fifty new positions.

Amendment No. 19: Appropriates \$135,126,000 for the transition period, as proposed by the Senate, instead of \$135,501,000, as proposed by the House.

### CENTER FOR DISEASE CONTROL

#### PREVENTIVE HEALTH SERVICES

Amendment No. 20: Appropriates \$108,971,000, instead of \$107,115,000, as proposed by the House, and \$112,471,000, as proposed by the Senate. The increase over the amount proposed by the House includes \$500,000 for health education, \$1,000,000 for training in occupational health, and \$356,000 for design of new facilities for the National Institute of Occupational Safety and Health.

Amendment No. 21: Deletes language proposed by the Senate which would have authorized \$1,000,000 to be expended for salaries and related costs of fifty new positions.

### NATIONAL INSTITUTES OF HEALTH

#### NATIONAL CANCER INSTITUTE

Amendment No. 22: Appropriates \$743,564,000, instead of \$703,564,000, as proposed by the House, and \$803,564,000 as proposed by the Senate.

The conferees agree on the pervasive nature of the problem of environmental carcinogens and direct the National Cancer Institute to utilize up to \$3 million to initiate, through and with the National Institute for Occupational Safety and Health, an occupational carcinogenesis program.

Amendment No. 23: 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 earmark \$25,000,000 to remain available until expended for construction and renovation as proposed by the Senate, and will delete Senate language authorizing \$1,880,000 to be expended for salaries and related costs for ninety-four new positions. The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

NATIONAL HEART AND LUNG INSTITUTE

Amendment No. 24: Appropriates \$349,059,000 instead of \$329,059,000, as proposed by the House, and \$379,059,000, as proposed by the Senate.

Amendment No. 25: Deletes language proposed by the Senate which would have authorized \$1,000,000 to be expended for salaries and related costs of fifty new positions.

NATIONAL INSTITUTE OF DENTAL RESEARCH

Amendment No. 26: Deletes language proposed by the Senate which would have authorized \$400,000 to be expended for salaries and related costs of twenty new positions.

NATIONAL INSTITUTE OF ARTHRITIS, METABOLISM AND DIGESTIVE DISEASES

Amendment No. 27: Appropriates \$175,172,000 instead of \$173,972,000, as proposed by the House, and \$176,972,000, as proposed by the Senate.

Amendment No. 28: Deletes language proposed by the Senate which would have authorized \$820,000 to be expended for salaries and related costs of forty-one new positions.

NATIONAL INSTITUTE OF NEUROLOGICAL AND COMMUNICATIVE DISORDERS AND STROKE

Amendment No. 29: Deletes language proposed by the Senate which would have authorized \$1,460,000 to be expended for salaries and related costs of seventy-three new positions.

NATIONAL INSTITUTE OF ALLERGY AND INFECTIOUS DISEASES

Amendment No. 30: Deletes language proposed by the Senate which would have authorized \$1,320,000 to be expended for salaries and related costs of sixty-six new positions.

NATIONAL INSTITUTE OF GENERAL MEDICAL SCIENCES

Amendment No. 31: Deletes language proposed by the Senate which would have authorized \$460,000 to be expended for salaries and related expenses of twenty-three new positions.

NATIONAL INSTITUTE OF CHILD HEALTH AND HUMAN DEVELOPMENT

Amendment No. 32: Inserts legal citation as proposed by the Senate.

Amendment. No. 33: Deletes language proposed by the Senate which would have authorized \$600,000 to be expended for salaries and related costs of thirty new positions.

NATIONAL INSTITUTE ON AGING

Amendment No. 34: Appropriates \$17,526,000 instead of \$15,526,000 as proposed by the House, and \$20,526,000, as proposed by the Senate.

Amendment No. 35: Deletes language proposed by the Senate which would have authorized \$400,000 to be expended for salaries and related costs of twenty new positions.

NATIONAL EYE INSTITUTE

Amendment No. 36: Appropriates \$45,565,000 instead of \$42,608,000, as proposed by the House, and \$50,000,000, as proposed by the Senate.

Amendment No. 37: Deletes language proposed by the Senate which would have authorized \$600,000 to be expended for salaries and related costs of thirty new positions.

NATIONAL INSTITUTE OF ENVIRONMENTAL HEALTH SCIENCES

Amendment No. 38: Deletes language proposed by the Senate which would have authorized \$200,000 to be expended for salaries and related costs of ten new positions.

RESEARCH RESOURCES

Amendment No. 39: Appropriates \$129,931,000, instead of \$128,731,000 as proposed by the House, and \$131,731,000, as proposed by the Senate.

Amendment No. 40: Deletes language proposed by the Senate which would have authorized \$160,000 to be expended for salaries and related costs of eight new positions.

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

Amendment No. 41: Appropriates \$5,705,000 instead of \$5,345,000, as proposed by the House, and \$6,245,000, as proposed by the Senate.

Amendment No. 42: Earmarks \$860,000 for payment to the Gorgas Memorial Institute, instead of \$500,000 as proposed by the House, and \$1,400,000, as proposed by the Senate.

The Conferees have agreed that all NIH Institutes which provided financial support to the Gorgas Memorial Laboratory during fiscal year 1975 shall continue that same level of financial support during fiscal year 1976 and the interim budget period.

NATIONAL LIBRARY OF MEDICINE

Amendment No. 43: Appropriates \$29,065,000, instead of \$28,815,000, as proposed by the House and \$29,565,000, as proposed by the Senate.

Amendment No. 44: Deletes language proposed by the Senate which would have authorized \$320,000 to be expended for salaries and related costs of sixteen new positions.

#### BUILDINGS AND FACILITIES

Amendment No. 45: Appropriates \$54,000,000, instead of \$93,000,000 as proposed by the House, and \$41,000,000, as proposed by the Senate. The conference agreement includes \$25,000,000 for phases I and II of the research facility for the National Institute of Environmental Health Sciences, \$26,000,000 for the Lister Hill Center for Biomedical Communications, and \$3,000,000 for repairs and improvements to the existing NIH facilities.

#### OFFICE OF THE DIRECTOR

Amendment No. 46: Appropriates \$17,896,000, as proposed by the Senate, instead of \$19,612,000, as proposed by the House.

Amendment No. 47: Appropriates \$4,474,000 for the transition period, as proposed by the Senate, instead of \$4,903,000, as proposed by the House.

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

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

Amendment No. 48: Appropriates \$579,554,000 instead of \$557,654,000, as proposed by the House, and \$601,998,000, as proposed by the Senate. The conference agreement includes the following changes from the amounts proposed by the House:

Mental Health:	
Training .....	+ \$10,000,000
Mental health of children .....	+2,064,000
Drug Abuse: Project grants and contracts .....	+1,089,000
Alcoholism:	
Research .....	+800,000
Training .....	+500,000
Project grants and contracts .....	+3,500,000
Grants to States .....	+3,500,000
Management and information .....	+1,000,000
Program direction .....	-553,000

Amendment No. 49: Deletes language proposed by the Senate which would have authorized \$4,000,000 to be expended for salaries and related costs of two hundred new positions.

Amendment No. 50: Appropriates \$84,104,000 for the transition period, as proposed by the Senate, instead of \$84,242,000, as proposed by the House.

#### SAINT ELIZABETHS HOSPITAL

Amendment No. 51: Deletes language proposed by the Senate which would have authorized \$1,000,000 to be expended for salaries and related costs of fifty new positions.

#### BUILDINGS AND FACILITIES

Amendment No. 52: Appropriates \$5,400,000 as proposed by the Senate, instead of \$2,500,000 as proposed by the House.

#### HEALTH RESOURCES ADMINISTRATION

##### HEALTH RESOURCES

Amendment No. 53: 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 \$347,428,000, instead of \$360,709,000, as proposed by the House, and \$360,529,000, as proposed by the Senate. The managers on the part of the Senate will move to concur in the amount of the House to the amendment of the Senate.

The conference agreement includes the following changes from the amounts proposed by the House:

Health planning and resources development .....	+ \$4,000,000
Health professions student loans .....	+4,000,000
Dental health activities .....	+600,000
Nursing student loans .....	+6,000,000
Health facilities construction .....	-25,740,000
Program management .....	-2,141,000

Amendment No. 54: Deletes language proposed by the Senate which would have authorized \$1,000,000 to be expended for salaries and related costs of fifty new positions.

Amendment No. 55: Inserts language proposed by the Senate which earmarks not to exceed \$74,260,000 for medical facilities construction authorized under Title XVI of the Public Health Service Act.

Amendment No. 56: Appropriates \$78,255,000 for the transition period, as proposed by the Senate, instead of \$78,790,000, as proposed by the House.

#### ASSISTANT SECRETARY FOR HEALTH

Amendment No. 57: Appropriates \$20,842,000, as proposed by the Senate, instead of \$23,142,000 as proposed by the House.

Amendment No. 58: Appropriates \$5,210,000 for the transition period, as proposed by the Senate, instead of \$5,785,000, as proposed by the House.

#### SOCIAL AND REHABILITATION SERVICE

##### PUBLIC ASSISTANCE

Amendment No. 59: Appropriates \$15,003,950,000 instead of \$15,000,000,000 as proposed by the House and \$15,009,400,000 as proposed by the Senate, and earmarks \$52,500,000 for child welfare services instead of \$50,000,000 as proposed by the House and \$55,000,000 as proposed by the Senate. The increase over the amount proposed by the House also includes \$1,450,000 for child welfare training.

Amendment No. 60: Inserts legal citation as proposed by the Senate.

## SALARIES AND EXPENSES

Amendment No. 61: Appropriates \$60,378,000 instead of \$57,878,000 as proposed by the House and \$60,878,000 as proposed by the Senate.

Amendment No. 62: Appropriates \$15,219,000 for the transition period as proposed by the Senate instead of \$14,470,000 as proposed by the House.

## SOCIAL SECURITY ADMINISTRATION

## LIMITATION ON SALARIES AND EXPENSES

Amendment No. 63: 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 providing that all permanent positions authorized for this appropriation for fiscal year 1976 shall be full-time permanent positions.

Amendment No. 64: 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 providing that all permanent positions authorized for this appropriation for the transition period July 1, 1976 through September 30, 1976 shall be full-time permanent positions.

## ASSISTANT SECRETARY FOR HUMAN DEVELOPMENT

## HUMAN DEVELOPMENT

Amendment No. 65: Appropriates \$1,516,858,318 instead of \$1,500,049,000 as proposed by the House and \$1,528,758,318 as proposed by the Senate. The increase over the amount proposed by the House includes \$4,500,000 for Head Start, \$2,000,000 for the runaway youth program, \$309,318 for payments authorized by section 110(b) of the Rehabilitation Act of 1973, \$3,000,000 for innovation and expansion grants, \$500,000 for projects with industry, \$1,500,000 for construction of rehabilitation facilities, \$4,000,000 for rehabilitation research, and \$1,000,000 for special programs for Native Hawaiians and Alaskans.

The conferees view as meritorious the work of the Columbia Lighthouse for the Blind and expect that the Lighthouse will actively participate in the competition for funds provided for planning, construction, and modernization of rehabilitation facilities.

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 earmark \$720,000,000 for activities under section 110(a) of the Rehabilitation Act of 1973, and \$309,318 for section 110(b) of such Act, as proposed by the Senate, and which will earmark \$1,500,000 to remain available until expended for construction of rehabilitation facilities instead of \$2,900,000 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. 67: 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 that specifies in bill

language that the level of operations for the nutrition program for the elderly shall be \$187,500,000 per annum instead of \$200,000,000 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.

## DEPARTMENTAL MANAGEMENT

## GENERAL DEPARTMENTAL MANAGEMENT

Amendment No. 68: Appropriates \$85,519,000 as proposed by the Senate instead of \$87,289,000 as proposed by the House.

Amendment No. 69: Appropriates \$22,160,000 for the transitional period as proposed by the Senate instead of \$22,670,000 as proposed by the House.

## POLICY RESEARCH

Amendment No. 70: Appropriates \$24,950,000 as proposed by the Senate instead of \$26,300,000 as proposed by the House.

## GENERAL PROVISIONS

Amendment No. 71: Reported in technical disagreement. The managers on the part of the House will move to recede and concur in the Senate amendment which deletes section 205 of the House bill limiting the number of new HEW positions located in the Washington area to the same proportion that existed at the close of fiscal year 1966 and inserts revised language which applies the limitation to the total authorized positions rather than new positions.

Amendment No. 72: Reported in disagreement. The managers on the part of the House will offer the following motion to recede and concur in the Senate amendment with an amendment:

In lieu of the matter inserted by said amendment, insert the following:

*Sec. 209. None of the funds contained in this Act shall be used to require, directly or indirectly, the transportation of any student to a school other than the school which is nearest or next nearest the student's home, and which offers the courses of study pursued by such student in order to comply with title VI of the Civil Rights Act of 1964.*

## TITLE III—RELATED AGENCIES

## ACTION

## OPERATING EXPENSES, DOMESTIC PROGRAMS

Amendment No. 73: Appropriates \$103,266,000 instead of \$101,313,000 as proposed by the House and \$105,623,000 as proposed by the Senate. The change from the amount proposed by the House includes an increase of \$2,000,000 for the foster grandparents and senior companion programs, and a decrease of \$47,000 in travel funds. The conferees expect the agency to place emphasis on such programs as "Sea Ventures" which provides marine education and recreation to underprivileged children.

Amendment No. 74: Appropriates \$21,083,000 for the transition period as proposed by the House instead of \$25,591,000 as proposed by the Senate.

#### COMMUNITY SERVICES ADMINISTRATION

##### COMMUNITY SERVICES PROGRAM

Amendment No. 75: Appropriates \$494,652,000, instead of \$474,385,000, as proposed by the House, and \$526,452,000, as proposed by the Senate. The conference agreement includes the following changes from the amounts proposed by the House:

Veterans Education and Training Services.....	+ \$2,500,000
Rural Housing.....	+ 3,000,000
Emergency Food and Medical Services.....	+ 3,800,000
Emergency Energy Conservation.....	+11,000,000
Program Administration.....	- 33,000

In administering the Emergency Energy Conservation Services program, the Director of the Community Services Administration shall coordinate with services of the Federal Energy Administration. The conferees hereby reaffirm their original intent with respect to the administration of this program and direct the Director of the Community Services Administration to submit, within six months of the enactment of this act, a written report concerning his actions taken in this regard to the Appropriations Committees of the House and Senate.

Within the total provided for Emergency Energy Conservation Services, the conferees recommend up to \$3 million for a National Center of Appropriate Technology, whose primary purpose will be to work with Community Action Agencies and other appropriate local groups to develop and implement innovative energy technology and energy systems appropriate to the needs of the elderly, poor, and near poor.

Amendment No. 76: 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 provide that the appropriation for "Community services program" contained in the Second Supplemental Appropriations Act, 1975 shall remain available until June 30, 1976, instead of December 31, 1975, 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. 77: Appropriates \$129,746,000 for the transition period, as proposed by the Senate, instead of \$144,975,000, as proposed by the House.

#### FEDERAL MEDIATION AND CONCILIATION SERVICE

##### SALARIES AND EXPENSES

Amendment No. 78: Appropriates \$17,904,000 as proposed by the Senate instead of \$17,704,000 as proposed by the House.

Amendment No. 79: Appropriates \$4,476,000 for the transition period as proposed by the Senate instead of \$4,426,000 as proposed by the House.

#### NATIONAL COMMISSION ON LIBRARIES AND INFORMATION SCIENCE

##### SALARIES AND EXPENSES

Amendment No. 80: Appropriates \$468,000 as proposed by the Senate instead of \$409,000 as proposed by the House.

Amendment No. 81: Appropriates \$117,000 for the transition period as proposed by the Senate instead of \$102,000 as proposed by the House.

#### NATIONAL LABOR RELATIONS BOARD

##### SALARIES AND EXPENSES

Amendment No. 82: Appropriates \$67,766,000 instead of \$67,461,000 as proposed by the House and \$68,071,000 as proposed by the Senate.

Amendment No. 83: Appropriates \$16,941,000 for the transition period instead of \$16,865,000 as proposed by the House and \$17,018,000 as proposed by the Senate.

#### TITLE IV—GENERAL PROVISIONS

Amendment No. 84: 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 deletes a provision in the House bill limiting the amount of funds in the bill for contract services for profitmaking consultant firms to the fiscal year 1973 level, and inserts in its place a new provision limiting the availability of funds in the bill to the current fiscal year only unless otherwise specified or except as provided by section 204 of the Supplemental Appropriations Act for 1975 (Public Law 93-554).

Amendment No. 85: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment authorizing the use of funds by the Director of the Federal Mediation and Conciliation Service for official reception and representation expenses not to exceed \$2,500 for the current fiscal year and \$625 for the period July 1 through September 30, 1976.

Amendment No. 86: Deletes Section 412 proposed by the Senate which would have provided that none of the funds appropriated under this Act shall be used to require any school, school system, or other educational institution, as a condition for receiving funds, grants, or other benefits from the Federal Government, to assign teachers or students to schools, classes, or courses for reason of race.

Amendment No. 87: Deletes Section 413 proposed by the Senate which would have provided that notwithstanding any other provision of this Act, the funds contained in this Act shall be used in a manner consistent with the enforcement of the fifth and fourteenth amendments to the Constitution of the United States and title VI of the Civil Rights Act of 1964: Provided, That the funds contained in this Act shall not be used so as to require the transportation of students for reasons of race unless such transportation is specifically required by a final decree of a court of law.

## CONFERENCE TOTAL—WITH COMPARISONS

The total new budget (obligational) authority for the fiscal year 1976 recommended by the committee of conference, with comparisons to the fiscal year 1975 amount, the 1976 budget estimate, and the House and Senate bills follows:

New budget (obligational) authority, fiscal year 1975-----	\$40,696,660,000
Budget estimates of new (obligational) authority, fiscal year 1976-----	35,157,909,000
House bill, fiscal year 1976-----	35,979,641,000
Senate bill, fiscal year 1976-----	36,272,522,318
Conference agreement-----	36,073,748,318
Conference agreement compared with:	
New budget (obligational) authority, fiscal year 1975-----	-4,622,911,682
Budget estimate of new (obligational) authority, fiscal year 1976-----	+915,839,318
House bill, fiscal year 1976-----	+94,107,318
Senate bill, fiscal year 1976-----	-198,774,000

In addition to the amounts shown above, the bill includes \$8,953,070,000 for the period July 1, 1976 to September 30, 1976, an increase of \$19,854,000 over the budget estimates.

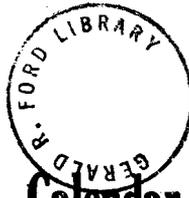
The conferees are agreed that the earmarking in the Senate report should be used as a guideline in allocating increases over the amounts proposed by the House, except where more explicit instructions are given in this statement.

DANIEL J. FLOOD,  
WILLIAM H. NATCHER,  
NEAL SMITH,  
BOB CASEY,  
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Calendar No. 357

94TH CONGRESS }  
1st Session }

SENATE }

REPORT  
No. 94-366

DEPARTMENTS OF LABOR AND HEALTH, EDUCATION,  
AND WELFARE AND RELATED AGENCIES APPROPRIATION BILL, 1976

SEPTEMBER 10, 1975.—Ordered to be printed

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

REPORT

[To accompany H.R. 8069]

The Committee on Appropriations, to which was referred the bill (H.R. 8069) making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies for the fiscal year ending June 30, 1976, and the transition period ending September 30, 1976, and for other purposes, reports the same to the Senate with various amendments and presents herewith information relative to the changes made:

Amount of bill as passed by House.....	\$35, 979, 641, 000
Amount of Senate bill over comparable House bill..	+286, 311, 318
Total bill as reported to Senate.....	36, 265, 952, 318
Amount of comparable appropriations, 1975.....	43, 307, 434, 000
Budget estimates, 1976.....	35, 157, 909, 000
The bill as reported to the Senate:	
Under the comparable appropriations for 1975..	-7, 041, 481, 682
Over the estimates for 1976.....	+1, 108, 043, 381

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## SUMMARY OF ESTIMATES AND APPROPRIATIONS

The following summary table compares appropriations for 1975, 1976 budget estimates, amounts contained in the House bill, and the Senate Committee recommendation:

	1975 appropriation	1976 budget estimates	House bill	Committee recommendation
Department of Labor.....	\$14,105,787,000	\$3,478,703,000	\$3,475,558,000	\$3,495,141,000
<b>Department of Health, Education, and Welfare:</b>				
Health Services Administration.....	497,548,000	426,782,000	553,685,000	560,302,000
Center for Disease Control.....	95,998,000	99,601,000	107,115,000	112,471,000
National Institutes of Health.....	1,937,359,000	1,681,354,000	2,150,755,000	2,266,181,000
Alcohol, Drug Abuse, and Mental Health.....	668,115,000	524,343,000	608,218,000	655,462,000
Health Resources Administration.....	306,319,000	339,329,000	374,709,000	374,529,000
Assistant Secretary for Health.....	61,225,000	68,301,000	68,155,000	65,855,000
Social and Rehabilitation Service.....	14,172,932,000	15,392,446,000	15,387,878,000	15,400,278,000
Social Security Administration.....	9,160,165,000	10,713,556,000	10,641,664,000	10,641,664,000
Human Development.....	1,460,507,000	1,404,682,000	1,500,049,000	1,528,358,318
Departmental Management.....	126,801,000	147,442,000	138,275,000	134,885,000
Total, HEW.....	28,485,933,000	30,797,836,000	31,530,503,000	31,739,985,318
Related agencies.....	714,678,000	891,370,000	973,580,000	1,033,826,000
Grand total.....	43,337,434,000	35,157,903,000	35,979,641,000	36,265,952,318

## HIGHLIGHTS OF THE BILL

*Comprehensive manpower assistance.*—The bill includes \$2,394,400,000 to carry out the Comprehensive Employment and Training Act, including \$400,000,000 for public service employment. This amount, together with previously appropriated funds, would support employment for 310,000 people.

*Occupational health and safety.*—The bill includes \$118,221,000 for the Occupational Safety and Health Administration. This represents an increase of \$10,000,000 over the House allowance, to provide for an additional 833 Federal compliance officers, for a total of 2,265, raising the coverage of enforcement activities to about 25 percent of the workforce.

*Maternal and child health.*—The Committee recommends \$295,700,000 for grants to States, an increase of \$101,778,000 over the budget request. This amount will support services to 8.9 million mothers and children.

*Emergency medical services.*—The Committee has included \$35,125,000, an increase of \$13,425,000 over the budget request, to assist communities in developing emergency medical services.

*Public Health Service hospitals.*—The bill includes \$93,162,000, an increase of \$12,900,000 over the budget request, to restore services to the 1973 level.

*NIH research institutes.*—The Committee recommends \$2,177,720,000, an increase of \$548,167,000 over the budget request, for biomedical research programs. Of the amount provided, \$803,564,000 is provided

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for the National Cancer Institute and \$379,059,000 for the National Heart and Lung Institute.

*Alcohol, drug abuse, and mental health programs.*—The bill includes \$601,998,000, an increase of \$125,719,000 over the budget, primarily to restore and strengthen community services and focus on research into the cause and treatment of mental health, alcoholism, and drug abuse.

*Public assistance.*—The Committee bill includes \$15,009,400,000 for cash assistance, Medicaid, social services, and child welfare services. The amount provided represents an increase of \$1,167,921,000 over the 1975 level.

*Human development.*—The bill includes \$1,528,658,318, an increase of \$123,676,318 over the budget request. Additional funds are provided for: Head Start (+\$21,700,000), runaway youth services and counseling (+\$5,000,000), rehabilitation grants to States (+\$40,309,318), and special programs for Native Americans. The bill also specifies a spending level of \$200,000,000 to provide nutrition services to 400,000 elderly people.

*Community services program.*—The bill includes \$526,452,000, an increase of \$52,067,000 over the House allowance. The total includes \$330,000,000 for grants to nearly 900 local community action agencies. Increases over the House bill were provided for energy conservation and emergency food services, veterans' education and training, and migrant activities.

#### PERMANENT OBLIGATIONAL AUTHORITY—TRUST FUNDS

In addition to the new budget (obligational) authority contained in the accompanying bill, permanent legislation authorizes the continuation of certain Government activities without requiring consideration by the Congress during the annual appropriation process. In fiscal 1975, such activities are estimated to total \$94,953,300,000. The estimate for fiscal 1976 is \$101,621,146,000, a net increase of \$6,667,846,000. The principal items in this category are the Social Security trust funds which account for \$88,624,811,000 of the total.

#### TRANSITION PERIOD

Appropriations have been provided throughout the bill for the three-month transition period between the end of fiscal year 1976 and the beginning of fiscal year 1977. In accordance with the Budget and Impoundment Control Act (Public Law 93-344); fiscal year 1977 will begin on October 1, 1976, instead of July 1, 1976. The following summary table compares the amount recommended in the bill with the budget estimate and House allowance for the transition period:

	Budget Estimates	House bill	Committee recommendation
Department of Labor.....	\$880,702,000	\$880,976,000	\$885,897,000
Department of Health, Education and Welfare....	7,902,500,000	7,883,129,000	7,881,316,000
Related agencies.....	150,013,000	203,654,000	193,151,000
Total .....	8,933,216,000	8,967,759,000	8,960,364,000

#### BUDGET REQUESTS NOT CONSIDERED

The Committee has deferred consideration of budget requests for several programs, because authorizing legislation had not been enacted before the Committee began consideration of this bill. The appropriation items deferred, together with the amounts requested for each, are shown in the following table:

Item	Amount
Department of Labor:	
Community service employment for older Americans.....	<sup>1</sup> \$42,000,000
Department of Health, Education, and Welfare:	
Health services (portions of request).....	269,754,000
Preventive health services (portions of request).....	33,710,000
National Institutes of Health (portions of request).....	123,646,000
Alcohol, drug abuse, and mental health (portions of request).....	177,348,000
Health resources (portions of request).....	286,158,000
Human development (portions of request).....	138,625,000
Related agencies: Corporation for Public Broadcasting.....	70,000,000
Total amounts not considered due to a lack of authorizing legislation .....	1,141,241,000

<sup>1</sup> Continuing resolution level.

#### EFFECT OF COMMITTEE ACTION ON BUDGET OUTLAYS

The Committee estimates that the recommended increase in new budget (obligational) authority would increase outlays projected in the budget by \$491 million and outlays projected in the House bill by \$148 million.

#### Rescissions

The Committee is unimpressed with the Department's and OMB's repeated requests for rescissions of appropriated funds. It is also noted that 43 percent of all rescissions sent to the Congress thus far have been in the area of health. It appears to the Committee that this is simply a disregard of the high priority which Congress has placed in this area—a commitment which remains very strong. This continued emphasis on health programs is further shown by congressional rejection of every rescission requested thus far in the health agencies. Further, it appears to the Committee that this constant, across-the-board use of rescission requests is a waste of time and effort by too many Federal employees and an abuse of the Budget Impoundment and Control Act of 1974. The excessive use of the rescission mechanism not only reduces the credibility of each proposal but also has a damaging impact upon the programs which are forced to operate under the constant strain of uncertainty. This on-again-off-again situation and the ensuing confusion often results in a rush to obligate funds at the close of the fiscal year.

In light of past experience, the Committee urges both HEW and OMB to reconsider their stance on rescission requests and propose only those which are justifiable from a program standpoint and demonstrate a responsible fiscal stance.

### GSA RENTAL CHARGES

Under the Public Buildings Act Amendments of 1972, the General Services Administration was authorized to impose a system of charges on the various departments and agencies for space and buildings services purposes.

The Committee concurs with bill language added by the House which would limit payments to GSA to 90 percent of the fiscal 1976 standard level user charge.

### TRAVEL AND MULTIYEAR FUNDING

The Committee underlines its continued concern over excessive travel and expects that the departments and agencies will make every effort to keep travel costs at a minimum. Semiannual reports comparing travel in fiscal years 1973 and 1975 will be expected.

Multiyear funding is still a concern of the Committee; it is expected that the quarterly reporting of multiyear-funded projects will continue, and that any deviation from the current policy also be reported to the Committee.

### STATUS OF WOMEN AND MINORITIES

The Committee is concerned with the status of women and minorities at the Department of Labor; the Department of Health, Education, and Welfare; and each of the related agencies. It is apparent that the large proportion of women and minority employees continues to remain at the low-salary, low-responsibility jobs; their absence on many advisory committees and councils is evident. In fiscal year 1975, agencies were directed to report progress in this area, yet failed to submit the requested information prior to the start of the fiscal 1976 hearings process. Data eventually submitted to the Committee were incomplete.

Although the Committee recognizes that there may be difficulties in recruiting candidates for highly technical positions in certain fields, increased efforts should be made to insure equal access and opportunity for women and minorities in all areas and advisory bodies of these agencies. The Committee instructs the Departments and agencies included in this bill to maintain records on the status of women and minorities. This information should include numbers and percentages of specific minorities in separate categories for men and women according to three divisions of General Schedule ratings, GS 1-6, 7-10, 11-18, and according to type of advisory service for each institute or program. The Committee will work with these agencies to set forth specific steps toward meeting these requirements, and looks forward to hard, empirical data identifying substantial improvements prior to the fiscal year 1977 hearings.

### NEED FOR IMPROVEMENTS IN DEPARTMENT'S OVERSIGHT AND COST CONTROL RESPONSIBILITIES

The Committee notes that approximately 80 percent of the Department's expenditures for health activities are made under the Medicare and Medicaid programs. It is particularly concerned that the administration of these two programs, representing billions of dollars in taxpayers money, has in many cases been lax and ineffective. The Com-

mittee finds that in a number of areas, the Department has failed to issue regulations and guidelines on a timely basis, effectively monitor day-to-day program operations, or take an active role in identifying and investigating suspected cases of fraud and abuse; and then pursuing necessary corrective action. As a result, congressional intent has not been effectively implemented and a significant waste of funds has ensued. The Committee is also concerned that the Department has failed to provide the Congress with adequate and timely information on the administration of these programs to enable it to fulfill its oversight responsibilities.

One of the major concerns of this Committee is the continual failure of the Department of Health, Education, and Welfare to closely monitor the activities of intermediaries and carriers. Audits of Medicare carriers by the HEW Audit Agency have shown evidence of duplicate and excessive payments, inadequate review, and lack of standardization of rate-setting procedures.

It is essential that the Medicare operation provide for the development of improved performance criteria and an improved system of cost reporting. The system for terminating carriers and intermediaries who show consistently poor performance must be strengthened and consideration should be given to developing an incentive mechanism for high carrier performance. Evaluation of carriers and intermediaries must be based on results. The Committee further notes that real competition in the field has not been encouraged, and that as a result very little incentive exists for the performance of the required functions in the most efficient manner at the least cost to the taxpayer.

The Committee has also observed that the Department has failed to adequately monitor the operations of fiscal intermediaries or in-house State processing of Medicaid claims. Reviews of such operations have shown that in a number of instances payments are being made for duplicate claims or for uncertified services and that adequate controls have not been introduced to identify questionable patterns of services. The Committee notes that the considerable lag time in processing claims has placed an unwarranted hardship on many providers.

The Committee is concerned that despite long-term recognition and identification of administrative problems existing in the Medicaid program, HEW's efforts to strengthen program management have been too little and too late. While the Committee recognizes that some of the existing problems are inherent in the special Federal/State character of the program, the Federal government can and must assume a more aggressive leadership role. HEW has assigned insufficient personnel for proper oversight of State performance, program authority is fragmented between various offices within the Department and there is a notable lack of coordination with related programs such as Medicare, Maternal and Child Health, and PSRO's. The Department has failed to maintain a consistent Federal policy as to the degree of supervision and review to be exercised over States and has failed to develop and promulgate clear and comprehensive regulations and guidelines on a timely basis. Despite the reporting requirements mandated by the Department, it has failed to obtain sufficient or timely program information from the States or develop a comprehensive management information system. The Department has not developed the capability to provide in-depth analyses of the changes in benefits, eligibility, costs, utilization patterns, or factors resulting from changes in law affecting

fiscal requirements. It therefore has to make program management, evaluation, and planning decisions in the absence of timely information. Similarly, the absence of such information has seriously hampered the Congress' ability to review and evaluate the program's efficiency and effectiveness.

The Committee notes that the most flagrant example of poor Medicaid program management has been in the area of fraud and abuse. Despite the significant number of such cases which have been alleged to exist in recent years, the Federal Government has not taken an active role to assure that program operations are in compliance with Federal regulations concerning the detection of fraud and abuse. The Department has held that since Medicaid is a State-administered program the primary responsibility for detecting suspected fraud and prosecuting providers who submit fraudulent Medicaid claims rests with the States. Until very recently the Department did not have a unit to investigate suspected fraud and abuse or to provide assistance to the States in developing their investigative capacity. Findings of a recent GAO report showed that this approach has not worked well and that State efforts in this area have been uneven.

The Social Security Administration has a unit which investigates several thousands of cases annually involving suspected cases of fraud and abuse including billings by doctors for services not rendered, duplicate billings for the same services, and improper billing practices. However, coordination with the Medicaid program on these matters has been inadequate even though many providers render services under both programs.

The Committee wishes to emphasize the importance of a strengthened Departmental effort in that area to assure that the taxpayers' money is not used to support illegal or questionable practices. The Department must immediately develop the capacity to assist States in identifying suspected cases and investigate and deter provider fraud and abuse; it must provide for coordination with the related activities of the Social Security Administration; and it must further develop the skills necessary to assist the U.S. attorney when a case is referred for Federal prosecution. The Committee is also aware that in addition to cases of provider fraud and abuse, a related problem is the question of fraud on the part of recipients which generally involves deliberately entering the program unlawfully or assisting others to do so. The Department has instituted a Quality Control Program designed to assure that persons receiving benefits under Medicaid or other public assistance programs are actually eligible for program services. The Committee expects that this effort will serve to reduce the number of ineligibles receiving benefits. It recognizes that most cases of ineligibility are due to administrative error, rather than misrepresentation on the part of recipients. A simplification of the very complex eligibility requirements incorporated in the statute would reduce the number of errors that occur.

The Committee is concerned that the Department has consistently failed to implement congressional mandates on a timely basis or to coordinate its implementation policies among the various programs. One of the more glaring examples has been the delay in issuing regulations and guidelines for the Medicare and Medicaid provisions contained in

the 1972 Social Security Amendments. Many of the sections designed to control program costs, strengthen program administration, and improve the delivery and review of services have still not been fully implemented. This delay is inexcusable. It has resulted in confusion for those affected by the requirements and a substantial waste of funds. An even more flagrant example of the Department's failure to implement congressional mandates is that of the Early and Periodic Screening Diagnosis, and Treatment Program (EPSDT) under Medicaid. By HEW's own admission, only 3.5 million out of a total eligible population of 13 million eligible children have ever received the required screening services. The delay in implementation of this program may have serious and in some cases irreversible consequences for untold numbers of children.

The Committee recognizes that while many of the problems with the existing Medicare and Medicaid programs can be corrected through more conscientious administration, the Congress must also play a more active role in fulfilling its oversight responsibilities. The Congress must also consider and propose statutory reforms in the current programs, especially in Medicaid and Medicare, which will encourage more efficient and effective program management, facilitate program operations and provide for closer coordination among that Department's health care activities. The programs must insure that services are provided with maximum efficiency to the nation's aged and poor, while at the same time not placing an undue financial burden on the general public. It is particularly important that deficiencies in the current Federal programs are corrected as the Congress moves toward consideration of a more comprehensive national health insurance plan.

TITLE I  
DEPARTMENT OF LABOR  
GENERAL STATEMENT  
ROLE OF DEPARTMENT

The Labor Department has the enormous responsibility of implementing laws that vitally affect virtually every aspect of the lives of millions of American workers. It enforces legislation to protect the health and safety of workers on the job. Its mission extends to assisting the millions of hard to employ individuals who are being kept out of the labor market due to a variety of barriers to employment. The Labor Department administers far-reaching legislation aimed at enhancing and protecting labor force participation of veterans, the young, the elderly, the physically and mentally handicapped, racial and ethnic minorities, and many other special groups of individuals, including prison inmates, welfare recipients, and the rural poor. Recent legislation has also vastly expanded the Department's role in protecting the rights of millions of retired workers. In short, the Labor Department has a vital role to play in activities that affect virtually every American, not only throughout their working lives, but in preparing for the world of work and insuring a secure retirement.

To assure that the Department fulfills the heavy responsibilities that have been placed upon its shoulders, it is essential that, among other matters, there be vigorous enforcement of the Occupational Safety & Health Act; more care in seeing to it that manpower training and employment programs make a smoother transition to State and local administration; and effective pursuit of Federal contract compliance activities. Of particular concern, the Department's response to the current recession has placed undue reliance on unemployment compensation programs as opposed to creating more jobs and thus putting people back to work. With unemployment benefits now costing an estimated \$16 billion a year, billions of dollars over last year's expenditures, the amount spent for providing public service job opportunities is less than \$3 billion a year. With the loss of tax revenues, cities have laid off thousands of employees, substantially offsetting the current level of 310,000 federally funded public service jobs, and further accelerating the cost of unemployment benefits and welfare costs. Yet the Department has recommended severe cuts in the staffing levels for the local employment service offices whose operations should be expanded to help people find jobs.

As we enter our Nation's bicentennial year, it is hoped the Department will assume a greater sense of urgency toward removing the national disgrace of nearly nine million workers unemployed. This is not a proud moment in our history. New initiatives to expand the all

too frequently lackluster and token enforcement of vital labor legislation should be vigorously pursued. The Committee stands ready to consider proposals aimed at closing the wide gap between the promise of the Labor Department's mandate and the reality of its performance heretofore.

#### MOUNTAIN PLAINS PROGRAM

The Committee expects the Secretary of Labor to work with the Secretary of Commerce and the Director of the National Institute of Education to insure adequate funding in fiscal years 1976 and 1977 of the Mountain Plains Education and Economic Development Program.

This program, which serves a six-State area, is displaying outstanding characteristics as evidenced by the high rate at which families stay enrolled in the program, the high job placement rates, and, most importantly, the resulting increases in income for participating families.

#### MANPOWER ADMINISTRATION

##### PROGRAM ADMINISTRATION

1975 comparable appropriation.....	\$67,009,000
1976 budget estimate.....	66,438,000
House allowance.....	66,632,000
Committee recommendation.....	66,632,000

The Committee recommends \$66,632,000 in general funds, the same as the House allowance, an increase of \$194,000 over the budget estimate, and a decrease of \$377,000 from the 1975 appropriation. In addition, \$29,866,000 is recommended to be expended from the Employment Security Administration account in the Unemployment Trust Fund, the same amount as the House allowance and budget estimate and an increase of \$1,201,000 over the 1975 amount. The total amount recommended is \$96,498,000, the same as the House allowance.

The Committee concurs with the House in reducing the funds requested for reimbursement to the General Services Administration for office space by 10 percent, consistent with the policy followed throughout this bill. This reduction amounts to \$616,000.

The Committee further concurs with the House restoration of 100 positions requested by the Department for elimination in 1976. Funds in the amount of \$810,000 have been restored to the budget estimate to cover the additional cost involved. The Manpower Administration has requested position reductions totalling 923 between 1973 and 1976. The Committee believes that 100 of these positions must be restored for the Manpower Administration to perform the tasks assigned to it under various laws, especially under the Comprehensive Employment and Training Act where additional positions are needed to provide for better monitoring of funds and increased technical assistance.

For the interim period (July 1, 1976 to September 30, 1976) the Committee recommends \$16,748,000 in Federal funds, the same as the House allowance and an increase of \$553,000 over the budget estimate. In addition, \$7,377,000 is authorized to be derived from the Employment Security Administration account in the Unemployment Trust Fund, the same as the House allowance and budget estimate.

#### COMPREHENSIVE MANPOWER ASSISTANCE

1975 comparable appropriation.....	\$2,852,450,000
1976 budget estimate.....	2,394,400,000
House allowance.....	2,388,400,000
Committee recommendation.....	2,394,400,000

The Committee recommends \$2,394,400,000, the same as the budget request and an increase of \$6,000,000 over the House allowance. The Committee recommendation represents a decrease of \$458,050,000 from the fiscal year 1975 appropriated level, which is attributable to the absence of a budget request for the summer program in fiscal year 1976. The Committee concurs with the House in deferring consideration of the summer program until a subsequent supplemental.

The bill includes \$1,580,000,000 for programs under Title I of the Comprehensive Employment and Training Act which includes institutional and on-the-job training, work experience, vocational education and counseling, remedial education, and job placement services. The amount recommended is the same as the House allowance, the budget request, and the fiscal year 1975 appropriation.

The Committee recommends \$400,000,000 for Title II, public service employment programs, the same amount as the House allowance, the budget request, and the fiscal year 1975 appropriation. This amount, together with \$1,625,000,000 included in the Continuing Resolution for fiscal year 1976 (Public Law 94-41) under Title VI and carryover from fiscal year 1975, will provide sufficient funds to maintain a public service employment level of about 310,000 persons enrolled under several legislative authorities, including the Emergency Employment Act and titles II and VI of the Comprehensive Employment and Training Act, throughout fiscal year 1976.

For national training programs under Title III of the Act, the Committee recommends \$196,960,000 to provide services directed toward meeting the needs of the labor force which cannot be served appropriately through manpower programs available at the State and local level, or which are designated for special manpower target groups. Because the Department has not adequately justified its budget estimate of \$12,000,000 for Target Group Model Development, the Committee concurs with the House in reducing this request by \$6,000,000. Instead, the Committee specifies that an additional \$6,000,000 be used for national contractors of demonstrated effectiveness. The Department is expected to consider offender programs as a priority use of Title III resources.

For program support as authorized by Title III the Committee recommends \$42,440,000, the same amount as the House allowance, the budget request, and the fiscal year 1975 appropriation.

For Title IV, Job Corps, the bill includes \$175,000,000, the same amount as the House allowance, the budget request, and the fiscal year 1975 appropriation. As in fiscal year 1975, an estimated 20,000 man-years of training will be provided by this amount. The Job Corps is a national program and the Committee expects there to be no change in the direct funding of all Job Corps centers by the Secretary. The Committee recognizes that funding for the Job Corps has remained

level for several years. If more funds are needed to meet the costs of maintaining all of the Job Corps centers, the Labor Department is expected to call the Committee's attention to the cost factors involved and to submit any necessary supplemental budget requests.

The Committee recognizes the accomplishments made by community-based organizations in dealing with the manpower problems of Americans of limited English-speaking ability. SER, Jobs for Progress, Inc., has performed in an efficient manner for the past decade in providing services to this group of Americans through its national network. The Committee also recognizes the effectiveness of the Opportunities Industrialization Centers, the AFL-CIO Appalachian Council, and the National Urban League, Inc. in providing manpower services to the poor. The Committee directs the Department to take steps to ensure that the funding of these organizations for fiscal year 1976 is adequate to maintain the existing programs, through a combination of support by State and local sponsors and national contracts awarded under the Comprehensive Employment and Training Act.

The Committee agrees with the House in requiring the Department to assure that section 710 of the Comprehensive Employment and Training Act which prohibits the use of funds appropriated under the Act for political activities, be enforced.

The Committee also concurs with the House in directing the Secretary to speed the preparation, promulgation, and implementation of effective regulations for section 301(b) in order to increase employment and training opportunities for unemployed and underemployed persons of limited English-speaking ability.

For the interim period (July 1-September 30, 1976), the bill includes \$599,000,000, the same amount as the budget request, and an increase of \$1,500,000 over the House allowance.

#### COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

1975 comparable appropriation.....	\$42,000,000
1976 budget estimate.....	
House allowance.....	(1)
Committee recommendation.....	(1)

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

The Committee has deferred consideration of this appropriation, as did the House, pending enactment of renewed authorizing legislation. The current legislation, Title IX of the Older Americans Act, expired June 30, 1975.

In the meantime, however, the Department is directed to permit all States to operate at their full Title IX formula, or "hold harmless" level, whichever is higher, for several months into fiscal year 1976. In a subsequent supplemental, it is the Committee's intent to provide the necessary funding to at least maintain this level for the remainder of fiscal year 1976. This is not intended to preclude the Department from entering into contracts with organizations seeking to operate new Older American jobs programs, such as minority groups. It remains the Committee's intent that this program be handled primarily through national contracts, rather than through prime sponsors.

The Community Service Employment for Older Americans program provides part-time work opportunities in community service activities for unemployed low-income persons aged 55 and over. The program builds upon the experience of such successful employment and training programs for older persons as "Green Thumb" and "Senior Aides."

#### FEDERAL UNEMPLOYMENT BENEFITS AND ALLOWANCES

1975 comparable appropriation.....	\$2,365,000,000
1976 budget estimate.....	410,000,000
House allowance.....	410,000,000
Committee recommendation.....	410,000,000

The Committee recommends \$410,000,000, the same level as the House allowance and the budget request, and a decrease of \$1,955,000,000 from the fiscal year 1975 appropriation.

The \$410,000,000 provides unemployment compensation for former Federal personnel and trade adjustment assistance to workers adversely affected by foreign trade agreements. No request was made for fiscal year 1976 budget authority for unemployment assistance payments under other Federal unemployment programs since carryover funds of approximately \$1,500,000,000 will be available and since \$2,100,000,000 was included in the Advances to the Unemployment Trust Fund account in the Second Supplemental Appropriations Act, 1975, to be advanced to the Federal Unemployment Benefits and Allowances account as needed in fiscal year 1976.

The Committee recommendation includes \$384,000,000 for benefits for former Federal personnel and \$26,000,000 for trade adjustment assistance, which is the same as the House allowance and the budget request. The Committee recognizes that these estimates may be obsolete due to the worsening of the unemployment situation since the budget was formulated, but expects that any additional needs can be met with funds from Advances to the Unemployment Trust Fund and Other Funds.

The Committee concurs with the House in including language prohibiting the payment of special unemployment assistance benefits during the summer months to teachers who have contracts for the next academic year. Similar language was included in the Second Supplemental Appropriations Act, 1975.

For the interim period, (July 1-September 30, 1976) the Committee recommends \$95,000,000, the same as the House allowance and the budget request.

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

1975 comparable appropriation.....	\$64,400,000
1976 budget estimate.....	74,000,000
House allowance.....	81,300,000
Committee recommendation.....	82,800,000

The Committee recommends \$82,800,000 in Federal funds, an increase of \$1,500,000 over the House allowance and an increase of \$8,800,000 over the budget estimate. The Committee further recommends that \$1,054,800,000 be authorized for expenditure from the Employ-

ment Security Administration account of the Unemployment Trust Fund. This is a decrease of \$1,500,000 from the House allowance and represents an increase of \$59,800,000 over the budget estimate. The total Federal and Trust Fund recommendation is \$1,137,600,000, the same as the House allowance, \$68,600,000 over the budget estimate and \$104,700,000 below the 1975 appropriation.

For employment services the Committee concurs with the House allowance of \$562,200,000, an increase of \$68,600,000 above the budget request. Included in the Committee amount is \$479,400,000 in trust funds and \$82,800,000 in general revenue funds, the latter providing employment services to persons not covered by State unemployment compensation laws and for whom the unemployment taxes, which are a source of revenue for the trust fund portion of this account, are not paid. The bill includes \$58,600,000 above the request and \$10,000,000 above the House bill to increase employment service man-years by 3,250 to 30,550. The Committee believes that the employment service can be a valuable vehicle in combatting unemployment and, as such, refuses to support reductions in man-years of effort expended at this time. The Committee also includes an increase of \$10,000,000 above the budget to expand computerized job-matching services in both urban and rural areas, half the amount allowed by the House. The Committee will consider additional funding for computerized job-matching services if evaluations now being conducted demonstrate their merit.

For unemployment insurance services the bill includes trust funds of \$575,400,000, the same amount as the House allowance and the budget request and a decrease of \$183,300,000 from the fiscal year 1975 appropriation. The decrease is partially offset by carryover into fiscal year 1976 of \$125,000,000 from the Urgent Supplemental Appropriations Act, 1975.

For the interim period (July 1-September 30, 1976) the Committee concurs with the House in recommending a total Grants to States level of \$284,400,000. This total is composed of \$20,700,000 in general revenue funds and \$263,700,000 in trust funds. The employment services amount of \$140,550,000 is an increase of \$17,150,000 above the budget request, while the unemployment insurance provision is the same as the request.

#### LABOR-MANAGEMENT SERVICES ADMINISTRATION

##### SALARIES AND EXPENSES

1975 comparable appropriation.....	\$36, 845, 000
1976 budget estimate.....	42, 000, 000
House allowance.....	41, 232, 000
Committee recommendation.....	41, 232, 000

The Committee recommends \$41,232,000, the same as the House allowance, a decrease of \$768,000 from the budget request, and an increase of \$4,387,000 over the 1975 appropriation.

Consistent with the action taken throughout this bill, the Committee concurs with the House in reducing the requested funds for reimbursement to the General Services Administration for space by \$268,000, or 10 percent.

The Committee further concurs with the House in reducing the \$4,415,000 requested for annualization of the 350 new positions re-

ceived in 1975 by \$400,000 as the Committee believes that the agency is not filling the positions at the projected rate. Consistent with this, the Committee concurs with the House in reducing the requested \$358,000 for travel by \$100,000.

The Committee recommends for the interim period (July 1, 1976 to September 30, 1976) \$10,047,000, the same as the House Allowance and the budget request.

#### PENSION BENEFIT GUARANTY CORPORATION

1975 Obligational Authority.....	\$16, 262, 000
1976 Obligational Authority.....	29, 337, 000
House Allowance.....	29, 337, 000
Committee Recommendation.....	29, 337, 000

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

The Committee further concurs with the House in approving \$20,000,000 for benefit payments and \$9,337,000 for administrative costs.

The Committee recognizes that the workload of the Corporation is accelerating and that the estimates projected in the budget may be inadequate. The Committee directs the Corporation to keep the Committee fully informed of any significant changes made from the program as presented in the budget.

#### EMPLOYMENT STANDARDS ADMINISTRATION

##### SALARIES AND EXPENSES

1975 comparable appropriation.....	\$76, 116, 000
1976 budget estimate.....	79, 715, 000
House allowance.....	81, 560, 000
Committee recommendation.....	83, 643, 000

The Committee recommends \$83,643,000, an increase of \$2,083,000 over the House allowance, an increase of \$3,928,000 over the budget, and an increase of \$7,527,000 over the 1975 appropriation. The bill also contains authority to expend \$225,000 from the Special Fund established by the Longshoremen's and Harbor Workers' Compensation Act, the amount requested in the budget.

The Committee concurs with the House in deleting the appropriation language proposed in the budget concerning administrative costs related to the Longshoremen's and Harbor Workers' Compensation Act and restoring 106 positions, at a cost of \$2,278,000, which were eliminated in the budget. The Committee further recommends an addi-

tional \$1,233,000 and 46 positions to fully finance administrative costs associated with workload increases in this program anticipated in fiscal year 1976.

The Committee concurs with the House in allowing 19 new positions and \$513,000 to expand the compliance effort under the Farm Labor Contractor Registration Act and \$250,000 to provide for increased survey costs and expansion of the wage data base for the Service Contract Act wage survey program.

The Committee further concurs with the House in approving mandatory increases of \$6,684,000, of which \$3,327,000 is to provide full-year costs for new positions funded for part of the year in 1975 and \$2,138,000 for annualization of the Federal pay raise which was effective for only part of the year in 1975.

Consistent with the policy of the entire bill, the House reduced by \$433,000, or 10 percent, the request for funds to reimburse the General Services Administration for office space. The Committee concurs with this action.

The Committee continues to be concerned about the backlog of work in the Federal Employees' Compensation Act program. In this regard, the Committee concurs with the House in providing for the continuation in Fiscal Year 1976 of 74 temporary clerical positions added in the Supplemental Appropriations Act for 1975 and directs that these 74 temporary positions be utilized to reduce the backlog in this program. The Committee has included \$850,000 to finance these positions, for which the House did not provide specific funding.

The Committee directs the Department to expedite filling the 75 positions included for activities under section 503 of the Rehabilitation Act. The Department is further urged to do everything possible to recruit and hire handicapped individuals for these jobs. Prior to next year's hearings, the Department is directed to provide the Committee with a complete report on the status of these positions, as well as the progress being made to carry out the mandate imposed by section 503 of the Rehabilitation Act.

The Committee has deferred for consideration in a subsequent supplemental the \$7,812,000 budget amendment transmitted to the Senate July 17, 1975, in order to give both the House and the Senate a chance to more fully consider the proposals.

The Committee recommends for the interim period (July 1, 1976-September 30, 1976) \$20,911,000, an increase of \$982,000 over the budget request and \$521,000 over the House allowance, together with authority to expend \$56,000 from the Special Fund established by the Longshoremen's and Harbor Workers' Compensation Act.

#### SPECIAL BENEFITS

1975 comparable appropriation.....	\$165,000,000
1976 budget estimate.....	201,000,000
House allowance.....	201,000,000
Committee recommendation.....	201,000,000

The Committee recommends \$201,000,000, the same as the House allowance the full amount of the budget request, and an increase of \$36,000,000 over the 1975 appropriation. The bill includes \$214,909,000 in anticipated reimbursements from Federal Agencies, an increase of \$32,709,000 over the 1975 level. The total amount estimated to be

available in fiscal year 1976 is \$415,909,000, an increase of \$68,709,000 over the total amount to be obligated in 1975. The allowance reflects increases of \$68,514,000 in Federal civilian employees benefits and \$195,000 in longshoremen's and harbor workers' compensation benefits. The payments in this appropriation are prescribed by law.

The Committee recommends for the interim period (July 1, 1976-September 30, 1976) \$70,000,000 the same as the House allowance and the budget request.

#### OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION

##### SALARIES AND EXPENSES

1975 comparable appropriation.....	\$102,006,000
1975 budget estimate.....	116,025,000
House allowance.....	108,221,000
Committee recommendation.....	118,221,000

The Committee recommends \$118,221,000, an increase of \$10,000,000 over the House allowance, \$2,196,000 over the budget estimate, and \$16,215,000 over the 1975 appropriation.

The original budget estimate was revised to reflect the impact of the withdrawal of New York, New Jersey and Illinois from the State Grants program and a corresponding reprogramming of funds in 1975 from the State Grants sub-activity to the Federal Inspections sub-activity. Consistent with this, the Committee approves the addition of 350 field compliance personnel, an increase of 50 over the House allowance and the full amount of the Department's request, to provide for federal safety and health coverage in the drop-out States. The Committee believes, however, that the requested funds for these positions in fiscal year 1976, along with those for the positions granted in the regular 1975 appropriation, reflected an unrealistic hiring schedule. The Committee thus concurs with the House in reducing the annualization costs for the new positions by \$4,770,000.

Since the submission of the Department's original reprogramming request, the Committee has been notified of the withdrawal of Wisconsin, effective June 30, 1975, from the State Grants program. To support federal enforcement activities in Wisconsin, the Committee approves the transfer of \$1,700,000 from the State Grants sub-activity to the Federal Inspections sub-activity to finance 37 compliance officers and 16 support positions. The Committee concurs with the House in denying a requested \$2,700,000 for a community college training program since the Committee has had no opportunity to determine the merits of such a request. The Committee further concurs with the House in approving increases of \$1,500,000 for economic impact studies and \$400,000 to allow the Occupational Safety and Health Administration to conduct a national survey of occupational injuries in Ohio and Illinois which withdrew from the Statistical State Grant program.

The Committee recommends an addition of \$10,000,000 and 833 federal compliance officer positions above the House allowance to increase enforcement activities under the Occupational Safety and Health Act. The funds for these positions assumes a 50 percent lapse

rate due to the time that it will take to fill the positions. The number of federal compliance officers for fiscal year 1976 will increase to 2,265. This increase will provide for an addition of approximately 10,000 inspections, or from 120,000 to 130,000.

Consistent with the policy of the entire bill, the House reduced, by \$334,000 or 10 percent, the request for funds to reimburse the General Services Administration for office space. The Committee concurs with this action. The Committee concurs with the House in allowing \$5,000,000 for reimbursement to the States for furnishing consultation services to employees.

The Committee recommends for the interim period (July 1, 1976–September 30, 1976) \$29,500,000, an increase of \$500,000 over the budget request and \$2,500,000 over the House allowance.

#### BUREAU OF LABOR STATISTICS

##### SALARIES AND EXPENSES

1975 comparable appropriation.....	\$54,422,000
1976 budget estimate.....	61,683,000
House allowance.....	64,846,000
Committee recommendation.....	64,846,000

The Committee recommends \$64,846,000, the same as the House allowance, an increase of \$3,163,000 over the budget request and \$10,424,000 over the 1975 appropriation.

The Committee concurs with the House in allowing 110 of the 164 new positions requested and approving \$2,929,000 for new positions and other costs related to the Bureau's statistical programs.

Consistent with the action taken throughout the bill, the Committee concurs with the House in reducing the requested funds for reimbursement to the General Services Administration for space by \$237,000 or 10 percent.

The Committee concurs with the House in approving several small program decreases totaling \$1,032,000.

The Committee further concurs with the House in adding \$5,000,000 over the budget to enable the Bureau to expand the Current Population Survey, the principal unemployment index published by the Bureau.

The Committee recommends that Bureau of Labor Statistics initiate development of a quarterly Consumer Price Index measure of price change over time—not between areas—for the urban area of Fairbanks, Alaska, and directs that \$150,000 be used for this purpose.

The Committee recommends for the interim period (July 1, 1976–September 30, 1976) \$16,210,000, an increase of \$960,000 over the budget request and the same as the House allowance.

#### DEPARTMENTAL MANAGEMENT

##### SALARIES AND EXPENSES

1975 comparable appropriation.....	\$30,339,000
1976 budget estimate.....	33,242,000
House allowance.....	32,297,000
Committee recommendation.....	32,297,000

The Committee recommends \$32,297,000, the same as the House allowance, a decrease of \$945,000 from the budget estimate, and an in-

crease of \$1,958,000 over the 1975 appropriation. The bill includes the authority to transfer \$881,000, the amount requested and an increase of \$61,000 over 1975, from the Unemployment Trust Fund.

The Committee concurs with the House in reducing \$500,000 in requested annualization costs for two reasons. First, the Congress in 1975 approved only 60 of the requested 80 positions related to the Department's increased responsibilities under the Trade Act of 1974. Second, the Committee believes that the trade positions will not be filled as early as projected in the budget estimate.

The Committee concurs with the House in reducing, by \$162,000, the amount requested for the 13 positions for the Office of Equal Employment Opportunity as the Committee feels that the budget estimate reflected an unrealistic recruitment schedule.

The Committee concurs with the House in directing that all future budget requests reflect in this account all attorneys who are assigned to, or performing work for, the Office of the Solicitor.

The Committee directs that by January 1, 1976 no positions authorized under the Occupational Safety and Health Act, including the 25 supergrades, be filled by persons who spend less than 80 percent of their time on implementation of the Act.

The Committee recommends for the interim period (July 1, 1976–September 30, 1976) \$7,781,000, together with \$221,000, be transferred from the Unemployment Trust Fund, the same as the House allowance and the budget request.

#### SPECIAL FOREIGN CURRENCY PROGRAM

1975 comparable appropriation.....	\$200,000
1976 budget estimate.....	200,000
House allowance.....	70,000
Committee recommendation.....	70,000

The Committee recommends \$70,000, the same as the House allowance, a reduction of \$130,000 from the budget estimate and the 1975 appropriation. The Committee believes that this amount, together with the fiscal year 1975 carryover balance of \$130,000, will support the two regional conferences for American labor attaches, economic officers, and labor reporting officers stationed in Asia, Africa, and Europe.

No funds were requested for the interim period, July 1, 1976–September 30, 1976.

## TITLE II

### DEPARTMENT OF HEALTH, EDUCATION AND WELFARE

#### GENERAL STATEMENT

The Committee has prepared this report to accompany the Departments of Labor and Health, Education and Welfare and Related Agencies Appropriation Bill. Work on this particular bill was begun many months ago, when the President's budget was first transmitted to the Congress. In reality, however, the work of the programs and activities contained in this bill began years ago. The success of these programs is largely due to the efforts of many individuals working to develop, implement, and improve services to the people of this country.

The current economic situation is all too often addressed in terms of dollars and cents. Because of this, the Committee believes, many have lost sight of the true impact on our citizens of programs contained in this bill. Discussion of economic potential is incomplete if it ignores the potential that can and must be fulfilled by raising this Nation's standards of well-being. Maximum level of production is just a phrase unless thought of in terms of people. To speak of economic recovery merely in terms of fiscal policy is to continue to treat the symptom and not the cause. That is, thousands of individuals and their families suffer everyday at the hands of disease and debilitating handicaps and only by alleviating the hardships on these individuals can we ever hope to realize the full potential and promise of our society.

In many instances, the Committee views the President's budget request as unacceptably low. Gaps exist throughout the various programs and activities funded by this bill. The Committee considers it inexcusable to have these programs operate in low gear or reverse in a time of economic crisis. Our young and elderly are considered to be the hardest hit by the current economic situation. Yet, programs which provide critically needed services to both groups are proposed at unrealistically low funding levels. The problems which threaten the well-being of our people—such as cancer, heart disease, alcoholism, and drug abuse—are not insoluble. To overcome these maladies requires a combined, uninterrupted effort on everyone's part. The Committee views the bill as a significant contribution to that effort.

#### PERSONNEL

The Committee has specifically earmarked 881 positions in the bill for various health programs. The Committee notes that the positions provided represent increases over those authorized in fiscal year 1975. (However, the absence of a specific earmark should not be considered

as a denial of new position requests.) While the positions are very few in number and nearly 2,000 below the 1972 level the Committee feels that it is vitally important to include these positions within the bill. This action is necessary because of the repeated attempts by Congress to direct positions through report language which has fallen on deaf ears within HEW and OMB.

The positions provided are to be used exclusively for programs, service, research, and grants and contracts management—not for program direction, the office of the Assistant Secretary of Health or the various Directors of the remaining health agencies.

The Committee's rationale is based on the demise of many health services, preventive and research programs through the last form of impoundment—withholding positions. The effect of this has been that the management, evaluation, planning and other bureaucratic programs have ballooned in size while the real health programs have been reduced substantially. In many cases the increases will only bring the programs up to the fiscal 1972 level, but still below the 1968 level. Because of the constant Administration impoundment in this area, the Committee has provided these positions which are normally earmarked in the report as a germane item in the bill and consistent with the House action. In addition, the Committee notes that while Health account appropriations have increased by 47.7 percent since 1968, position have declined by nearly 10 percent overall.

The Committee has included additional positions in the several Health appropriations and directs that these positions be reflected in the budgeted position and personnel ceilings of the designated appropriations as assigned by this Committee. It is further directed that none of the added positions be utilized to enlarge the already bloated and cumbersome bureaucracy of the Office of the Secretary or the Office of the Assistant Secretary for Health, but rather that these be utilized to insure the continued excellence of health programs.

The Committee recognizes that occasionally there does exist a situation where additional positions may be required in a rapid fashion—as in the case of a possible scientific breakthrough. The Committee would expect that there would be enough flexibility among the various health programs to make such a shift possible. This, however, should be done only when absolutely necessary.

Further, the Committee directs the General Accounting Office to review the various health accounts 6 months following enactment of this bill to determine whether HEW is complying with the law and congressional intent as it relates to the assignment and utilization of positions.

#### *Authorizing Legislation*

There are several programs throughout the health agencies which lack authorizing legislation or where legislation was only recently enacted. The inability to enact legislation on a timely basis is destroying many health programs which the Committee and Congress have strongly supported. Outstanding examples of this are the National Health Service Corps, rat control projects and health manpower training programs.

While all of these programs have proven themselves through effective health care delivery, rodent control and training, they will not be funded in the regular fiscal year 1976 bill because there is no authority

to do so. Consequently, the Committee urges the appropriate Committees of Congress to enact timely legislation, thereby allowing many of our citizens to receive proper medical care and to assist preventive health programs to grow, thus heading off future, more expensive, health needs and costs.

#### PREVENTION

The Committee continues to be concerned over the lack of sufficient emphasis on prevention of health and medical problems. More emphasis must be placed on programs addressing specific problems, as well as on the general strengthening of fundamental programs such as health, education, and community health prevention programs which strive to eliminate the conditions which threaten the well-being of our citizens in the short run and our society over the long term. A wise investment of Federal dollars now will pay high dividends in the future.

#### DIRECT OPERATING FUNDS

The Committee is concerned that the budget request for direct operation of health programs at the program level has been de-emphasized in recent years.

In previous budgets the line item for direct operations reflected funds for staff at the Division level—for travel, consultants, committees, advisory councils and other essential expenses to support the total programs of the various Divisions.

Recent budget requests for the Divisions within the Health Resources and Health Services Administrations as well as Alcohol, Drug Abuse and Mental Health programs have been grouped with other programs. This, in effect, is a consolidation of all direct operations for three agencies.

This consolidation makes it difficult, if not impossible for Congress to determine just what the various programs are spending in each area. In HRA, Congress cannot get information on travel funding, research grants, and contracts funds for the Divisions of Nursing, Dentistry or Allied Health. In Health Services, staffing for many maternal and child health programs is hard to determine.

Therefore, the fiscal year 1977 budget for all of these programs should also allocate its positions and direct operations support among the appropriate research, training and service activities.

The agency may use its own discretion in dealing with the allocation of individuals and subsidiary budgets which may administer a combination of research, training and service activities; however it is our intent that the management and information activities for future budgets be confined to the true overhead expenses of the various institutes.

#### MONITORING OF GRANTS AND CONTRACTS

The Committee was very distressed to note during this year's hearings that some health agencies are contracting out the monitoring of grants and contracts. The Committee very strongly disagrees with this practice, and would expect that such action would be controlled immediately. Additional positions and funds have been provided for grants and contracts and other health-related activities. The Com-

mittee believes that the monitoring of Federal grants and contracts is and should remain within the Federal domain, with experienced civil servants. The responsibility of monitoring the expenditure of taxpayers' money lies with the Federal government, and should not be delegated to others.

The Committee, therefore, directs the Assistant Secretary for Health to report to the Committee on the monitoring of grants and contracts within 4 months following the enactment of this bill. This report should contain: (1) information on non-governmental review and monitoring of grants and contracts and (2) what efforts are being made to strengthen the quality of the grants and contracts programs throughout the health agencies.

#### IMPROVED BUDGET INFORMATION

Since its establishment more than two decades ago, the Department of Health, Education, and Welfare has grown significantly. Similarly, there has developed a very complex structure of programs and activities, each originally designed to fulfill a specific need or purpose. This labyrinthian-like structure has resulted in a great deal of confusion on the part of the general public, Members of Congress, and, in fact, HEW officials. From this Committee's standpoint, it has become increasingly more difficult (and time-consuming) to monitor and evaluate Departmental activities in terms of human needs being met.

Last year the Committee set out to begin simplifying the framework upon which the HEW budget is developed, presented, and reviewed by the Congress. This effort was undertaken with a view toward better identifying the specific purpose of individual programs, as well as the part each program plays in meeting more general, functional objectives. Working with HEW and the General Accounting Office, the Committee has developed a budget framework to supplement HEW's current activity structure. This framework, though an initial one, represents a significant step to improved budget information. The Committee certainly intends to continue its budget reform efforts. These efforts, hopefully, will establish a trend in other agencies.

The Committee views this new approach as a means to supplement and enhance the existing decision-making process. Therefore, the Committee expects HEW to submit, as a supplement to its fiscal year 1977 budget, a distribution of the budget on the basis of end-purpose functions.

#### HEALTH SERVICES ADMINISTRATION

##### HEALTH SERVICES

1975 comparable level.....	\$497,548,000
1976 budget estimate.....	426,782,000
House allowance.....	553,685,000
Committee recommendation.....	560,302,000

The Committee recommends an appropriation of \$560,302,000, an increase of \$62,754,00 over the 1975 level, \$133,520,000 over the 1976 budget estimate, and \$6,617,000 over the House allowance. This appropriation includes support for four major health care activities which are involved in stimulating and implementing innovations

in health care delivery and preventive health services. These include Maternal and Child Health Services, Health Maintenance Organizations, Patient Care and Special Health Services, and Emergency Medical Services. Appropriations for Community Health Services, Family Planning Services, Migrant Health Services, and the National Health Service Corps were not considered because authorizations for these activities were only recently enacted.

#### Maternal and Child Health Services

The Committee recommends an appropriation of \$324,617,000 for Maternal and Child Health Services, \$5,217,000 above the House allowance and an increase of \$113,195,000 over the 1976 budget estimate. This program is the principal Federal program providing assistance to low-income mothers and children in obtaining high-quality comprehensive health services. This program has demonstrated its effectiveness by significantly reducing infant mortality rates where there are maternal and infant care projects and by reducing hospitalization for children by providing preventive health services in children and youth projects.

The Committee has agreed with the House allowance of \$295,700,000 for grants to States. This will allow sufficient funding to ensure that no State will receive less funds in 1976 than under the total 1973 funding level for the Maternal and Child Health program and will provide a modest increase for these important programs.

The Committee emphasizes its interest in an increased appropriation for the Crippled Children's Program, which has received \$65 million for the past three fiscal years. Witnesses have presented testimony regarding the activities within the States which have included: services restricted to diagnosis only, no new diagnostic categories included in State program, no new surgery provided, large backlog of services, hospitalization funds depleted, and the inability to care for all cases identified, etc. Since more than two-thirds of the chronic handicapping conditions existing among children can be prevented or corrected—thereby making healthy, wage-earning, productive citizens of those who might otherwise be confined to a lifetime of institutional care or dependency—the Committee has identified the Crippled Children's Program as a priority activity during fiscal year 1976 so that the backlog of infants and young children in need of care might be addressed.

The Committee allowed \$25,917,000 in Title V research and training activities, an increase of \$8,417,000 over the 1976 President's budget, \$4,417,000 above the House allowance, and the same as the 1975 appropriated level. The increase will provide additional funding for pediatric pulmonary centers and an additional emphasis on training. Other programs and projects such as the university-affiliated mental retardation centers and the nurse practitioners and health professionals projects will be restored to the fiscal 1975 level.

The Committee also recommends \$3,000,000 for the Sudden Infant Death Syndrome activity. The 1976 President's budget proposed no appropriation for this program. The level recommended by the Committee will support 30 demonstration service projects in cities across the country, as well as ten positions. Further, the Committee is concerned that past reductions by the Department of Maternal and Child Health service staff and their diversion to other Department programs have

negatively impacted on the effectiveness of Maternal and Child Health service programs. Therefore, the Committee wishes to note that all 160 staff positions previously assigned to the Maternal and Child Health service program be filled and that both regional and central office personnel be maintained as identifiable units, devoting 100 percent of their time to Maternal and Child Health service activities.

The Committee continues to recognize the need to expand the University Affiliated Facilities program to the Spanish-speaking and Indian populations of the Southwest. The office for Maternal and Child Health should make every effort to strengthen service programs for the retarded in those areas not presently served, and to establish at the earliest possible date an interdisciplinary training program for professionals in this field which will strongly relate to the Spanish-speaking, more rural areas of the Southwest. The Committee questions whether the criteria presently followed by the office for Maternal and Child Health in awarding grants for University Affiliated Facilities adequately addresses the needs of the more rural areas of the country which are unlikely to be within the reach of large universities which have a full range of graduate schools or departments.

The Committee heard the effect of the proposed Administration cut-backs on research regarding cystic fibrosis and allied pediatric pulmonary and digestive diseases and also the effect of the instability of funding over the last several years on the ten pediatric pulmonary centers, due to impoundments of funds and continued uncertainty of funding. It is the Committee's intention that sufficient amount of funding be set aside in this program to provide stability to these centers and, indeed, to increase the number from 10 to as many as 12.

The continuum of care provided by Maternal and Child Health projects provides an excellent vehicle for neutralizing the problem of infant mortality, for these programs provide medical services at the most vulnerable periods from conception through school age. Experience has shown that early pre-natal care, intensive care for sick newborn infants, as well as preventive and corrective care during infancy and preschool years will sharply impact upon both mortality and morbidity of both infants and their mothers.

Further, the Committee understands that the Assistant Secretary for Health is making a new and concerted effort in the area of programs to improve the health of children. The Committee strongly agrees with this apparent program shift, but would encourage the Assistant Secretary not to reorganize or make any drastic changes to effect this policy.

#### *Health Maintenance Organizations*

For Health Maintenance Organizations (HMO's), \$18,612,000 is recommended, the same as the House allowance and the budget request.

In fiscal 1975 more than 170 feasibility, planning, and development project awards were funded. These projects will be a base in demonstrating whether or not the concept of Health Maintenance Organizations is an effective means of dealing with health problems today. However, the Committee is still very concerned over both the efficiency of the HMO concept and the ability of HMO's to demonstrate how

they can assist in helping to control or lower increasing health costs.

The Committee notes that a funding priority should be given to HMO's seeking to serve rural, medically-underserved, and low-income populations. Further, the Committee will be anxious to review the progress which the HMO's have made in the area of health care costs during next year's hearings.

#### *Quality Assurance*

For quality assurance, the Committee recommends \$4,537,000, the same amount as the budget request and \$2 million below the House allowance. The Committee directs that the End-Stage Renal Disease Program should be allowed sufficient funds to carry out its very important and badly-needed mission.

The Bureau of Quality Assurance has the responsibility, through standards setting and enforcement, of assuring the health and safety of Medicare and Medicaid beneficiaries. It is felt that as the PSRO program continues and grows, the responsibilities of the Quality Assurance program will be diminished.

For the Professional Standards Review Organization activity, the Committee recommends \$45,145,000, \$5,000,000 below the House Allowance and the budget request. This increase of \$8,941,000 over the fiscal 1975 allowance will provide continued funding for conditional PSRO's initiated in 1974 and 1975, and convert a limited number of planning PSRO's to conditional status and fund up to three Statewide Councils. Planning PSRO's not yet converted to conditional status will continue to be funded, and assistance will be provided to the 13 support centers.

The Committee notes that no hard data has been shown relating to the PSRO's and their ability to bring down health costs and unnecessary health care and treatment. It is recognized that the program has been operating for only a short time; however, during the fiscal 1977 hearings, the Committee will be anxious to review the progress and success this program has made. Further, the Committee directs the PSRO program to ensure that lay citizens are represented in a useful and meaningful way in the various ongoing and newly-established PSRO programs.

#### *Patient Care*

For the Patient Care and Special Health Services activity, the Committee recommends \$128,368,000, \$6,900,000 above the House allowance and an increase of \$12,900,000 over the budget estimate.

Public Law 93-155 requires that the PHS Hospitals remain open and continue to provide a level and range of services at least equal to those provided in January, 1973. The Committee has recommended \$91,560,000 for the Hospitals, including \$12,900,000 for 393 positions (patient care and equipment) not included in the budget. Also, the Committee directs the Secretary to submit a report either certifying that the Department is in compliance with Section 818 of Public Law 93-155 or setting out the specific steps which must be taken before he can give such certification within 6 months following enactment of this bill.

The Department now has the chance to discard its negative attitude toward these hospitals and to adopt a fresh, positive view which sees the hospitals as an opportunity for improving health care delivery

rather than as a problem to be eliminated. The Committee urges the Secretary to adopt that positive approach and to propose plans for improving and fully utilizing these hospitals. If the Department persists with its past negative attitude, then, of course, the Committee may well act next year to impose its judgments regardless of the Department's views.

#### *Emergency Medical Services*

For Emergency Medical Services, the bill provides \$35,125,000, an increase of \$13,425,000 over the budget request and \$3,000,000 over the House allowance and the comparable 1975 appropriation. The Committee is impressed with the preliminary results of the program which shows that numerous lives can be saved by this systemized approach to the delivery of emergency health care. The Committee is aware of the strong State, local, and public support for this program, and strongly encourages expansion of this program and public information relating to it.

#### *Burn Centers*

The Committee is distressed to note that no budget request or initiative has been taken by HEW to implement Title 19 of the Fire Prevention and Control Act of 1974.

In light of the critical need for burn research and care centers across the country, the Committee directs that the Health Services Administration begin work immediately establishing a plan and program for a network of Burn Centers. Further, the HSA is directed to coordinate its health service efforts with the National Institute of General Medical Sciences. A joint report to the Committee on Burn Centers, including plans, programs, funding levels, and recommendations, will be expected within 90 days following enactment of this bill.

#### *Program Direction*

For Program Management, the Committee recommends \$30,569,000, which is \$1,000,000 and 50 positions over the budget request, \$1,500,000 less than the House allowance, and \$3,183,000 below the 1975 level.

The Committee notes its strong commitment for health service programs and the need to deliver proper health care to our country. Accordingly, the additional 50 positions of the fiscal 1975 authorized level has been allowed. These positions shall be used for health service programs in addition to those already allowed for Maternal and Child Health programs as noted above. The positions are not to be used for additional personnel under the category of program direction. A portion of the increase shall also be used for the remaining programs within the Health Services account in the central and regional offices.

For the interim period of funding, \$135,126,000 has been allowed.

#### CENTER FOR DISEASE CONTROL

##### PREVENTIVE HEALTH SERVICES

1975 comparable level-----	\$95,998,000
1976 budget estimate-----	99,601,000
House allowance-----	107,115,000
Committee recommendation-----	112,471,000

The Committee recommends \$112,471,000 an increase of \$16,473,000 over the comparable 1975 appropriation for which authority exists and \$12,870,000 over the budget request for which authority exists. The 1976 budget request included \$33,710,000 which was not considered by the Committee due to lack of authorizing legislation. The Committee recommendation is \$5,356,000 above the House allowance of which \$500,000 is a correction of a technical error in the House bill.

This appropriation supports the programs of the Center for Disease Control and is one of the highest priorities of the Committee in terms of its preventive health services. The Committee feels that preventive health measures can go a long way toward reducing health costs and the growing dependence on the health care system. The Center, with its headquarters in Atlanta, Georgia, is the focal point for prevention and control of infectious diseases, and other preventable conditions, clinical laboratory improvement, health education and occupational health. Over the years the Center has built the medical/scientific competence needed to assist State and local health authorities and other health-related organizations in controlling the spread of communicable diseases, protecting against certain environmental hazards, and assuring a safe and healthy workplace for the working public. The Committee's level of funding will allow this progress to continue.

#### *Unauthorized Programs*

The Committee is particularly concerned that half of the programs in this account are not authorized. Programs for venereal disease control which screened over 8 million people in fiscal 1975, will be delayed and reduced as will the immunization program, the rat control program and the lead-based paint poisoning prevention activities—all vital preventive health programs which have a direct impact on many of our children and cities. The inability to expand these programs will lead to increased health costs in the future.

#### *Health Education*

An additional \$1 million for Health education has been added to the House allowance and budget request. The Center for Disease Control has been chosen to be the focal point to encourage, support and assist relevant federal agencies in carrying out their appropriate health education programs. This Committee directs that the increase shall be utilized primarily for preventive medicine and that a report be submitted before next year's hearings describing what the center has developed and what progress has been made in the area of health education programs.

The Committee has repeatedly urged the Department to place greater emphasis on programs aimed at *preventing* illness and injury. Our pleas appear to have fallen on deaf ears; mere lip service is paid to the concept of preventive medicine particularly in the Office of the Director of CDC. The costs of treating such disorders as heart disease, kidney failure, caries, and accidents continue to spiral upward with no end in sight. Yet there continues to be resistance on the part of some toward preventive health programs—programs where funds spent today could literally save millions in the future not to mention the human suffering which could be averted.

There are two aspects to the problem. The first is research on methods of disease prevention; the other is research on how to achieve wider ap-

plication of known preventive measures. The Committee is satisfied that the Department is making an effort with respect to the first area, with one notable exception, accidents. More children and young adults die from accidents than any other cause. Yet there is virtually no research being conducted on methods of accident prevention. Such a program is long overdue.

The Department seems most vulnerable in its application of existing methods of disease prevention. It is known for example, that proper diet and exercise reduces heart disease, and that plaque control reduces oral disease. It is further known that these preventive measures are most effective when started in childhood. Yet traditional methods of teaching healthier living habits have been very unsuccessful and new programs should be started.

The Committee again urges the Department to come forth with a comprehensive program in disease prevention. Part of this program should include pilot experiments on innovative methods of health education.

#### *Laboratory Improvement*

The Committee concurs with the House allowance for funds and positions which will permit the Center to expand activities related to development of performance standards for diagnostic products and related laboratory improvement activities. These are necessary to assure that quality products providing reliable diagnostic results are available for use in the laboratories covered by the Clinical Laboratories Improvement Act of 1967.

#### *Occupational Safety and Health*

The Committee also concurs with the House in its increased emphasis on the National Institute for Occupational Safety and Health and has allowed an additional \$4 million for this program, as well as the additional positions allowed by the House, bringing the total to \$42,533,000. This increase included \$4,000,000 for the continuing support of training grants and the necessary funds for positions which the House allowed. The increase will permit the Center to continue funding training grants to provide qualified personnel in the occupational safety and health area and will support approximately 70 training grants reaching an estimated 1,500 students.

The Committee recognizes the importance of the occupational health, preventive medicine contribution to the Department's integrated cancer control program. The increased support in FY 1976 for the Institute's occupational carcinogenesis program will allow for an expanded program of surveillance, the initiation of additional industrywide environmental and epidemiological investigations; provision for developing sampling regimens and analytical methods necessary to support research and regulatory activities; the development of central technology systems; and most importantly, the translation of these research findings into criteria for regulatory programs for the prevention and control of occupational cancer.

The Committee is pleased with CDC's continuing efforts with the Byssinosis Immunological Research program (Brown Lung) and would support further initiatives in this area.

The Committee has also added an additional \$356,000 to complete the engineering and design stages of the Center buildings and facilities. This allowance is for design of a modern and safe facility at a suitable location for the research activities of the National Institute for Occupational Safety and Health.

The Committee agrees with the decrease of \$550,000 in program direction included in the House allowance. This decrease represents a cut in the payment to the General Services Administration standard level user charges.

The Committee has also provided an earmark of 50 positions over the fiscal 1975 authorized level for the Center's programs. These are to be used in programs other than those included in program direction. The Committee has provided \$10,439,000 for program direction; \$28,032,000 has been provided for the transition period, the same as the House allowance.

## NATIONAL INSTITUTES OF HEALTH

### GENERAL STATEMENT

The bill includes \$2,266,181,000, an increase of \$584,827,000 over the budget request, \$115,426,000 over the House allowance, and \$328,822,000 over the fiscal 1975 level.

In the past years the Congress has strongly and successfully resisted the inadequate and unreasonable Presidential budget requests for the National Institutes of Health. These insufficient requests would have fallen far short of matching the much talked about commitments to attacks on cancer, heart disease, venereal diseases, blindness, and environmental hazards had Congress accepted them. The fiscal 1976 budget request is no different than previous requests.

This year, however, the NIH estimates are unrealistic in a much more literal sense; they are based on a premise that had become inoperative by the time the requests were being considered by the Congress. It is clear from the budget justifications and the testimony at the hearings that it was the Administration's intent to maintain NIH activities at the fiscal year 1975 level but that this level was assumed to be that contained in the President's plan for rescissions of 1975 appropriations. No cognizance was taken of the fact that the rescission plan would be rejected by both Houses of the Congress and that the NIH programs would actually be operating at the level provided in the fiscal year 1975 appropriations. As a result, the budget requests appropriations for fiscal year 1976 totalling \$1.8 billion to maintain programs for which \$2.1 billion was appropriated in 1975. The 14 percent reduction does not reflect a policy decision by the administration to reduce Federal support for medical research by one-seventh; it is simply due to the fact that the budget is out-of-date and has been superseded by events.

#### *Construction*

Planning funds for construction projects have been appropriated in years past with the result that NIH now has a backlog of requests

for construction funds totalling some \$170 million at current cost estimates. These projects include a major addition to the Clinical Center to provide facilities for ambulatory research patients; a building for the Child Health Institute; a conference building for the John E. Fogarty International Center for Advanced Study in the Health Sciences; changes and improvements in the master utilities system; a multi-level garage adjacent to the main office building on the Bethesda campus; and Phase II of a long-term construction project at the NIH Animal Farm in Poolesville, Maryland. The initial plans for some of these projects were made some years ago and it may well be that needs and priorities have changed during the intervening years. The Committee therefore suggests that NIH review its existing and prospective, if any, building plans and report before next year's hearings on (a) any substantive changes in the plans for the projects, (b) revised cost estimates, and (c) the relative priorities of the various projects.

#### *Research Training Grants*

Funds for the NIH research training programs are not included in the bill because the authorizations for these programs expired on June 30, 1975. The Committee reaffirms its often expressed view that this country's ability to maintain its position of leadership in medical research is clearly dependent on a steady flow of high quality, well-trained, and deeply motivated young men and women into the biomedical sciences. A lapse or sharp diminution in Federal support for research training now will inevitably be reflected in a decline in the scope and vigor of medical research a decade hence—and it will represent a loss in the application of brain power to the solution of serious national health problems that will not be recovered. The Committee therefore urges the relevant legislative committees of the Congress to deal as expeditiously as possible with the renewal of the authorizing legislation so that the necessary supplemental appropriations can be dealt with before there is a crippling disruption in Federal support for these important programs.

#### *Dissemination of Research Results*

In last year's report, the Committee instructed NIH to submit "a complete action report with recommendations and a plan for implementation" for the dissemination of research information. The report submitted in response to this instruction distinguishes between four types of research results: (1) those that represent stepping stones toward the solution of biomedical problems but are of immediate interest only to other investigators working on the same or related problems; (2) those that are potentially applicable to the prevention, diagnosis, or treatment of disease but require further study (such as controlled clinical trials) or development (such as production techniques for a drug or vaccine in commercial quantities) before they can safely be made available to all practitioners; (3) those that should forthwith be communicated to the practicing community; and (4) those of which the general public should be aware either because they concern preventive measures of which the public should be informed or because they describe new diagnostic or therapeutic measures of which individuals should avail themselves as promptly as possible. The NIH report reviews existing channels of communication for each

of the types of results and makes specific recommendations for their improvements and for new approaches to the communication problem.

The report contains an acceptable statement of NIH responsibility and lays out a reasonable plan for carrying it out. In this connection, a useful distinction is drawn between the role of NIH and the roles of other components of the Public Health Service, other Agencies in the Federal and local governments, and in the private health sector. The Committee agrees that unnecessary duplication of effort would be wasteful and that for several agencies to be doing the same job might well lead to confusion and thus be self-defeating. At the same time, there seems to be a present danger that too little, rather than too much, will be done and the Committee looks to NIH to assure itself that others are, in fact, adequately performing those parts of the communication task which, for jurisdictional reasons, it does not propose to undertake itself. The other PHS agencies are urged to cooperate fully with NIH in carrying out their joint responsibilities in this matter.

The Committee is encouraged by the fact that one of the first acts of the new Director of NIH was to take steps to appoint a Committee on Communication—consisting of scientists with clinical experience, health practitioners and representatives of the medical communication media—to act as a policy group for carrying out the recommendations in the NIH plan. One of its responsibilities will be to ensure that research results are promptly and properly screened to determine their suitability for communication to the four audiences identified in the report. While it would be unwise and unwelcome to flood practitioners with research data they cannot use in their practice, every effort must be made to give them information they can use as quickly and in as convenient a form as possible.

Before next year's hearings the Committee will expect a full report on the implementation of the NIH recommendations including an account of the cooperation it has had from other agencies and an assessment of the receptivity of those in the health care community to the various modes of communication which have been discussed in the report.

#### *Funding of New Investigators and Ideas*

Although the funds provided in this bill are sufficient to maintain the NIH research grant programs at their present levels with some modest increases, they are in large part committed to the support of on-going projects. As almost all biomedical investigations require several years to complete, NIH will usually support an approved research project for at least three years and often for much longer. It is obviously desirable to continue support of a project until it has been completed or judged that support is no longer necessary. At the same time, the result is that, in the absence of substantial increases, most of each year's funds are, in effect, committed to on-going projects leaving relatively little additional money for the support of new investigators or new ideas—which is obviously also desirable. The Committee therefore urges NIH to consider whether a different balance between old and new projects is desirable and, if so, how this might be achieved without undue disruption of productive on-going research. As the total NIH appropriations now exceeds \$2 billion, substantial annual

increases should not be routinely expected and it would therefore be prudent to develop a policy for the most effective management of the research grant programs on the basis of relatively constant funding from year-to-year.

Further, the Committee understands that several grants and contracts at NIH have carried on for five to ten years. The Committee is concerned that the agency may become dependent or enamored with these projects and conduct only a cursory review of their usefulness, followed by an automatic extension. Because of this, the Committee requests that a report be submitted within six months containing the numbers of grants and contracts over five years old, as well as what steps will be taken to review and evaluate these projects.

#### NATIONAL CANCER INSTITUTE

1975 comparable appropriation.....	\$669,198,000
1976 comparable budget estimate.....	586,837,000
House allowance.....	703,564,000
Committee recommendation.....	803,564,000

The Committee recommends an appropriation of \$803,564,000, an increase of \$134,366,000 over the comparable 1975 appropriation, \$216,727,000 over the comparable budget estimate and \$100,000,000 over the House allowance.

The bill does not include funds for the Institute's research training programs whose authorizing legislation expired on June 30, 1975. The fiscal year 1975 appropriation for these programs was \$22,163,000.

For the transition period, July 1 to September 30, 1976, the bill includes \$149,700,000, the amount requested and the amount of the House allowance.

#### *Recent Improvements in Cancer Detection*

The National Cancer Institute has made significant progress in advancing the national effort to reduce the impact of cancer on people. The Committee is impressed with the direction the program is heading and with the Institute's efforts to develop, improve and evaluate new methods and techniques to detect and diagnose cancer at an early stage when the disease is most curable. The most promising projects underway include efforts to improve detection in the most frequent sites of cancer: breast, lung, large bowel and uterine cervix. Recent developments include automating the analysis of specimens of the Pap smears; the use of the flexible fiberoptic coloscope to improve the capability to detect cancer; 29 projects established in cooperation with State and Territorial Health Departments to reduce uterine cervical cancer.

These results reflect the knowledge of the number and character of the scientific avenues ripe for exploration which must be investigated to provide the means to control cancer. The high priority opportunities and leads through the major research thrusts of cause and prevention, detection and diagnosis, treatment and rehabilitation and cancer biology must continue.

#### *New Programs*

The NCI should initiate new programs and expand recently initiated high priority programs, such as nutrition, for which \$6 million

has been provided, environmental carcinogenesis, organ site programs, center programs, education and training programs, and should continue the development of critically needed scientific knowledge through strong support of fundamental research efforts. For example, the Committee commends the expanded utilization of the Frederick Cancer Research Center in the areas of biocontainment and the testing of environmental carcinogens, and recommends the continued and further expanded use of these facilities as well as the close coordination of cancer related activities with other Federal agencies.

#### *Cancer control*

Activities in the Institute's Cancer Control Program progressed dramatically in fiscal year 1975. Activities have now reached into all corners of the United States. Projects are conducted through demonstration, a newly formed communications network conducted through each of the 17 comprehensive cancer centers, and other educational projects. Active involvement of the medical community, voluntary agencies, local hospitals and public groups is expected to continue. The Committee is interested in the involvement of all of these groups, especially the community physicians, in continuing education and is pleased at the direction taken by the Cancer Control Program in this matter.

#### *Comprehensive Cancer Centers*

The development of the Comprehensive Cancer Center Communications Network has particularly pleased the Committee because each Center will have its own communications office whose activities include a telephone response system and a directory of cancer services available in the region. The Committee notes that this service is being conducted in conjunction with volunteer groups and is pleased with this cooperation.

The Committee is satisfied with the progress to date in the development of geographically balanced Comprehensive Cancer Centers to serve as a national resource for basic and clinical research and multidisciplinary patient treatment, as well as the community outreach and communication efforts. The Committee looks forward to the designation of two or perhaps three additional centers prior to the end of fiscal year 1976.

The Committee notes that testimony brought out the fact that there are 20 major tumor sites in the human body which must be actively investigated clinically with combination drug and immunotherapy trials. The Committee urges the NCI to move ahead in this area with a portion of the additional funds which have been provided.

The Committee is pleased with the continued and growing success of the outreach clinics and rural patient care programs. The Committee encourages the NCI to continue their initiative in this area and would support increased funding for this program in the rural New England area.

#### *Institutional Training Support*

The National Cancer Institute supports research training in accordance with the National Research Services Award Act. Under this authority the Institute makes both individual fellowship awards and institutional awards. Although the budget estimate for 1976 only pro-

vides for individual fellowship awards, the Committee believes that institutional awards under the National Research Awards Act, when extended, must also be continued.

#### *Construction and Renovation*

It is the intent of the Committee action that funds in this appropriation are to be used for new construction, as well as for alterations and renovations and construction of bio-hazard facilities. Funding of new construction projects, as authorized in P.L. 93-352, is essential to the success of the National Cancer Program and must be continued.

The Committee notes that \$6 million has been provided to complete the Sidney Farber Cancer Center in Boston, Massachusetts.

#### *Positions*

The Committee notes that there is a critical manpower shortage within the National Cancer Program. To develop and maintain an expanded cancer effort effectively and efficiently, adequate manpower resources must be available. To date, these resources have not been provided. Of particular concern is the apparent lack of positions and beds in the Clinical Center for cancer research, and the Committee directs that more funds be allocated for this important activity. Therefore, the Committee has provided an earmark of 94 positions over the fiscal 1975 authorized level and those just recently released, for the implementation of the National Cancer program.

#### NATIONAL HEART AND LUNG INSTITUTE

1975 comparable appropriation.....	\$303,269,000
1976 comparable budget estimate.....	271,840,000
House allowance.....	329,059,000
Committee recommendation.....	379,059,000

The Committee recommends an appropriation of \$379,059,000, an increase of \$75,790,000 over the comparable 1975 appropriation, \$107,219,000 over the comparable budget estimate and \$50,000,000 over the House allowance.

The bill does not include funds for the Institute's research training programs whose authorizing legislation expired on June 30, 1975. The FY 1975 appropriation for these programs was \$21,115,000.

For the transition period, July 1 to September 30, 1976, the bill includes \$58,015,000, the amount requested and the amount of the House allowance.

#### *Downward Trend in Heart Disease*

For more than fifty years heart disease has been the primary health problem in the United States. It has been the leading cause of death with a death rate more than double that for cancer, the second leading cause. Currently heart and blood vessel diseases account for more than fifty percent of all deaths. For these reasons coronary heart disease has been referred to by many as the twentieth century epidemic. Despite these statistics, for the first time in over a century, deaths from heart diseases have leveled off and in some cases are experiencing a downward trend. These initial decreases are not dramatic but they are encouraging.

#### *National Research and Demonstration Centers*

The Committee last year recommended that a minimum of ten National Research and Demonstration Centers, a unique attempt to integrate biomedical investigation, manpower development, public education, and pilot community programs, be established as soon as possible, at least one in each HEW region. It is most disappointing, therefore, to find that funds were available to establish only three such centers. It is gratifying, however, that a center has been established in each of the three major categorical areas—one each in heart and vascular diseases, and blood resources. A portion of the additional funds provided by the Committee should be utilized to continue and expand these Demonstration Centers.

#### *Heart and Vascular Diseases*

Much of the improvement in the understanding and treatment of heart attack over the past several years has come from a program in cardiac diseases aimed at improved understanding, prevention, and treatment of heart attacks. As an outgrowth of that program, the Committee stated last year its belief that a program of Ischemic Heart Disease Centers should be launched in 1975. It is pleased that such a program has indeed been started. It is also reported that the number of clinical trials in arteriosclerosis and hypertension aimed at understanding the impact of risk factor control on heart attack are proceeding on schedule and that volunteer patient enrollment will be completed by January, 1976.

During recent years experimental studies have shown that when the blood supply to heart muscle is cut off by a heart attack the amount of heart muscle irreversibly damaged can be reduced by several different techniques. Reducing the workload of the heart by the careful administration of drugs to slightly reduce the blood pressure, or by mechanical devices to assist the pumping action of the heart (the "intra-aortic balloon") have shown encouraging results in limited clinical trials. Several promising drugs increase blood flow to the heart muscle, some by reducing swelling, others by dilating vessels, and still others by increasing diffusion of nutrients in the tissue. On the basis of these promising laboratory and clinical studies, the Committee feels that an expanded program for protecting jeopardized heart muscle should be launched.

#### *National High Blood Pressure Education Program*

The Committee is pleased that the high blood pressure program has positively moved in addressing a special focus of attention on minority groups. The Committee encourages further emphasis on this program across the United States. It is urged that an effort to remedy the lack of epidemiologic data on hypertension in our minorities, including the Spanish-speaking, be undertaken.

#### *Hypertension*

In last year's report the Committee noted that high blood pressure is the leading cause of death in the United States and that one of every six adults has some elevation of blood pressure. In recognition of this, the Congress appropriated for treatment services in this area, and a

similar amount has been provided in fiscal 1976. The Committee also notes that under the Health Revenue Sharing and Health Services Act of 1975, up to \$15 million for establishing and maintaining programs for the detection and treatment of high blood pressure has been allowed.

The Committee notes that the Second Annual Director's Report of the National Heart and Lung Institute projects substantial activities in all programmatic divisions of the Institute supportive of continuing medical education as a component of its Prevention, Control, and Education program. The importance of this effort cannot be overemphasized. The Committee is aware that recent occurrences in the area of malpractice insurance, recertification, and relicensure, have and surely will place increasing pressure on all components of the health care system for the delivery of effective, relevant continuing medical education. The Committee notes that there is a critical need for research and development regarding new, more effective models for continuing medical education, and the systems necessary to assure their delivery.

A program in this important area is a necessary component of the activities mandated under Public Law 92-423 § 413d, and would naturally fall under the supervision of the Assistant Director for Health Information Programs. Although the Institute should be allowed a degree of flexibility in implementing such a program, we would suggest the establishment of three to four centers for continuing education research nationally. Such centers might be operated by universities or other national professional societies. The purpose of these centers would be research and evaluation of new systems of continuing education. The Committee would estimate that such a program would require up to \$2 million.

#### *Diabetes*

In Departmental testimony the fact that up to 75 percent of the diabetic population may die prematurely from cardio-vascular causes was brought out. The Committee directs the NHLI to strengthen its efforts in this important area, and has provided an increase of funding for these important programs.

#### *Lung Diseases*

Over the last few years, it has become very apparent that the epidemiology of lung diseases in this country is in a very early stage of development. The reasons for this are several. There is a general lack of understanding of what epidemiology can contribute to the solution of the problems of respiratory diseases. There is no clear definition of what needs to be done using epidemiologic approaches. Probably because of the first two reasons, the overall support for epidemiologic studies is not very large. It is clear, however, that a multi-faceted approach to this problem of respiratory disease must include epidemiology. This cannot be done without a full understanding of what the goals of this program should be. The Committee believes that the NHLI should seek the help and advice of outside experts to identify these goals. These experts should be charged with (1) identifying the major respiratory diseases that should be the focus of epidemiologic studies, (2) defining the goals of these epidemiology studies, and (3) describing the types of studies necessary to reach these goals.

#### *Blood Diseases and Blood Resources*

The Director of the NHLI is required by PL 92-423 to develop and coordinate research programs in blood diseases and blood resources with related programs of other Institutes. The Committee believes that it is time to reassess the scope of such programs and their coordination and to develop recommendations for any needed changes. This requires a clear definition of the scope which should be appropriately encompassed by the mission of NIH and the individual Institutes and appropriate interfaces between Institutes related to blood problems.

A current development concerns the patterns and methods of treatment of hemophilia. A pilot program was instituted by the NHLI and a grantee to test out implications of prevention approaches in a national system of comprehensive treatment. The specified goal was the development of an education program relative to the care of the hemophiliac. Such things were assessed as the availability of blood, shape of the care system, payment mechanisms, and available health manpower. Participating were educators, blood bankers, treating doctors, and insurers. The question was, if a national comprehensive education and treatment program were developed, what would happen to blood resources and care systems and, not incidentally, what kind of an education program could be effectively implemented. Recommendations from this study are being analyzed, and the Committee will expect the Institute to keep it informed of the results of field studies which are expected to result from the more promising recommendations.

The Committee is also concerned that the blood delivery system of the nation is fragmented and is clearly not as effective as the Committee would like to see. A great deal of research appears to be necessary to determine how blood resources can be best used.

#### *Positions*

The Committee has provided an additional 50 positions over the fiscal 1975 authorized level for grants and contracts management, research and preventive programs.

#### NATIONAL INSTITUTE OF DENTAL RESEARCH

1975 comparable appropriation.....	\$44,233,000
1976 comparable budget estimate.....	38,039,000
House allowance.....	45,794,000
Committee recommendation.....	45,794,000

The Committee recommends an appropriation of \$45,794,000, an increase of \$1,561,000 over the comparable 1975 appropriation, \$7,755,000 over the comparable budget estimate, and the same as the House allowance.

The bill does not include funds for the Institute's research training programs whose authorizing legislation expired on June 30, 1975. The FY 1975 appropriation for these programs was \$5,769,000.

For the transition period, July 1 to September 30, 1976, the bill includes \$7,674,000, the amount requested and the amount of the House allowance.

The National Institute of Dental Research is concerned with diseases of the oral-facial area. These afflictions are universal and vary

widely in form, severity, and duration. Included are such diseases as tooth decay, periodontal, or gum disease; the annoying common ulcers and the less frequent but dread oral cancers; the problems of malocclusion, which affect an estimated one-third of the school children in this country; and the less common but seriously disfiguring clefts and other craniofacial anomalies.

#### *Preventive Methods*

The Committee feels that the Dental Research Institute—possibly more than any other Institute—can and should be taking a very active role in the area of preventive medicine. This year's hearings demonstrated how little the NIDR is actually doing in this area. There has been a very weak effort in the area of information dissemination, community programs, education of dental professionals, and the training of students. The Committee urges the Institute to take advantage of the research and available information in the dental area with the existing knowledge and resources available. Further, the NIDR is directed to move ahead rapidly in this area of research dissemination by providing communities, schools, and dental students with the most recent techniques and methods of preventive dental care. The Committee will be anxious to review what has been accomplished in this area prior to the fiscal 1977 hearings.

#### *Periodontal Disease*

The Committee is gratified to learn that important biological information continues to be developed in the area of periodontal disease. Evidence is mounting that many microbes have the potential ability to initiate the disease. Also, the final loss of connective tissue and bone could result from a variety of inflammatory reactions of the immune system. An estimated 22.6 million Americans have lost all of their teeth, and periodontal disease is believed responsible for most of the loss.

As soon as causes of diseases are known, development of preventive measures become essential for improving the oral health of the Nation. In research designed to help prevent some periodontal disease, the efficacy of certain antimicrobial agents in controlling plaque was tested. The antibiotic kanamycin protected handicapped children from gingivitis for nearly a year. Actinobolin, another antibiotic with properties favorable for oral use, inhibited periodontal disease in rats and the Committee recommends further research in this area.

#### *Cleft Lip and Palate*

Significant advances have been noted in the handling and treatment of children with cleft lip and palate. These include deferring the repair of a severe double cleft of the lip until the upper jaw has been expanded orthodontically and all its parts lined up and stabilized. These studies show that it is possible to reduce the average number of operations by half without compromising the patient's welfare.

#### *Restorative Materials*

Research supported at the National Bureau of Standards by the Dental Institute has progressed toward a standardized laboratory procedure for measuring the wearability of restorative materials. This

method will enable scientists to determine how new materials will withstand use without employing prolonged and expensive clinical testing.

#### *Oral Pain*

In the area of oral pain, Institute supported research has documented the existence of specific brain wave responses to electrical stimulation of the tooth pulp in man. Thus, for the first time, an objective physiological measure of the severity of the sensation of pain could be demonstrated because pulp fibers appear to convey only this type of information to the brain.

#### *Dental Research Centers*

The five Dental Research Institutes/Centers supported by the National Institute of Dental Research have intensified collaborative activities and dissemination to the dental profession of information on their work. The University of Washington distributes a regular newsletter and is actively developing a joint research project on periodontal disease with the University of Oregon dental faculty. The Center at the University of Michigan now also distributes a newsletter, and the Center at the University of North Carolina has begun periodic mailing of its investigators' abstracts to schools throughout the country. The Institute is continuing to expand the dissemination of research information to practicing dentists as well as to students in dental schools.

#### *Positions*

The Committee has provided an earmark of 20 positions over the fiscal 1975 authorized level for the Dental Institute's various programs.

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

1975 comparable appropriation.....	\$160,899,000
1976 comparable budget estimate.....	144,065,000
House allowance.....	173,972,000
Committee recommendation.....	176,972,000

The Committee recommends an appropriation of \$176,972,000, an increase of \$16,073,000 over the comparable 1975 appropriation, \$32,907,000 over the comparable budget estimate, and \$3,000,000 over the House allowance.

The bill does not include funds for the Institute's research training programs whose authorizing legislation expired on June 30, 1975. The FY 1975 appropriation for these programs was \$12,474,000.

For the transition period, July 1 to September 30, 1976, the bill includes \$43,052,000, the amount of the House allowance, but an increase of \$8,000,000, for a technical adjustment, over the amount requested.

The National Institute of Arthritis, Metabolism, and Digestive Diseases (NIAMDD) is unique in that it conducts and supports research in more disease areas than any other Institute of the NIH. This Institute is not only concerned with problems of arthritis, metabolism and digestive diseases, but also with urological and kidney diseases, problems of the blood, bone and endocrine glands, and a considerable number of hereditary disorders.

### *Training*

The National Arthritis Act's mandate for the establishment of a national network of arthritis centers requires a major upgrading of the current low-level Federally-supported training of arthritis researchers who are in very short supply. An immediate reversal of the downward trend in research training support of academic rheumatologists is requisite to the successful implementation of the National Arthritis Act. This Committee, therefore, expects to receive budget recommendations in this area as soon as possible from the Director of NIAMDD who, when testifying last year before the Senate Subcommittee on Public Health, acknowledged the need for a 630 per cent increase in NIH training support for M.D. researchers in the rheumatic diseases.

### *National Arthritis Commission*

The Committee notes that recommendations on training programs and other items related to the National Arthritis Act will be dealt with by the National Arthritis Commission.

To ensure the Commission of adequate financial support in the completion of its important task, the Committee recommends NIAMDD set aside \$700,000 of its fiscal year 1976 appropriation for the work of the Commission.

### *Arthritis Research*

In arthritis research, the Committee learned of a newly instituted co-operative program of studies involving teams of experts from the United States and Russia, which is part of an overall, bilateral health agreement between the two countries. Cooperative clinical trials in arthritis will include an evaluation of the treatment of rheumatoid arthritis, with various drugs and chemicals, and the Committee will be anxious to review the success of this program.

The Institute should continue to press on with its efforts to alleviate or cure rheumatoid arthritis with emphasis on support of studies of the disordered immune reaction in this severe, crippling disease for our elderly as well as our children.

### *Digestive Diseases*

Institute research on digestive diseases has focused upon peptic ulcer, and a Peptic Ulcer Center has been established with NIAMDD support in Los Angeles. The UCLA School of Medicine and the VA's Wadsworth General Hospital jointly will conduct a five-year study of peptic ulcer, involving ten key investigators with multi-disciplinary expertise. Other areas of emphasis in digestive diseases are an extensive collaborative study of the effectiveness of medical treatment for gallstones and improvement of endoscopic techniques in diagnosis and treatment of digestive disorders.

### *Diabetes Research*

The Committee's commitment to diabetes remains very strong. Of the additional funds provided, \$300,000 shall be for the National Diabetes Commission for which the Committee is anxiously awaiting its report.

The Committee takes note that the NIH is moving towards a more comprehensive research and treatment plan for diabetes programs,

and the Committee strongly encourages further initiatives in this vital area. The Committee urges the NIAMDD to increase its efforts in diabetes research and to submit to the Committee a report outlining what efforts are being made at the NIH in the area of research and diabetes research coordination.

Further, the Committee directs the NIAMDD to expand its diabetes-related research in endocrinology and kidney disease and to develop a strong and active program management and coordination office.

### *Psoriasis*

Psoriasis is a disfiguring skin disease affecting approximately four million Americans. Medical management of this disease generally is unsatisfactory and those drugs which are effective may cause serious side effects. Grant-supported investigators recently have described complete clearing of characteristic skin lesions following oral administration of the drug, methoxsalen, and exposure to a newly developed long-wave ultraviolet light source, a form of "photochemotherapy" which appeared to be well tolerated by all patients. This new form of therapy will be subjected to intensive investigation for safety and efficacy, and the Committee will expect a report on this new "photochemotherapy" method at next year's hearing.

### *Kidney Disease*

It is estimated that eight million Americans suffer from diseases of the kidney and urinary tract, and that 50,000 die every year of irreversible kidney failure. The Institute's extramural grants program supports a major research effort to develop better methods of treatment and prevention which would obviate the large number of patients who develop kidney failure. At the same time, the Institute's Artificial Kidney-Chronic Uremia Contract Program is geared to develop improved artificial kidneys and dialysis in order to prolong the productive lives of afflicted individuals, and to decrease the high cost of this type of treatment, most of which is now funded by Medicare. The Committee has heard strong testimony from citizen witnesses concerning the importance of additional funding for this type of research and development because on it rests the hope of diminishing the tremendous and increasing cost of the Medicare end-stage kidney disease treatment and to make it clinically more effective.

### *Personnel*

The Committee has provided an earmark of 41 positions over the fiscal 1975 authorized level for NIAMDD programs—particularly in the area of grants and contracts management, diabetes, kidney programs, arthritis, and other intramural research projects.

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

1975 comparable appropriation.....	\$129, 011, 000
1976 comparable budget estimate.....	107, 055, 000
House allowance.....	136, 546, 000
Committee recommendation.....	136, 546, 000

The Committee recommends an appropriation of \$136,546,000, an increase of \$7,535,000 over the comparable 1975 appropriation, \$29,-

491,000 over the comparable budget estimate, and the same as the House allowance.

The Bill does not include funds for the Institute's research training programs whose authorizing legislation expired on June 30, 1975. The FY 1975 appropriation for these programs was \$13,023,000.

For the transition period, July 1 to September 30, 1975, the bill includes \$32,964,000, the amount of the House allowance but an increase of \$5,000,000, for a technical adjustment, over the amount requested.

The National Institute of Neurological and Communicative Disorders and Stroke (NINCDS) which is this year celebrating its 25th Anniversary, is preparing a review of neurological and communicative research advances emanating from research conducted and supported since 1950. The Committee believes that this information should be useful and widely disseminated among practitioners and patients in this area.

#### *Neurological Diseases*

Among the neurological and sensory disorders which have been conquered or for which more effective treatment is now available are Parkinson's disease, epilepsy, myasthenia gravis, phenylketonuria (PKU), congenital rubella, Gaucher's disease, otosclerosis, and laryngeal cancer. In addition, many new techniques are now available as well as improved instrumentation and significant accomplishments in the basic neurosciences. These advances will play a significant role in finding answers to many neurological and sensory disorders for which a solution has not been found.

High on the list of unsolved problems and of great concern to the Committee are stroke and injuries to the head and spinal cord. As a cause of death, these rank third and fourth, and together they represent the largest group of disabled and crippled adults in America.

#### *Strokes*

Progress in reducing the toll from strokes has come slowly. However, recent mortality rates from stroke indicate a significant decrease from 88.8 per 100,000 population in 1960 to 68.5 per 100,000 in 1969. These figures are expected to move downward in the next few years as a result of recent advances in diagnostic and therapeutic measures. The new diagnostic measures include a number of highly sophisticated techniques using computers and complex new electronic devices.

New therapeutic measures include not only anticoagulant drugs and blood pressure lowering regimens but also clot dissolving agents and drugs for control of brain edema and blood vessel spasms. New microsurgical techniques now make it possible to correct malformed blood vessels in either the brain or in the carotid arteries. The Committee encourages further research in this important area and is pleased that progress is being made in solving this acute health problem.

#### *Spinal Cord Injury*

Every effort should be made to prevent permanent disability to those who suffer spinal injury. Each year thousands of young people, in their teens or early twenties, become paraplegics as a result of auto, motorcycle, or sports accidents. Increasing evidence indicates that the first few hours after the spinal injury occurs is the critical period if progression of spinal cord degeneration is to be halted.

The Institute is supporting Acute Spinal Cord Injury Clinical Research Centers in five cities and targeted and multidisciplinary spinal cord research in three other areas.

This past year the Institute made considerable progress on regeneration of the central nervous system. Five workshops were held and exciting new avenues of research are emerging which indicate that regeneration is no longer the insoluble problem it was heretofore thought to be.

#### *Autism*

The Committee's interest in the area of autistic research remains strong. The Committee has not been notified of any NINCDS efforts in this important area, and directs that a report be given the Committee relating to this.

#### *Chiropractic*

The Committee is pleased that the Chiropractic Conference at the Institute was held, and favorable comments have been received. It is noted, however, that this is only a first step and that there is still a serious need for projects and personnel in this area. The Committee would hope that more progress can be made in this area than was made in the previous three years.

The Committee notes that there are nearly 17,000 chiropractors in this country treating thousands of patients. In light of this, it would seem appropriate for HEW to create a program or appoint an individual to coordinate and develop an active relationship between research and methods of chiropractic treatment and the various HEW programs.

#### *New Drug Treatments*

During the past year two new drugs for the treatment of epilepsy were released on the basis of clinical data from Institute studies. It is expected that another new anti-epileptic drug will be ready for clinical release next year. The Committee encourages further work and the dissemination of information in this important area.

#### *Huntington's Disease*

Because of its hereditary nature and the belief in the past that Huntington's was a "mental" disease, many families have hidden its existence. It is estimated, that up to 14,000 Americans have symptoms of the disease. Clearly, identification of sufferers and their families is important, as is increased research in this and other related areas.

Recently a new two-drug combination therapy (L-Dopa and Carbidopa) for Parkinson's disease has been released for clinical use. Much smaller doses are now possible and these have been found effective for patients who were unable to tolerate L-Dopa because of side effects. Another drug, bromocryptine, has been found to have a potent therapeutic action in Parkinson's disease similar to that of levodopa and may actually be more effective.

The Committee is interested in these possible treatments, and will be anxious to discuss this at next year's hearings.

#### *Multiple Sclerosis*

The Institute has now implemented many of the suggestions of the National Advisory Commission on Multiple Sclerosis. One new Mul-

multiple Sclerosis Research Center has been funded, in addition to the two existing centers, and two more will be funded before July, 1975. Also, as recommended, the Institute's neurological research program has been expanded and new laboratories of neuro-immunology and neuro-pharmacology have been established. The Committee supports additional funding of related research programs, and notes that increased research, training, and treatment should be conducted in this vital area.

#### *Communicative Disorders*

To give greater emphasis to the Institute's commitment to research in hearing, speech, and language disorders, the name of the Institute was changed last year to include the word "communicative." The Institute has also been reorganized into four major grant and contract programs. The Communicative Disorders Program is now headed by a well known otolaryngologist. The other three program areas are: Neurological Disorders, Stroke and Central Nervous System Trauma, and Fundamental Neurosciences. The Communicative Disorders Program will give special emphasis this year to two disorders of children: secretory otitis media, a chronic middle ear disorder which is a prime cause of childhood deafness; and laryngeal papillomatosis, recurring benign tumors of the vocal cords. Other programs of emphasis will be cochlear implants to restore a measure of hearing to the profoundly deaf and a study of the effect of noise on hearing and speech.

#### *Sleeping Sickness*

It has come to the attention of the Committee that a significant number of Americans, more than 20 million, are presently affected by narcolepsy and sleep disorders in general. Narcolepsy is a lifelong illness which often severely disables its victims and is characterized by sleep attacks, cataplexy (loss of voluntary muscle control), and occasional muscle paralysis (sleep paralysis). Therefore, the Committee urges the Institute to initiate a program to intensify the existing research into the causes and possible treatment of this disease.

#### *Personnel*

The Committee has provided an earmark of 73 positions over the fiscal 1975 authorized level for the Institute's intramural and extramural programs.

#### NATIONAL INSTITUTE OF ALLERGY AND INFECTIOUS DISEASES

1975 comparable appropriation.....	\$110,409,000
1976 comparable budget estimate.....	100,777,000
House allowance.....	118,918,000
Committee recommendation.....	118,918,000

The Committee recommends an appropriation of \$118,918,000, an increase of \$8,509,000 over the comparable 1975 appropriation, \$18,141,000 over the comparable budget estimate, and the same as the House allowance.

The bill does not include funds for the Institute's research training programs whose authorizing legislation expired on June 30, 1975. The FY 1975 appropriation for these programs was \$8,960,000.

For the transition period, July 1 to September 30, 1976, the bill includes \$26,974,000, the amount requested and the amount of the House allowance.

The National Institute of Allergy and Infectious Diseases has primary responsibility for conducting and supporting research related to diseases caused by infectious agents—such as viruses, bacteria, fungi and parasites—as well as disorders of the body's immune (or "protective") system. The record shows that much of this research provides the knowledge and new technology needed for some of the categorical research approaches of other Institutes, such as Heart and Cancer.

#### *Hepatitis*

Institute scientists have made significant progress in unraveling the mysteries of hepatitis, one of the more important infectious diseases in the U.S. Until recently, physicians thought there were only two types of hepatitis virus: hepatitis type A, commonly spread by water and food, and hepatitis type B, associated most frequently with use of blood products and transfusions, and with injections of illegal drugs. NIAID scientists now suggest that there is at least one other viral hepatitis agent transmitted by blood transfusions. In a NIH Clinical Center study, patients with post-transfusion hepatitis, in whom hepatitis B had been ruled out, showed no laboratory evidence of infection with hepatitis A or other known viruses.

One of the current obstacles to hepatitis vaccine development has been the drastically curtailed supply of imported research animals—chimpanzees for hepatitis type B and marmosets for hepatitis type A. In conjunction with other government agencies, NIAID has established breeding colonies for these animal models.

#### *Influenza and Pneumonia*

The Institute has a number of experimental vaccines "in the pipeline" to thwart other infectious diseases. Work is continuing on improved influenza vaccines which should be more effective and could be more rapidly prepared in the face of an epidemic. An influenza research center was established by NIAID in Texas this year to serve as a national focus of research efforts. On the international scene, joint endeavors in some areas of influenza research were initiated by Institute-supported and Soviet scientists following last year's agreement of the US-USSR Joint Committee for Health Cooperation.

#### *Meningococcal Meningitis*

The Institute has been intensively studying meningococcal meningitis, an important cause of illness, death, and permanent disability in children. A vaccine, pending license for use in adults, has been adapted for children, tested in small groups of American youngsters, and administered to 50,000 in Finland, where meningitis epidemics have raged for the past few years. Results of these trials, if successful, should lead to extension of licensing for use of the vaccine in children.

#### *Venereal Diseases*

With the resurgence of gonorrhea and syphilis in the population, the Committee has continually encouraged the Institute to intensify its efforts in venereal disease research. The level of research support has

increased from \$128,000 in 1971 to approximately \$3,000,000. During the past year, the Institute established its first multi-project programs of VD research at the University of Washington and at the Harvard School of Public Health. NIAID efforts have been broadened to include other sexually-transmitted diseases, such as those caused by herpes and cytomegaloviruses, fungi, mycoplasmas, and Chlamydia. The Committee expects the Institute to develop additional research centers for comprehensive attacks on these diseases and to stimulate the recruitment and development of young research talent for this important area of public health.

#### *Infant Diarrhea*

The NIAID has made remarkable progress toward solving a very old problem—acute diarrhea in infants. This disease still causes between 5 and 10 percent of infant deaths in this country and England and is a much more significant cause of infant deaths in the developing nations of the world. Last year, NIAID scientists developed new methods of identifying the causative virus with immune-electronmicroscopy. Since then, and working with veterinarians at the University of Nebraska, they have shown a relationship between this virus and a virus which causes serious illness in newborn calves. Using the calf virus, they developed a simple diagnostic test to tell whether an infant had been infected with the human agent. The Committee was led to believe that a vaccine might be developed to protect infants from this form of diarrhea. Added funds should be used to pursue this possibility.

#### *Hospital-Associated Infections*

Another important area that needs additional resources to really "get off the ground" is research on hospital-associated infections. An estimated 5 to 7 percent of all hospital patients develop some sort of infection, sometimes in surgical procedures and sometimes contracted from other patients. Often the infection is due to an antibiotic resistant organism and is difficult to treat. Research on hospital-associated infections is needed not only to control disease but also to reduce length of hospitalization stays, which contribute to the spiraling cost of medical care. This area deserves an allocation of additional funds.

#### *Immunologic and Allergic Disease Research*

Of particular concern to the Committee has been the application of immunologic techniques to the treatment of allergic patients. The Institute's network of 17 Asthma and Allergic Disease Centers in 13 states was designed to bring the latest findings of immunology to benefit the Nation's 35 million allergy sufferers. In addition to asthma, these Centers have been studying hay fever, bee sting allergy, anaphylaxis and a relatively new group of diseases known as hypersensitivity lung diseases. This latter group of diseases includes such allergic conditions as "farmer's lung," caused by inhaling molds growing primarily in silage, and "meat wrapper's asthma," caused by fumes released in the packaging process. A measurement of the momentum triggered by NIAID's allergic disease research program has been the significant increase in quality research papers presented before meetings of the

Nation's allergists and appearing in medical and scientific publications.

#### *Positions*

The Committee has provided an earmark of 66 positions over the fiscal 1975 authorized level to be used primarily in the Institute's intramural research programs as well as in its grants and contracts management.

#### NATIONAL INSTITUTE OF GENERAL MEDICAL SCIENCES

1975 comparable appropriation-----	\$135,423,000
1976 comparable budget estimate-----	120,779,000
House allowance-----	146,461,000
Committee recommendation-----	146,461,000

The Committee recommends an appropriation of \$146,461,000, an increase of \$11,038,000 over the comparable 1975 appropriation, \$25,682,000 over the comparable budget estimate and the same as the House allowance.

The bill does not include funds for the Institute's research training programs whose authorizing legislation expired on June 30, 1975. The FY 1975 appropriation for these programs was \$51,867,000.

For the transition period, July 1 to September 30, 1976, the bill includes \$32,961,000, the amount requested and the amount of the House allowance.

The National Institute of General Medical Sciences supports research and training in a wide spectrum of basic and clinical sciences, emphasizing studies on the cellular and molecular basis of disease which are essential to progress in all areas of medical care. Included are major research programs in genetics to advance the control of hereditary diseases, and in trauma to save the lives and improve the care of fire and accident victims. Research in anesthesiology is leading to improved surgical anesthesia and management of chronic pain, and in pharmacology and toxicology, to the safe and effective use of drugs. Still another program, in biomedical engineering, supports the development of new instruments and devices to facilitate both the investigation of disease and delivery of health services.

#### *Burn Injury*

Last year the Committee urged the Institute to emphasize support for new research centers and project studies to counter the devastating effects of burn injury. Each year, some 12,000 Americans die as a result of burns, either from early, undefined causes or fulminating infection. One-third of these deaths involve children under age 15, of whom the great majority are pre-schoolers. Annually, 130,000 fire victims require hospitalization which costs the Nation \$300 million. Much knowledge is still needed to prevent the horrible scarring and contractions, so that severely burned patients may eventually go on to lead useful and productive lives. The Committee finds that this lack of knowledge reflects the past low levels of commitment to burn research and to the training of needed investigators. Because of these factors, burn treatment in the United States has not improved much over the past decade and the mortality rate is still high for burns over 30 percent of the total body surface.

The Institute during the past year awarded funds to establish two burn research centers for a multidisciplinary approach to the study of thermal injury. While this progress is commendable, it is but a small beginning compared to the magnitude of burn death and injury. Accordingly, the Committee believes that the Institute should further intensify its efforts, giving high priority to support in this area, including emphasis on research training as authorizations may permit.

The Committee believes that services relating to burn research and victims should in most cases be conducted by the Health Services Administration. However, the Committee feels strongly that such services should begin immediately and a close coordination of research and service is vital. NIGMS is therefore directed to work with the Health Services Administration in developing an effective and useful comprehensive burn center program.

#### *Genetics Research*

Genetics research is a very important program within the Institute of General Medical Sciences. The Committee notes that there has been a great deal of progress in some genetic disorders and provision has been made for continued emphasis in this important area. The Committee is, however, very concerned over recent articles relating to the California genetic meeting wherein it was decided to move ahead in what potentially is a very dangerous area. The Committee would like the NIAMS to submit a report relating to its involvement in this meeting as well as its possible implications and what recommendations the Institute would make relating to this important matter.

#### *Respiratory Distress in Infants*

The Committee is impressed by the interplay which often occurs between the different programs of this Institute, through which a new basic lead in one area can be taken up, expanded, and applied beneficially in another.

The fruitfulness of this inter-Institute Cooperation of research and development is shown by new findings having important implications for the treatment of hyaline membrane disease (HMD), one of the leading causes of death among premature infants in the United States. Research has focused on an enzyme, which, as a grantee of the cellular and molecular basis of disease program first demonstrated, has a damaging effect to the cells and lungs of infants.

The problem of HMD is but one of several syndromes of severe respiratory distress which threaten and claim the lives of thousands of infants within the first few hours and days of life. Anesthesiologists supported by the Institute have contributed significantly to the emergency care and maintenance of such children by perfecting the technique of resuscitation known as positive pressure breathing, or PPB. Also, from the program in biomedical engineering, an innovative ultrasonic alarm system has been developed which monitors an infant's breathing and may have important application in the treatment of sudden infant death syndrome. The slightest failure of an infant to breathe triggers a flashing light and electronic alarm to summon assistance. The Committee encourages innovative efforts such as this.

#### *Minority Access to Research Careers*

The Committee continues its strong concern for the Institute's special MARC program (Minority Access to Research Careers) in order to gain for the Nation a much greater contribution to health knowledge and manpower development from its minority colleges and universities. As the Committee has pointed out, these institutions constitute an extremely valuable resource. The MARC program was formulated in 1972 to strengthen strategically the biomedical research and teaching capabilities of minority schools through award of fellowships for advanced training of their faculties. In 1974 this was broadened to include training grants, and obligations under the program were increased to approximately \$4.5 million.

#### *Personnel*

The Committee has provided an earmark of 23 positions over the fiscal 1975 authorized level for NIGMS research and related programs.

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

1975 comparable appropriation.....	\$116, 679, 000
1976 comparable budget estimate.....	96, 547, 000
House allowance.....	126, 889, 000
Committee recommendation.....	126, 889, 000

The Committee recommends an appropriation of \$126,889,000, an increase of \$10,210,000 over the comparable 1975 appropriation, \$30,342,000 over the comparable budget estimate, and the same amount as the House allowance.

The bill does not include funds for the Institute's research training programs whose authorizing legislation expired on June 30, 1975. The fiscal year 1975 appropriation for these programs was \$9,857,000.

For the transition period, July 1 to September 30, 1976, the bill includes \$23,566,000, the amount requested and the amount of the House allowance.

The mission of the National Institute of Child Health and Human Development is to conduct and support research on the health problems of the whole person through efforts to understand the many factors, both biological and behavioral, related to the adaptation of the world's population to available resources, and on family planning, child health, maternal health, and human development. The Institute promotes good health during pregnancy and infancy as the best assurance for full physical and mental adult health. With the transfer of the aging research program to the new National Institute on Aging, the NICHD has had an opportunity to reassess this mission and to focus programs on special problem areas of biomedical and behavioral research.

#### *Maternal and Child Health*

To achieve these goals, the Institute has reorganized and recently established the Center for Research for Mothers and Children, the extramural program dedicated to maternal and child health, which will concentrate on such special health problems as low birth weight infants, high risk pregnancy, sudden infant death syndrome, mental

retardation, and congenital malformations. This new Center is established in symmetry with the existing Center for Population Research, which has responsibility for studies of the forces affecting population growth, the development of contraceptive methods, and discovering the factors that determine acceptability of contraceptive methods and how these influence fertility.

#### *Perinatal Biology and Infant Mortality*

Research in perinatal biology and infant mortality concentrates on development of knowledge to assure maternal health and infant well-being. Research of the causes of low birth weight infants will be vigorously pursued in order to prevent the human suffering and economic loss resulting from death or disabilities of these infants. Of the approximately 250,000 infants weighing less than five and one-half pounds, born too small or too soon, about 45,000 of these babies die and about 60,000 have life long disabilities, ranging from mental retardation to learning disabilities.

Evidence now shows that babies who succumb to the sudden infant death syndrome (SIDS), or crib death, were not healthy babies as previously thought but had suffered from stress. The occurrence of SIDS primarily during sleep is suspected to be related with periodic breathing, a physiological sleep phenomenon. Autopsies showed that babies exhibited a previous lack of oxygen as evidenced by the thickening of muscles around the small pulmonary arteries. The Committee encourages further efforts in this area.

#### *Major Research Programs for Mothers and Infants*

The high infant mortality rate of this country is a national disgrace. The United States has dropped from fourteenth to fifteenth position in infant mortality rate among developed countries. The Committee continues to stress the need for this serious problem to be of national priority both in research and health care practices. The NICHHD proposes to attack this problem through the creation of Major Research Programs for Mothers and Infants.

Through these Major Research Programs for Mothers and Infants (MRP), the Institute plans to undertake concerted biomedical and behavioral research efforts directed toward infant survival. The MRP's will be organized around problem/need themes, for example: maternal-infant nutrition, psychosocial aspects of pregnancy, initiation of labor, and fetal development. The MRP's will be established where research would be coordinated with existing programs of health care to ensure the rapid assimilation of new scientific knowledge into health care delivery. Locating these MRP's throughout the United States will allow all areas to participate in the research and share in the increased awareness of the preventive importance of good health for mothers and infants.

From testimony received during this year's hearings, the Committee understands that the proposed Administration budget for NICHHD would have meant that there would have been no new programs initiated in the area of endocrinology, and a number of programs which have already been begun would be eliminated.

Witnesses have indicated that one special concern was that one of the newly planned initiatives that could not be implemented was to be the examination of all of the elements which go into the maintenance of a normal pregnancy. Up until now there has not been developed a coordinated program to do such research, and this major research program was to be targeted for \$6 million in the first year. With the low proposed budget, this program could not be funded without seriously detracting from ongoing programs, which would not be acceptable.

#### *Mental Retardation*

The Committee is pleased by the commitment of NICHHD in the area of mental retardation which has seen recent significant accomplishments regarding the causes and methods of amelioration of this tragic disability. It is now possible through newly developed techniques to detect certain genetic diseases, for example, Downs Syndrome (mongolism), early during pregnancy. The treatment of inborn errors of metabolism has been successful for PKU (phenylketonuria) and galactosemia, and the search for remedies to other metabolid disorders will be continued. The evaluation of teaching methods has shown that a simple five second delay period dramatically increases receptive language performance in retarded children. At the twelve Mental Retardation Research Centers and other research institutions, research will be vigorously pursued to identify the complex biological and behavioral interrelationships involved in treatment and prevention of mental retardation and to assure the distribution of this knowledge to both clinicians and lay persons. The Committee urges the NICHHD to intensify its efforts in this very important program as it continues to be one of the Committee's highest priorities.

#### *Reproductive Biology*

Fundamental research in reproductive biology, development and evaluation of contraceptive methods, and the causes and effects of population growth remain the high priorities of the population research program. There have been several major accomplishments in reproductive biology. It was demonstrated that sperm production is controlled by two hormones, and the identification and synthesis of hormones in the brain that control other hormones responsible for ovulation was achieved. Both these findings offer promise for new advances in the regulation of fertility and the alleviation of infertility.

Investigations concerning the safety and efficacy of various methods of contraceptives will continue. Such research has demonstrated the problem of high blood pressure associated with the use of oral contraceptives, and means to identify users at risk from this will be followed. Concern over the possible relationship of contraceptives and congenital malformations has stressed the necessity for further research and thorough investigation of any suspected cases.

#### *Personnel*

The Committee has provided an earmark of 30 positions over the fiscal year 1975 authorized level. These shall be utilized primarily for

the new Maternal and Child Health programs, clinical center assistance, and other research programs as well as grants and contracts management.

#### NATIONAL INSTITUTE ON AGING

1975 comparable appropriation	-----	\$13,905,000
1976 comparable budget estimate	-----	14,428,000
House allowance	-----	15,526,000
Committee recommendation	-----	20,526,000

The Committee recommends an appropriation of \$20,526,000, an increase of \$6,621,000 over the comparable 1975 appropriation, \$6,098,000 over the comparable budget estimate, and \$5,000,000 over the House allowance.

The bill does not include funds for the Institute's research training programs whose authorizing legislation expired on June 30, 1975.

For the transition period, July 1 to September 30, 1976, the bill includes \$3,943,000, the amount requested and the amount of the House allowance.

#### *Creation of Institute*

The National Institute on Aging was established by the Research on Aging Act of 1974 (P.L. 93-296) which was signed into law on May 31, 1974. By this law, Congress directed that research on the biomedical and behavioral aspects of aging be supported to make it possible for older Americans to enjoy the best health and the fullest participation in society possible. To accomplish this goal, the National Institute on Aging was formally created as the eleventh Institute of the National Institutes of Health on October 7, 1974.

The Act requires the development of a national comprehensive plan for a research program on aging. The Committee believes that this plan should also address the crucial issues of the coordination of all Federal agencies involved in aging research and the timely dissemination of research results. The population aged 65 or over is currently using approximately two-thirds of all Federal health care monies, and this population is expected to increase from twenty to thirty million by the end of the century.

#### *Committee Concern*

The Committee is seriously concerned that there is still no Director of the NIA. It is imperative that a Director be appointed promptly to direct and focus a concerted attack on the many serious biomedical and behavioral problems of the elderly. The detrimental effect of the lack of resources in terms of both positions and dollars must also be remedied to enable the new Institute to vigorously pursue its mission.

In short, it is now time to cease foot dragging and implement this important public law, which was enacted into law nearly one year ago.

In one year's time the Committee has not seen or been aware of any new or existing programs which are strongly moving ahead because of this new Congressional mandate. Instead, the program appears to be falling further behind because of administrative red tape and an unwillingness to tackle the very large and formidable mission which is

outlined for the Aging Institute in the legislation and one which literally could have an effect on every human being.

The Committee urges the Director of NIH to fill the vacant positions within the Institute as soon as possible and to take a more positive and aggressive role in the implementation of the new Aging Institute. Further, the Committee feels that it is vital for the Institute to get a proper beginning in the area of grants and contracts management, intramural research projects, and the dissemination of information. The Committee will be anxious to review what progress has been made in these vital areas during next year's hearing.

#### *Transfer of NICHD Activities to NIA*

The Gerontology Research Center, located in Baltimore, Maryland, which houses the intramural aging research program, and the Adult Development and Aging Branch, which administers the extramural grants and contracts, will be transferred from the National Institute of Child Health and Human Development to form the nucleus of the new NIA. Both of these programs will continue their studies of the biological, psychological, and societal aspects of the aging process.

#### *Research on Loss of Immunity*

Basic research will continue and be expanded on the molecular and cellular level to determine the chemical, structural, and functional changes that occur in aging cells. Research has demonstrated that the competence of the immune system gradually deteriorates until in old age it has approximately one-tenth of its peak efficiency at puberty. This deterioration of the immune system is an important factor in increased susceptibility to infections and cancer with increasing age. Caloric restriction delays this progress and further research will be conducted to discover other methods to alleviate the loss of competence of the immune system. The Committee has provided a large portion of the increase for this important program and urges a high degree of inter-institute cooperation in this area.

#### *Senile Dementia*

The distressing phenomenon of senile dementia will remain a high research priority. This loss of mental competence of the elderly places a heavy burden of both human suffering and economic consequences on families and society. Research into the causes of senile dementia has correlated biological phenomena, such as alterations of protein structure and loss of neurons, with the loss of brain function and mental capacity. This research plus behavioral and social research will be vigorously pursued in order to prevent and ameliorate the problems of senile dementia.

#### *Purpose of the Recommended Increase*

The increase of \$5 million recommended by the Committee will: (1) provide for an intensified research effort in the physiological, biological, psychological and social aspects of aging; (2) enable the Institute to begin its start-up operations to become an effective, functionally independent organization; and (3) fund the aging research plan, as required by law.

Increase in the extramural research program will provide for the support of additional investigations regarding: senility; postmeno-

pausal processes and changes; immunology; cellular biology; molecular biology; and age structure implications. The increase for the Gerontology Research Center in Baltimore will allow increased activities concerning: the neuro-biology of aging, changes in learning and adaptation with aging; the longitudinal aging study; and immunology. The increase will also allow for the establishment of the Office of the Director and his immediate staff, and will permit the Institute to formulate the research plan as required by law.

#### Personnel

The Committee has provided an earmark of 20 positions over the fiscal 1975 authorized level. These positions should be used to develop an effective grants and contracts management staff as well as positions for research program.

#### NATIONAL EYE INSTITUTE

1975 comparable appropriation	-----	\$39,393,000
1976 comparable budget estimate	-----	34,554,000
House allowance	-----	42,608,000
Committee recommendation	-----	50,000,000

The Committee recommends an appropriation of \$50,000,000, an increase of \$10,607,000 over the comparable 1975 appropriation, \$15,446,000 over the comparable budget estimate, and \$7,392,000 over the House allowance.

The bill does not include funds for the Institute's research training programs whose authorizing legislation expired on June 30, 1975. The FY 1975 appropriation for these programs was \$4,647,000.

For the transition period, July 1 to September 30, 1976, the bill includes \$9,103,000, the amount requested and the amount of the House allowance.

The Committee notes that there are approximately 10 million people in the United States with some degree of visual impairment—at least 340,000 people out of this total are legally blind. Annual income lost due to blindness is approximately \$1.5 billion a year; and the estimated cost of supporting all blind persons in this country is \$500 million. A minimum of \$140 million is lost in Federal taxes each year due to blindness. The cost of blindness to Federal and State governments and private agencies is \$469 million annually.

These, however, are only figures and the amount of suffering, mental anguish and family disorder relating to eye disorders cannot be measured and this is one of the true concerns of the Committee.

The Committee is hopeful that the increases provided for the Eye Institute will be used in continuing the development of a broad, comprehensive and aggressive eye research program while communicating the knowledge to all segments of our population.

Due to the limited amount of research being conducted on eye diseases, the National Eye Institute was authorized in 1968 to conduct and support research for new treatments, cures, and training relating to blinding eye diseases and visual disorders, including research and training in the special health problems and requirements of the blind, and the basic and clinical sciences relating to the mechanism of visual function and preservation of sight.

#### Review of Research on Vision

The Report, *Vision Research Program Planning*, prepared by a committee of the National Advisory Eye Council represents a major and unique effort to evaluate the state-of-the-art of vision research in the U.S. and to assess the major research needs and opportunities in this field. The Council examined the adequacy of support for ongoing projects and identified areas where little or no research is being conducted as well as those where special opportunities exist for capitalizing on leads uncovered by recent research results. For example it was found that research on the pigment epithelium, a single cell layer adjacent to the retina and recently identified as possibly playing a major role in normal retinal function, is receiving only minimal support. It has been found that this tissue, of which little is known, plays a major role in certain retinal degenerative diseases. Thus, as a result of the Council's planning effort, the Institute has made this a priority area for future research support and has broadly disseminated to the vision research community its increasing interest in support in this area of research. This Committee is pleased over the efforts of the Institute to identify priorities within its program and to make possible the most effective utilization of available resources.

#### Cataracts

For the first time the Institute has reported some new leads related to the probable cause of cataracts associated with aging; the most common form of this leading cause of blindness. These significant findings may provide information in the next few years as to whether the development of these cataracts can be delayed or prevented. The Committee will await with much interest the results of this research. Medical treatment would hold many advantages over surgery for the patient and would greatly reduce the cost to Americans of managing this disease.

Research supported by the National Eye Institute has created cataracts in animals and reversed them with chemicals. The Vision Research Program Planning Committee reports that new hypotheses provide conceptual motivation for researchers. The Committee, therefore, encourages the National Eye Institute to make cataract research one of its top priorities in spending the funding increase provided by the Congress.

#### Diabetic Retinopathy

Diabetic retinopathy is one of the most common causes of new adult blindness, and much more basic research is needed before its basis can be determined and a cure or means of prevention developed. However, the Institute has just launched a clinical trial to assess the safety and efficacy of a new surgical procedure for the treatment of eyes blinded by this condition. The Committee is pleased by this effort, for this procedure offers hope for the restoration of sight to certain people blinded by diabetic retinopathy.

The Committee encourages the utilization of expertise of all vision care specialists wherever and whenever possible. It has been noted that optometric involvement in grants and positions on the National Eye Advisory Council and Vision Science Study Groups has been minimal at best, although this profession provides the majority of vision care in the Nation.

### Personnel

The Committee has provided an earmark of 30 positions over the fiscal 1975 authorized level for continued research into new leads and existing programs of the National Eye Institute.

#### NATIONAL INSTITUTE OF ENVIRONMENTAL HEALTH SCIENCES

1975 comparable appropriation	\$31,884,000
1976 comparable budget estimate	29,368,000
House allowance	35,915,000
Committee recommendation	35,915,000

The Committee recommends an appropriation of \$35,915,000, an increase of \$4,031,000 over the comparable 1975 appropriation, \$6,547,000 over the comparable budget estimate, and the same as the House allowance.

The bill does not include funds for the Institute's research training programs whose authorizing legislation expired on June 30, 1975. The fiscal year 1975 appropriation for these programs was \$3,275,000.

For the transition period, July 1 to September 30, 1976, the bill includes \$7,540,000, the amount requested and the amount of the House allowance.

The mission of the National Institute of Environmental Health Sciences is to determine effects of environmental agents on man's health and well-being. In our expanding industrial environment, the number and complexity of environmental health problems is increasing rapidly. The Institute seeks to prevent disease through research aimed at identifying potential environmental health problems before they occur and thereby prevent exposure to toxic agents and subsequent disease or disability. Significant progress has been made in developing the information needed to prevent environmentally related diseases and to form the basis for action by the regulatory agencies.

### Toxicity Testing

For the past several years the NIEHS has been essentially alone in supporting basic research regarding the toxicity of ozone, a problem which has only recently come to public attention. NIEHS researchers have also been concerned with the effects of diethylstilbestrol (DES)—an environmental chemical currently used as a livestock food additive and gynecologic medication—on reproduction and development. Additionally, the laboratory animal model developed in this work is useful for studying factors associated with birth defects and appears to offer the promise that it may become possible to predict these toxic effects.

It is clear that environmental health problems will increase rapidly in the coming years as more and more chemicals make their way into commerce and as the energy crisis forces increased use of old energy-sources and the development of new ones. It is essential to develop and validate new and more reliable methods for screening chemicals to determine their safety or toxicity. Currently, there are an estimated 15,000 chemicals used commercially in our environment—many of which have never been tested for toxicity. In addition, as many as 500 new chemicals are placed into production each year. For this reason, the Committee recommends that the Institute move ahead as

quickly as possible in developing expeditious tests for adverse genetic and physiological effects of chemical agents to which the public is exposed.

### Marine Biomedical Studies

Last year, the Committee directed the Institute to begin planning a program in marine biomedicine. Since that time, the NIEHS has only convened a meeting on this subject. It was attended by marine laboratory directors from throughout the country who discussed the contributions each could make to such a program. In addition, the Institute is establishing a small field station at which it can conduct marine biomedical studies throughout the year. The Committee is concerned that because of inadequate resources the independent marine laboratories may be forced to close in the coming years. Accordingly, the Committee directed the NIEHS to develop a program of core support for operating those marine laboratories whose programs offer the best opportunities for advancement of marine biomedical research. This program should include those laboratories most able to help in assessing environmental health hazards or in the use of marine species as early warning systems for human hazards. It is the Committee's view that Section 301 (i) of the Public Health Service Act provides adequate legislative authority for the Institute to render this sort of broad assistance.

### Inter-Agency Coordination

The Committee encourages the Institute to continue its efforts in inter-agency coordination and liaison. In addition, it urges continuing close cooperation with Governmental, academic, and industrial groups. New testing methods for determining potential toxic agents are particularly important to regulatory and industrial groups—and hence, to public health—and should be made available to these groups as rapidly as possible.

The NIEHS is carrying out critical responsibilities in the vital area of dissemination of information. NIEHS' practice of sponsoring conferences on current areas of concern in environmental health, of publishing the proceedings promptly in its journal *Environmental Health Perspectives*, and of inviting members of Governmental, academic, and industrial groups, as well as members of the science press to conferences, is believed to be an effective means of fulfilling this responsibility. The Committee favors strengthening the Institute's efforts in this area.

### Personnel

The Committee has provided an earmark of ten positions over the fiscal 1975 authorized level for the Environmental Health Institute's programs.

#### RESEARCH RESOURCES

1975 comparable appropriation	\$127,816,000
1976 comparable budget estimate	80,724,000
House allowance	128,731,000
Committee recommendation	131,731,000

The Committee recommends an appropriation of \$131,731,000, an increase of \$3,915,000 over the comparable 1975 appropriation, \$51,-

007,000 over the comparable budget estimate, and \$3,000,000 over the House allowance.

The bill does not include funds for the Institute's research training programs whose authorizing legislation expired on June 30, 1975. The fiscal year 1975 appropriation for these programs was \$434,000.

For the transition period, July 1 to September 30, 1976, the bill includes \$20,195,000, the amount requested and the amount of the House allowance.

The mission of the Division of Research Resources is to meet the research resource needs of NIH and to develop and assure the availability of the resources that are essential for the effective conduct of biomedical research. The Division's six programs develop and support specialized research resources such as instrumentation, research animals, and clinical research beds to facilitate the biomedical research missions of the various Institutes.

#### *General Clinical Research Centers*

The Clinical Research Program provides clinical investigators with specialized research facilities and resources through its 84 General Clinical Research Centers. These miniature research hospitals are now located in 76 institutions, providing 867 research beds which represent 80 percent of the research patient beds supported extramurally by NIH. The amount provided by the Committee will allow these programs to continue at the fiscal 1975 level.

#### *Biotechnology Research Program*

The Biotechnology Research Program provides biomedical investigators access to ultra-sophisticated expensive instruments, complex methodologies, and expert staffs to operate them. The Program has initiated a resource sharing activity which enables resources to be shared between host institutions and other widely dispersed institutions permitting research groups, both small and large, access to the most advanced technologies. The Committee is pleased with the savings and coordination which this program has begun to foster, and further efforts in this area are encouraged.

#### *Laboratory Animal and Primate Program*

Two million dollars of the increase has been provided for the Primate Centers program. The Committee understands that inflation and related costs to primate development have been particularly harsh on the Centers' program, and the increase provided will help to somewhat alleviate the problems in this important area.

The Laboratory Animal Sciences and Primate Research Program provides biomedical investigators with special research environments to conduct biomedical and behavioral research using nonhuman primates and other research animals. Special emphasis is being made to provide the animal resources needed for the research programs of the other Institutes. There is critical shortage of subhuman primates due to the increasing use of primates in place of human research patients and to the reduced number of monkeys that are available as a result of the reduction of exports by India and other countries.

The seven Primate Research Centers have been the leading contributors to the basic knowledge in primate biology and husbandry

and have been engaged in primate breeding since 1960. The Centers now produce only about half of their annual requirements for experimental primates at an annual cost of \$1.5 million. The Committee concurs with the recommendation of the NIH Primate Steering Committee that the primate centers should eventually be self-sufficient in their capacity to breed domestically the major primate species now in short supply.

#### *Minority Biomedical Support Program*

The Minority Biomedical Support Program mission is to increase ethnic minority participation in biomedical research, by adding to the pool of minority institutions, and to utilize the talents of minority biomedical investigators. The Committee is impressed with the progress of this program, and has provided an additional \$1 million for this program. In 1975 a total of 71 grants were made to 75 institutions benefiting 350 minority faculty and 1,000 students.

The Committee directs that a portion of the funds appropriated for the Minority Biomedical Support program (up to \$100,000) be made available to award an approved grant to Haskell Indian Junior College.

The MBS regulations published in the Federal Register on June 30, 1975, extend the program to American Indian Tribal Councils and institutions with significant (but not necessarily over 50 percent) minority enrollments. The additional funds would allow the funding of at least three grants involving American Indian students and several applications from the newly eligible institutions which are presently under review.

#### *Prophet Computer Information System*

The purpose of the Chemical/Biological Information-Handling Research Program is to design and develop an "easy to use" computer system to study chemical and biological interactions, particularly of drugs, and to make this system available to the national scientific community. There has been growth in the number of users of the Prophet system which is expected to have 13 groups and 100 individuals in 1976. The Committee was pleased to learn that the cost of operation of Prophet is beginning to be shared with its users.

#### *General Research Support Grants*

Last year, the Committee asked NIH to submit a report on revising the formula and guidelines, eligibility, allocation and use of the funds awarded under the General Research Support Program. The report recommends greater control over the grants; a new formula for the distribution of the funds; more emphasis on smaller institutions and on the dissemination of information about the availability and use of the funds; and the obtaining of internal advice on utilization of these funds by the grantee institutions; the merger of the General Research and the Biomedical Sciences Support Programs into a new program called Biomedical Research Support with a new sub-program, Biomedical Research Development, which will be funded by using not more than 10 percent of the funds appropriated for the new Biomedical Research Support Program. The subprogram's mission is to support the development of the research capacities and capabilities in biomedical research of the smaller or newer institutions.

The Committee feels that the Biomedical Research Support is a distinct improvement over the old General Research Support Program because of its new formula, better controls, and more specific goals. The Committee believes that these flexible awards will more effectively supplement the regular research grants in the support of biomedical research. Of the total grants awarded by the NIH and the National Institute of Mental Health, only five percent is funded through these flexible funds. This small amount permits grantee institutions to respond to emergencies and unpredictable needs in research, to make on-site judgments, to promote central sharing of resources, to fund pilot studies, and to support young research scientists not yet in a position to compete for direct project support.

The Committee fully concurs in the action of the House restoring the funds for this program to their FY 1975 level.

#### Positions

The Committee has provided an earmark of eight positions over the fiscal 1975 authorized level for the Division of Research Resources.

JOHN E. FOGARTY INTERNATIONAL CENTER FOR ADVANCED STUDY IN THE HEALTH SCIENCES	
1975 comparable appropriation	\$5,406,000
1976 comparable budget estimate	4,540,000
House allowance	5,345,000
Committee recommendation	5,345,000

The Committee recommends an appropriation of \$5,345,000, a decrease of \$61,000 from the comparable 1975 appropriation, an increase of \$805,000 over the comparable budget estimate, and the same as the House allowance.

For the transition period, July 1, to September 30, 1976, the bill includes \$1,135,000, the amount requested and the amount of the House allowance.

The Fogarty International Center serves as a focus and a mechanism for the international activities of NIH. Its activities include programs for the exchange of young scientists and senior scholars between the U.S. and other countries and the organization of seminars and conferences on biomedical research policies and problems of common interest.

#### Fellowship Programs

The International Research Fellowship Program has brought hundreds of young foreign scientists to this country for research, collaboration and training and who are contributing substantially to the knowledge base upon which U.S. science is developing. The research experiences of these promising young scientists in American laboratories and medical centers has fostered the development of long-term collaborative efforts between foreign and domestic laboratories and has advanced the research potential of these countries. This program which has had its share of problems with fluctuating funding should, with a more constant appropriation, strengthen its relationships with the participating countries and their nominating committees so as to

provide the necessary planning to maximize total participation by all countries.

The Committee supports the House action in its effort to return this program to a more viable and stable base. The Committee has long felt that international exchange programs should provide opportunities, not only to foreign scientists, but also to young American scientists—that international cooperation and the sharing of knowledge is a two-way street. The Committee is therefore pleased that a Senior International Fellowship Program was initiated this year to award fellowships to faculty members at U.S. schools of medicine, osteopathy, dentistry and public health so that they can go abroad to study and to share their expertise. The new program has evoked an enthusiastic response and 29 such fellowships have been awarded.

#### Studies and Conferences

The Center includes among its programs a continuing series of studies focused on contemporary problems such as, for example, a review of U.S. and foreign efforts in preventive medicine to provide a base for better planning both in the United States and abroad. The Committee was somewhat puzzled during the hearings, by the topics selected for some of the studies and conferences sponsored by the Fogarty Center. It would welcome a statement from the new Director of NIH on the role of the Fogarty Center, on how this relates to the mission of NIH, and on what mechanism exists, or is contemplated, for coordinating the activities of the Fogarty Center with those of NIH as a whole and, especially, to ensure that they do not duplicate or preempt matters of proper concern to the individual Institutes.

#### Gorgas Memorial Laboratory

The Gorgas Memorial Laboratory, located in Panama, has long been involved in research on infectious diseases which constitute a continuing threat both to the United States and to U.S. Nationals stationed or traveling abroad. The Committee commends the work of this program and encourages further development from the NIH in this area.

#### NATIONAL LIBRARY OF MEDICINE

1975 comparable appropriation	\$28,848,000
1976 comparable budget estimate	28,815,000
House allowance	28,815,000
Committee recommendation	29,565,000

The Committee recommends an appropriation of \$29,565,000, an increase of \$717,000 over the comparable 1975 appropriation, \$750,000 over the comparable budget estimate and the House allowance.

For the transition period, July 1, to September 30, 1976, the bill includes \$6,572,000, the amount requested and the amount of the House allowance.

The NLM operates as the Nation's principal medical information resource by acquiring, organizing and distributing health related information in all forms. Through its Lister Hill National Center for Biomedical Communications, it encourages the application of advanced computer and communications technologies to the solution of biomedical information problems.

### *Lister Hill Center*

The Lister Hill National Center for Biomedical Communications has been diligently striving to develop prototype networks and information systems to improve health education, medical research and the delivery of health services for the Nation. Microwave, cable television, data communications, computer-assisted instruction and satellite relay networks are among the experimental and operational technologies successfully applied by the Center. The Center has now reached a point in its development where it can no longer rely solely on contractors to develop communication networks but must enlarge its in-house expertise and facilities to develop effective national programs.

The Committee has, therefore, provided \$26 million, the same as the House allowance, in the Buildings and Facilities Appropriation for the construction of the Lister Hill Center.

This building will reduce the acute space shortage within the present Library; bring together its computer, audiovisual and communications programs; and accommodate specialized facilities for the further exploration and expansion of advanced communication techniques.

### *Satellite Communications*

Building on the success of an earlier satellite communications network in Alaska, the Lister Hill Center has sponsored a new series of experiments in Alaska and Washington using the ATS-6 satellite which permits the transmission of health care and educational information via two-way color television. These experiments promoted more effective dissemination of medical information to practitioners, allied health care personnel and students at remote sites.

The Committee encourages further development in this area, which has great potential for relaying information and medical assistance to rural and medically-under-served areas.

### *MEDLINE and TOXLINE Retrieval Systems*

The Library continues to expand its on-line bibliographic retrieval system MEDLINE which has become a major resource for all elements of the health community. This Committee has, in the past, encouraged NLM to charge a nominal fee for the communication costs in order to promote equal access and cost sharing on the part of users. The Committee endorses the plan under which the user now pays for communications with NLM while the Library pays the data base building and provision of computerized reference services.

The Toxicology Information Program collects and organizes data on toxic substances from diverse sources and makes this information, in the form of abstracts, readily accessible through its on-line bibliographic retrieval service, TOXLINE.

### *National Library Network*

It is part of the Library's responsibility to strengthen the services of the Nation's medical libraries and information resources. This is done through its national library network. This program provided grants to train professional personnel, improve resources and services of libraries, produce medical reviews and conduct research for improved application of information and communication technology. In addition, through contracts, the program developed a national net-

work of Regional Medical Libraries which provide back-up services to local medical libraries throughout the country.

### *National Medical Audiovisual Center*

The role of the National Medical Audiovisual Center (NMAC), located in Atlanta, Georgia, is to improve the quality and facilitate the use of biomedical audiovisual materials in support of health care and education. With the assistance of special panels of educators and biomedical specialists, NMAC identifies, collects, and evaluates materials for the basic and continuing education of health professionals.

### *Personnel*

The Committee has provided an earmark of 16 positions over the fiscal 1975 authorized level for programs of the National Library of Medicine.

#### BUILDINGS AND FACILITIES

1975 comparable appropriation	\$3,000,000
1976 comparable budget estimate	3,000,000
House allowance	93,000,000
Committee recommendation	41,000,000

The Committee recommends an appropriation of \$41,000,000, an increase of \$38,000,000 over the 1975 appropriation and the budget estimate and \$52,000,000 below the House allowance.

For the transition period, July 1 to September 30, 1976, the bill includes \$750,000, the amount requested and the amount of the House allowance.

Of the increase over the budget allowance, \$12,000,000 is for the construction of a research facility for the National Institute of Environmental Health Sciences at Research Triangle, North Carolina; \$26 million is for the construction of a building for the Lister Hill National Center for Biomedical Communications, an adjunct of the National Library of Medicine, on the NIH grounds at Bethesda.

The research building for NIEHS, for which planning was authorized in 1965, will be built on land donated to the Federal government. The facility itself will provide for approximately 300,000 square feet of research space and house up to 1,200 people. The total estimated cost, for which there was no budget request and no indication of official interest by the Administration and Department, is \$64,000,000. In addition, the Department has appealed this item from House action. The estimated cost would include the initial site development, the installation of a utilities system, and the construction of a power plant and warehouse.

The Committee has allowed an initial \$12 million for phase one of this facility, which could be constructed in three separate phases. These funds will allow funding for the construction of roads, preparation of land, and the completion of architectural and engineering designs.

The Committee notes that there was no budget request for either the NIEHS facility or the Lister Hill Center at the National Library of Medicine. Both of these projects are high-priority items with an obvious and important program need, and the Committee is hopeful that these projects will now be able to move along.

The new Lister Hill Center will be constructed adjacent to the present Library building on the NIH Campus. The building will occupy nearly 200,000 gross square feet of space and rise ten stories above grade.

The Committee is pleased that this new facility will now be built. At a time when interest in the development and communication of medical information is so important, the Committee feels that the Lister Hill National Center for Biomedical Communications will go a long way in bringing our rural and medically-underserved areas closer to critical medical information.

OFFICE OF THE DIRECTOR

1975 comparable appropriation	-----	\$17,986,000
1976 comparable budget estimate	-----	19,986,000
House allowance	-----	19,612,000
Committee recommendation	-----	17,896,000

The Committee recommends an appropriation of \$17,896,000, \$90,000 below comparable 1975 appropriations, \$2,090,000 under the comparable budget estimate, and \$1,716,000 under the House allowance.

For the transition period, July 1 to September 30, 1976, the bill includes \$4,474,000, \$429,000 below the House allowance and \$523,000 less than the amount requested.

The reductions by the House represent 10 percent of the amount included in the budget request for the Standard Level User Charge payment to the General Services Administration, and the Committee concurs in this reduction. The Committee has also provided reductions to the fiscal 1975 level. It is felt that at a time when the NIH budget is remaining relatively stable and the budget requests are below recent levels, it would not be necessary to increase the Office of the Director's budget. Further, the Committee is concerned that positions and funds in this account are growing at a rate which is unacceptable. Funds and positions could be more effectively utilized in research programs and grants and contracts management throughout the NIH.

*Management Fund—Central Services*

The Committee is very concerned over the deteriorating situation of Central Services at the NIH and personnel for the Clinical Center. The centralized common services, funded through contributions to the Management Fund and direct payments for supplies and services, has borne the brunt of much of the reduction in force by attrition: these services have lost 590 employees out of 5,065, or nearly one out of every eight. The effects are readily apparent. It is surely mock economy to impede the work of highly qualified and highly paid scientists by forcing them to wait weeks—and sometimes months—for technical services or special equipment or by depriving them of the technicians required for efficient operation. Nor is it fair to the volunteer research patients to operate the NIH Clinical Center with less than the optimum number of nurses and ancillary patient-care staff. To strengthen Central Services (including both the Management Fund and central services and supplies) and program coordination for the whole NIH, the Committee directs that no less than 15 percent and up to 25 percent of the positions which have been earmarked for the Institute shall be utilized in this area.

Central services, which are funded by contributions from the various Institutes and Divisions or, in some cases, by payments for goods or services, have borne the brunt of staff reductions by attrition during the past several years. The staffing level in many of the service units has now reached a point where the quality of the service is

rapidly deteriorating as fewer people must cope with a workload that has not been diminished. The inevitable delays in and superficial or incomplete performance of supportive services are having their effect on the efficiency of the clinical and laboratory work done at NIH on the upkeep of the extensive buildings and facilities on the NIH campus.

The funds for these additional positions are included in the increases for the various Institutes that contribute to the Management Fund and purchase services and supplies from the NIH central services.

ALCOHOL, DRUG ABUSE, AND MENTAL HEALTH ADMINISTRATION

ALCOHOL, DRUG ABUSE, AND MENTAL HEALTH

1975 comparable appropriation	-----	\$619,357,000
1976 budget estimate	-----	476,279,000
House allowance	-----	557,654,000
Committee recommendation	-----	601,998,000

The Committee has provided \$601,998,000 for Alcohol, Drug Abuse, and Mental Health programs. This amount is an increase of \$125,719,000 over the budget estimate, and \$44,344,000 over the House allowance. Several items which were funded at a level of \$177,826,000 in fiscal 1975 were not considered due to a lack of authorizing legislation.

*Mental Health*

The bill includes \$92,908,000 for mental health research, an increase of \$12,719,000 over the budget request and \$258,000 over the comparable 1975 appropriation and the same as the House allowance. The allowance will provide approximately 270 new and competing research grant awards, compared to only 46 projected in the original budget request. This represents a decrease of approximately 33 below the 1975 new and competing award level, but a level sufficient to sustain priority efforts relating to the areas of child mental health, depression, and services development in communities. Mental illness costs the Nation some \$34.3 billion annually, including \$14.9 billion for direct care and \$19.4 billion for indirect costs arising from related deaths, disability, and patient care activities. The research budget recommended for 1976 represents less than one-half of one percent of the total cost of mental illness, and is, in the opinion of this Committee, a moderate investment in relation to the economic cost of this illness.

This Committee concurs with the House in rejecting the phase-out of mental health training, and has provided an additional \$15.7 million to bring the program up to the fiscal 1975 level. Since legislation extending the National Research Service Award Act has not yet been enacted by Congress, the allowance increases the request for clinical training only. The increase will provide additional continuation costs for ongoing clinical training programs. During the past 15 years, the number of social workers in the United States has increased from 26,000 to 60,000; psychiatrists have increased from 14,000 to 25,000; the supply of nurses has climbed from 504,000 to 815,000; and the number of psychologists has doubled, from 18,000 to 37,000. In spite of this progress, shortages still exist, and, as the House has pointed out, these shortages will total some 40,000 professionals by 1981, even with

the current rate of training. For these reasons, the Committee regards as essential the maintenance of clinical training programs.

#### *Native Americans*

The Committee is most concerned with the extremely high incidence of mental health problems affecting Native Americans. The latest figures available to the Committee indicate that while the suicide rate for the Nation as a whole was 11.9 per 100,000, the rate of suicides among Indians was 19.4 per 100,000 and among Alaskan Natives was a staggering 35.9 per 100,000. The Committee urges the Institute to develop a program aimed at improving the mental health of our Native Americans.

The Committee has provided an additional \$2,064,000 to the House allowance and budget request of \$160,143,000 for community programs. This amount will provide continuation support for projects initiated prior to June 30, 1974. In addition, it will allow the mental health of children program to operate at the fiscal 1975 level. New funds for these programs depend upon the enactment of new authorizing legislation. The Committee concurs with the House recommendation of \$22,274,000 for the Management and Information activity. The appropriation is \$2,000,000 over the budget request, and will partially restore positions and operating resources proposed for reduction in the 1976 budget. The Committee has included 75 positions in the bill over the fiscal 1975 authorized level for mental health activities. During the coming year, the NIMH will have a continuing responsibility for the monitoring of grants and provision of technical assistance. The Committee expects that the additional positions will be used for program needs and not for the Office of the Director.

#### *Drug Abuse*

The Committee has provided \$34,063,000 for drug abuse research, the same as the fiscal 1975 level. This amount will provide funding for an additional 25 new grants and contracts primarily in the high-priority area of improving therapeutic knowledge for treatment, cause, and the adverse effects of drug abuse. The continued improvement of existing chemical treatments may provide possible alternatives for some users of methadone which will not only aid in reducing the unintended diversion of that substance but will also permit the development of more effective courses of treatment. By enhancing current investigations into the usage patterns and trends of the nation's drug abuse experience, it will be possible to detect changes in incidence at the earliest possible date. Increased emphasis will also be possible on the adverse effects of polydrug interactions, cocaine, and particularly marihuana whose effect on adolescents during the post-puberty period of maximal psychological and biological change is of highest priority. This Committee concurs with the House that such programs are especially important in light of the increasing drug abuse problem that faces this Nation. In addition, the Committee notes that contrary to popular beliefs, this Nation is a long way from turning the corner on our drug problems, and a strong and continuing effort in this area must be maintained.

The Committee recognizes that lack of authorizing legislation for community programs precludes the inclusion of funds for these projects. Therefore, this committee has provided an increase of \$1,099,000 over the House allowance of \$11,836,000, or the fiscal 1975 level, for

continuation costs of staffing grants, the psychiatric care contract, and contracts which are funded under the existing authorities of the Community Mental Health Centers Act, the Public Health Service Act, and the Narcotic Addict Rehabilitation Act, respectively.

For drug abuse training, the Committee has allowed an increase of \$3,954,000 over the House in the very important area of community training programs. The additional funds included herein will permit the full continuation support of ongoing training grant programs and provides funds to support the establishment of the credentialing standards of drug abuse personnel, to support technical assistance to the States to assure an effective transfer of direct training responsibilities, and to conduct requisite training program evaluation. It will also provide funds for maintaining the National Drug Abuse Training Center at its current level, a measure that is important in ensuring the proper focus and coordination for the new direction of the national drug abuse training effort.

The Committee has also provided the drug abuse programs with an additional 25 positions over the fiscal 1975 authorized level which shall be used to meet program needs, including the monitoring of grants and contracts not in the Office of the Director.

#### *Alcoholism*

The Committee has provided \$13,008,000 for alcoholism research, \$2 million over the House allowance. The Committee notes that there are many gaps in the current knowledge of the biochemical, psychological, and social factors which contribute to the alcoholism problem in the Nation. Further, the Committee supports new studies undertaken in 1975 dealing with such elusive problems as the effect of alcohol on liver function and nerve cell physiology, as well as the identification of various social and psychological influences which may lead to alcohol abuse. The Committee supports the plan to broadly expand the alcoholism intramural laboratory in fiscal year 1976. This expansion will enable the Institute to address the most critical areas of alcoholism research and will form the basis for future research efforts.

The NIAAA is promoting, among other occupational program concepts, medical-behavioral job problem programs which are referred to as "Troubled Employee," "Broad Brush," or "Employee Assistance" programs. This is causing the Committee concern because the NIAAA could give the appearance of directing its efforts beyond the specific problem of the alcoholic worker as, from the title of these programs, it would appear that this agency is promoting an all encompassing health and job problem program. The NIAAA should be prepared to demonstrate that the approach it is advocating is both appropriate to its mission of identifying individuals specifically in trouble in the work place with beverage alcohol and equally or more effective than other concepts currently accepted by the alcoholism field. The Committee is also concerned that in promoting these programs the NIAAA may be doing so in a manner which could interfere with the collective bargaining process. The Committee supports the development of Labor-Management agreements in programs on alcoholism, however, it strongly believes that the NIAAA should act purely in a consultative role to both labor and management without becoming in any way in-

volved in a collective bargaining process between them. Programs and agreements on alcoholism should be left to Labor and Management to resolve in the bargaining process without NIAAA instruction or interference.

The Committee has allowed restoration of community programs to the 1975 appropriation amount and provided an additional \$17 million noting that the most critical attention should be given to the development of State and local capability to deal with the alcoholism problem. It is of primary importance to support needed prevention programs in the communities for those individuals who are potential alcohol abusers. The Committee supports new community treatment and prevention programs which have been initiated in fiscal year 1975.

The Committee notes, that up to \$10 million of the amount provided is for the special incentive grants under the authorizing legislation. The Committee is impressed that 16 States qualified for these grants in Fiscal Year 1975, having committed themselves legislatively to a community care approach to citizens with alcoholism problems instead of subjecting them to criminal prosecution.

The Committee is also interested in the continued growth of alcoholism and drug abuse education programs. The Committee encourages the two institutes involved to take a substantive initiative in this very important area.

In addition, the Committee has provided 100 positions for alcoholism programs over the fiscal 1975 authorized level. These should be primarily used for prevention programs and the improved management and monitoring of grants and contracts as well as research programs—no additional positions are allowed for the Office of the Director.

#### Program Direction

The Committee strongly supports the efforts of ADAMHA to monitor the Agency's programs and provide increased technical assistance to grantees. The Committee has provided a level of \$10,451,000, the same as the fiscal 1975 level. \$84,104,000 has been provided for the transition period from July 1, 1976 to September 30, 1976.

#### SAINT ELIZABETHS HOSPITAL

1975 comparable appropriation	-----	\$48,758,000
1976 budget estimate	-----	48,064,000
House allowance	-----	48,064,000
Committee recommendation	-----	48,064,000

The Committee concurs with the House recommendation of \$48,064,000. This amount represents the Federal share of the hospital's total operating budget of \$75,186,000. The 1976 request for Saint Elizabeths incorporates a reduction of 104 budgeted positions below the level authorized by the Congress in 1975. The Committee concurs with the House in directing that St. Elizabeths receive the full amount of authorized positions that were allowed in 1975. An additional 50 positions have been earmarked in the bill which shall be used primarily for patient care and services. Over 9,600 patients were treated at Saint Elizabeths over the past year, including approximately 3,900 total admissions. The number of outpatients in treatment has also more than doubled in the last decade. In view of the upward trend in workload over the past several years, and particularly in view of the hospital's current struggle to retain its accreditation, this Committee feels that a reduction in staff at this time is unwarranted.

#### BUILDINGS AND FACILITIES

1975 Comparable appropriation	-----	
1976 Budget estimate	-----	
House allowance	-----	\$2,500,000
Committee recommendation	-----	5,400,000

The Committee has allowed \$5,400,000 for St. Elizabeths Hospital buildings and facilities. This amount is \$2.9 million over the House allowance and \$5.4 million over the budget request. The additional funds shall be used for facility improvement needs in the areas of patient safety, privacy, and facilities for the improvement of services. These and other needs were identified by the Joint Commission of Accreditation of Hospitals (JCAH) during its survey of St. Elizabeth last year. The Committee fully supports the House request for a report from the Department of Health, Education, and Welfare, outlining plans for fully complying with the JCAH recommendations. St. Elizabeths is now faced with a crisis situation which threatens its continued accreditation. In view of the problems, this Committee expects the Department to develop specific comprehensive proposals for correcting deficiencies designated by the JCAH inspection team without any further delay.

#### HEALTH RESOURCES ADMINISTRATION

##### HEALTH RESOURCES

1975 Comparable appropriation	-----	\$302,319,000
1976 budget request	-----	325,329,000
House allowance	-----	360,709,000
Committee recommendation	-----	360,529,000

The Committee has provided an amount of \$360,529,000 a decrease of \$180,000 below the House allowance and an increase of \$35,200,000 over the budget request. The Committee did not consider funds for programs lacking authorizing legislation. The budget request for programs without authorization is \$286,158,000.

The Committee recommends \$21,997,000 for Health Statistics, the same amount as provided in fiscal 1975. The Committee feels that of the funds provided, a portion shall be used for continued development of the Cooperative Health Statistics System. The data to be produced by the Cooperative Health Statistics System will be employed by Federal and State agencies as well as the new health planning agencies for planning, management, and evaluation of Health programs. The Committee, however, feels very strongly that a means of utilizing the information must be clearly shown to the Committee during next year's hearings—particularly in terms of how this data will enhance health services delivery and research activities.

The Committee recommends \$80,000,000 for Health Planning and Resources Development, an increase of \$14,000,000 over the budget request and a reduction of \$6,000,000 from the House allowance. It is intended that \$20 million shall be available to support the Regional Medical Programs (RMP) and Comprehensive Health Planning

agencies (CHP) until June 30, 1976 or until the former programs become part of a new Health Planning Agency. To the extent that these funds are not needed for support of RMP's and CHP's they are available to accelerate the implementation of the Health Planning and Resources Development Act. The need for using these funds to implement the new act must be clearly demonstrated before the funds can be moved from RMP-CHP activities.

The Committee directs that an amount up to \$5,000,000 will be used to fund six State projects for rate evaluation as authorized under section 1526 of the Health Planning Act.

The Committee continues to be concerned with the escalation of hospital costs, and would urge the Department of HEW to utilize the technical assistance features of P.L. 93-641 (Health Planning and Resources Development Act of 1974) which offer the potential of effecting some restraint on the rate of this escalation.

The Committee recommends \$23,400,000 for Health Services Research. This program supports a broad range of research and demonstration activities in all aspects of health services delivery. A reduction of \$2,600,000 below the House allowance and budget request for these programs is traceable to testimony received during this year's hearings. The Committee was not impressed with the effect or impact which this program had on Health programs and costs, and would hope that information supporting the program's needs could be further justified prior to the fiscal 1977 hearings. The Committee concurs with the House in providing positions over the 1976 request, to permit the National Center for Health Services Research to begin to comply with the legislative requirement that 25 percent of the funds appropriated for research, demonstration, and evaluation be made available for support of direct (intramural) research activities.

The Committee also notes, that up to \$4 million shall be made available for the establishment of at least six health services research centers.

The Committee recommends \$79,092,000 for the Bureau of Health Manpower, an increase of \$23,250,000 over the budget request and \$14.2 million more than the House allowance.

This amount includes \$26,500,000 for Health Professions Student Assistance, which provides loans and scholarships to eligible students who need financial assistance in order to pursue a career in the health professions. The amount provided by the Committee will continue support for students who received prior assistance under this program.

The Committee also recommends \$9,042,000 for Dental Health Activities. This program is the Federal focus with regard to dental education, practice, and manpower research. The Committee feels very strongly that this program should remain viable and active as we continue to meet the growing demands of dental health care in this country.

The Committee notes with extreme concern the Administration's low budget requests for the Division of Dentistry and Nursing. This has been accompanied by a corresponding decrease in positions and, of course, program activities over the past two years. These actions, accomplished by administrative fiat, fly in the face of repeated admonitions from this Committee and its counterpart in the House directing the Department to maintain an organizational focus for these activities. It is a particular source of dismay to the Committee

that the Division of Dentistry's strong program devoted to the application of dental disease prevention measures has been phased down until it is essentially nonexistent. Such actions run counter to the Department's announced intentions with respect to emphasis on prevention of disease and are contrary to the public interest. The Committee directs, therefore, that the Department submit a detailed budget and statement of its plans for dental health and nursing activities exclusive of those programs being undertaken by the National Institute of Dental Research. This report should include a comparative summary showing the activities that have been discontinued and transfers that have taken place since fiscal years 1973 and 1974.

The Committee recommends \$21,500,000 for Nursing Student Assistance. Loans and scholarships in this category are awarded to students of exceptional financial need, and the Committee has provided the maximum amount possible under existing authorizations. The funds in this bill will continue to support students who have received prior assistance under these programs. The loan repayment funds are to repay the educational loans of students who agree to serve in a medically-underserved area, and the Committee encourages HRA to increase its efforts in this important area.

The Committee also directs that up to \$4 million of the amount provided be utilized for nursing research projects.

The Committee has included \$9,050,000 for the District of Columbia Medical and Dental Manpower Act. These funds will provide for the normal operating costs, including unfunded student aid, of the Medical and Dental Schools at Georgetown University and the Medical School at George Washington University, to enable the schools to continue to meet their commitments to students from 47 States that they serve and the Metropolitan Area of the District of Columbia. The Committee notes that despite the well-managed budgets of the schools, the student tuitions are among the highest in the nation.

The bill provides \$100,000,000 for Medical Facilities Construction, the same as the budget request and House allowance. These funds will be used to implement the new Title XVI provisions of the Health Planning and Resources Development Act, which replaces the Hill-Burton program. Priority shall be given to modernizing out-dated hospital and long-term care facilities and to the construction of out-patient facilities.

The Committee also notes that the direct loan and loan guarantee program shall be continued through section 1622 of P.L. 93-641 as previously authorized.

The Committee urges HRA to review the possibility of providing funds to Rogers Memorial Hospital in Washington, D.C. to develop an emergency facility for Members of Congress and for other purposes including services to Bicentennial visitors to the Capitol.

For special medical facilities, the Committee recommends \$7,575,000, the same as the House allowance. These funds are provided to complete construction of Children's Hospital in the District of Columbia, and will support construction of parking facilities for the Georgetown University Concentrated Care Center. The Committee understands that these are the last funds necessary for these projects.

The Committee is pleased that Children's Hospital has appointed a person to have specific responsibility for its new day-care center. Further, the Secretary of HEW is directed to provide the Committee with a report on the availability of loan funds to complete these projects at the hospitals.

The Committee takes note of the Resolution of the Senate Committee on Labor and Public Welfare dated April 4, 1973, relating to the findings of the GAO "Study of Health Facilities Construction Costs," dated November, 1972. In response, the Secretary indicated that in order to carry out the facility-related GAO recommendations, HEW funds would be made available from applicable health appropriations in the amounts of \$750,000 (for FY 1975) and then in succeeding years, \$980,000, \$845,000, \$725,000, and \$550,000. The impact of the Health Planning Act on health facilities, and the three present HEW team efforts in health facilities planning and development, life cycle budgeting and costing as an aid in health facilities decision making, and fire/life safety standards development for health facilities, the Committee has particular interest in continuing HEW fiscal support for the project office teams in FY 1976.

The Committee has allowed \$48,507,000 for program direction. This is a decrease of \$3,386,000 from the budget request and \$2,141,000 below the House allowance; it is \$1 million more than the fiscal 1975 level. These funds will support an additional 50 positions above the fiscal 1975 authorized level which have been earmarked in bill language. The Committee notes that these positions shall be used for various programs in both the regional and central staff, and they shall be allocated proportionately. The Committee is particularly interested in assuring that the health manpower programs receive additional staff to ensure proper monitoring of grants.

The Committee recommends an interim budget of \$78,255,000 for the programs of the Health Resources Administration. This level of funding will support these programs during the transition from the old to the new fiscal year period.

#### MEDICAL FACILITIES GUARANTEE AND LOAN FUND

1975 comparable appropriation.....	
1976 budget estimate.....	
House allowance.....	\$10,000,000
Committee recommendation.....	10,000,000
	10,000,000

The Committee is concerned with the continuation of the loan and loan guarantee fund provided for the modernization of hospitals and new construction of ambulatory treatment facilities. The Secretary has assured the Committee that HEW has the requisite authority and funds for interest subsidy to make allocations to the States for the continuation of these programs in FY 1976. In view of the significant needs which exist for these activities, the Committee expects the Department to continue to make direct loans and loan guarantee commitments during this fiscal year at least at the levels previously allowed.

The bill includes \$10,000,000 for the Medical Facilities Guarantee and Loan Fund, the same amount as the budget request. The budget request plus funds appropriated in prior fiscal years is available to pay an estimate of \$19,000,000 in interest subsidies.

#### PAYMENT OF SALES INSUFFICIENCIES AND INTEREST LOSSES

1975 comparable appropriation.....	\$4,000,000
1976 budget estimate.....	4,000,000
House allowance.....	4,000,000
Committee recommendation.....	4,000,000

The bill provides \$4,000,000 for Payment of Sales Insufficiencies and Interest Losses, the same amount as the budget request and the comparable 1975 appropriation. This appropriation provides for the mandatory interest payments to the Treasury Department and the Government National Mortgage Association which arise from two student loan revolving funds.

#### ASSISTANT SECRETARY FOR HEALTH

1975 comparable appropriation.....	\$22,025,000
1976 budget estimate.....	23,288,000
House allowance.....	23,142,000
Committee recommendation.....	20,842,000

The Committee has allowed an appropriation of \$20,842,000, which is \$2,300,000 below the House allowance, a reduction of \$2,446,000 from the budget request, and decrease of \$1,183,000 under the comparable 1975 appropriation. This appropriation supports the administrative staff of the Assistant Secretary for Health. The Committee notes that this staff has grown very rapidly and disproportionately to the relative growth of the health programs and agencies. Further, the Committee notes that the office of the Assistant Secretary should be disseminating a portion of its positions to the various health services, research, regional and preventive programs rather than over centralizing at the expense of other health programs.

The Committee also recommends \$5,210,000 for the transition period from the old to the new fiscal year.

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

1975 comparable appropriation.....	\$39,200,000
1976 budget estimate.....	45,013,000
House allowance.....	45,013,000
Committee recommendation.....	45,013,000

For retirement pay and medical benefits the bill provides \$45,013,000, the same amount as the budget and an increase of \$5,813,000 over the comparable 1975 appropriation. This activity provides for mandatory payments to Public Health Service Commissioned Officers who have retired for age, disability or specified period of service in accordance with provisions of law. Provision is also made for the cost of medical care provided in non-Public Health Service facilities to dependents of officers of the Public Health Service Commissioned Corps.

#### SOCIAL AND REHABILITATION SERVICE

##### PUBLIC ASSISTANCE

1975 comparable appropriation.....	\$13,841,479,000
1976 budget estimate.....	14,999,085,000
House allowance.....	15,000,000,000
Committee recommendation.....	15,009,400,000

The bill includes \$15,009,400,000, an increase of \$10,315,000 over the budget estimate. Overall, the amount recommended represents an increase of \$1,167,921,000 over the 1975 comparable appropriation. Of this increase, \$1,160,593,000 represents increases in the noncontrollable programs for maintenance assistance, medical assistance, and social services.

The bill includes \$14,880,800,000 for the noncontrollable programs in this account. The amount provided covers mandatory Federal payments authorized under provisions contained in the Social Security Act. The amounts provided in the bill are based primarily on estimates of requirements submitted by the States in November, 1974. The Committee wishes to make it clear at the outset that recent data submitted by the Department indicate that current requirements for fiscal year 1976 may run as much as \$1.1 billion over estimates submitted to Congress in February.

#### *Maintenance Assistance*

For maintenance assistance, the Committee recommends \$5,166,800,000, the same as the House bill and \$304,873,000 over the 1975 level. A substantial portion of this amount is to reimburse State welfare agencies for a portion of payments made to families with dependent children. The increase over the 1975 level is primarily due to an unanticipated increase in the number of recipients and a rise in the average monthly payment. Other programs funded include aid to the aged, blind, and disabled, emergency assistance and State and local administration. The Committee has also approved the request for \$252,000 for assistance to repatriated U.S. nationals. The House had deferred action on this item pending enactment of authorizing legislation (Public Law 94-44, authorizing the continuation of this program, was enacted subsequent to the House action). The Committee remains hopeful that special efforts will be made to reduce the costs of this program. Regrettably, the Department has consistently failed to meet savings estimates associated with management improvements. The Committee strongly urges continued and expanded efforts on the part of HEW and the States to reduce overpayments and remove the ineligible recipients from the welfare rolls.

#### *Medical Assistance*

For medical assistance, the Committee bill includes \$7,766,000,000, the amount of the budget request. Grants for medical assistance, authorized under Title XIX of the Social Security Act, are made to States and jurisdictions having plans approved by the Department. The primary purpose of Title XIX, which became effective in January 1966, is to assist States to provide medical care to their low-income population. Funding is on the basis of a formula which determines the percentage of total program to be matched by Federal dollars. Grants are made to States quarterly, based upon their estimated need and availability of State funds; overestimates or underestimates are corrected in subsequent quarterly grant awards.

The amount contained in the bill represents an increase of \$799,625,000 over the amount available in 1975. For the most part, this increase may be attributed to the rising costs of medical care. Last year, following the removal of wage and price controls, many States increased re-

imbursement rates to physicians and other practitioners. In addition, the number of recipients is estimated to grow from 24.7 million to 25.6 million in fiscal year 1976.

The Committee is pleased that the Medical Services Administration was able to carry out its mandate in regard to the establishment of rural health research and demonstration projects. The degree of coordination achieved by this agency with other programs of the Department should serve as a model. The Committee has approved the request for \$10,000,000 out of Title XIX funds for this purpose. It is expected that this level will continue for five years, with reports submitted to the Committee annually. The Committee further recommends that some awards be made to areas, such as those in Rhode Island, which may serve as models for the rest of the Nation. The Committee directs that the Medical Services Administration use up to \$400,000 for contracts to provide the technical assistance necessary to manage the program effectively.

The Committee is deeply concerned over the extremely long delay in the full implementation of the Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) program. It has now been over five years since this program was first implemented. Although the Department has imposed some penalties on States failing to meet screening requirements in the law, the Committee is distressed that other States have screened less than two percent of the eligible population. The Committee is also disturbed that the major problems and issues remain as yet unresolved namely: (1) a lack of uniform follow-up for children screened; (2) incomplete data on the number of eligible children; (3) the inability of some States to develop and monitor providers on a State-wide basis; and (4) the lack of hard data on the actual number of children diagnosed and treated as a result of screening.

The Committee urges that these problem areas be given top priority to insure that this program fully encompasses all eligible children. Furthermore, HEW should immediately implement a national system for following up screening with the required scope of diagnosis and treatment programs.

The Committee also expects that within the total travel limitation placed on the Department, priority will be given to travel necessary to effectively implement EPSDT and to conduct assessments of State Medicaid programs.

#### *Social Services*

The Committee bill includes \$1,948,000,000, the amount of the House bill and \$56,095,000 over the 1975 level. The amount provided does not fully reflect the impact of new legislation—Title XX—which affords the States wide latitude and flexibility in determining eligibility and types of services available to eligible individuals. This new program provides for 75 percent Federal financial participation and is expected to serve 8.4 million people.

#### *Other programs*

For State and local training, the Committee has recommended \$54,000,000, a decrease of \$6,246,000 below the budget request and \$828,000 over the amount available in 1975. Funds for this program are used to assist State and local governments to train public assistance person-

nel. The amount recommended would support training for approximately 203,000 individuals.

The bill includes \$55,000,000 for child welfare services, an increase of \$5,000,000 over the House bill and the 1975 appropriation, and \$9,000,000 over the budget request. This program provides for grants to child welfare agencies which provide services to promote the welfare of children, primarily through the supplementation or substitution for parental care. The Committee believes that accepting the budget request to reduce the level of effort in this program would be unwise. Although Federal participation is relatively small (about 9 percent of total expenditures), the Committee sees the program as providing leadership and innovation to State and local welfare agencies. Along these lines, the Committee would hope that, with the additional funds recommended, more will be done in the area of adoptive services. The reasons for undertaking special efforts in this area are obvious. Not so obvious perhaps is the fact that adoption is much more economical (and effective) than long-term foster care.

The Committee bill includes \$10,700,000 for research and evaluation of public assistance programs, an increase of \$1,500,000 over the House amount and the 1975 appropriation. The Committee notes that recently enacted legislation mandates special studies of State social services and child care programs. To do this with the amount allowed by the House would severely cut back ongoing projects and studies. The Committee is certainly aware that some activities may be of marginal quality. Others, however, may in the future serve as models for badly needed efforts to reform and improve the current welfare system.

The Committee has also recommended \$8,900,000 for training, as authorized by section 426 of the Social Security Act. The Committee sees no reason to reduce this program below the 1975 level. A serious need still exists to provide trained social workers in the child welfare field. Funds would be used to support short- and long-term training.

The bill also includes \$3,965,000,000 to continue this program during the transition period.

## WORK INCENTIVES

1975 comparable appropriation	\$280,000,000
1976 budget estimate	330,000,000
House allowance	330,000,000
Committee recommendation	330,000,000

The Committee recommends \$330,000,000, which is the same as the House allowance and the budget request and an increase of \$50,000,000 over the amount appropriated for fiscal year 1975.

The work incentives program, authorized by Title IV of the Social Security Act, is a State-administered program designed to assist recipients of aid to families with dependent children to achieve self-support through training, work experience, employment, child care, and other supportive services.

The 1971 amendments to the work incentives legislation expanded and redirected the program by requiring most AFDC recipients to participate in the program and to accept jobs or job training. The focus of the program now is on employment rather than training; on-the-job training and public service employment are emphasized.

The Committee notes improvements in tracking the numbers of participants and job placements. Despite rising unemployment and a tight job market throughout the country, the placement record for this program appears to be holding steady.

The Committee recommends \$80,000,000, the amount requested, to maintain the program level during the interim period.

## SALARIES AND EXPENSES

1975 comparable appropriation	\$51,453,000
1976 budget estimate	63,361,000
House allowance	57,878,000
Committee recommendation	60,878,000

The bill includes \$60,878,000, an increase of \$3,000,000 over the House bill and \$2,483,000 below the budget request. The amount provided represents an increase of \$9,425,000 over the 1975 level. The bill reflects the recent transfer of the Rehabilitation Services Administration to the Office of the Assistant Secretary for Human Development.

The Committee has approved the request for 108 new staff positions for the Medicaid program. Of these positions, 28 positions are for the MSA Central Office, and 80 positions for the MSA Regional Offices. The positions for the Regional Office will report directly to the Commissioner of the Medical Services Administration. The additional staff recommended by the Committee should focus on the serious problems of fraud and abuse in the Medicaid program. The Committee will expect the Department to proceed quickly in the hiring and assigning of these new positions. Moreover, the Committee expects to be informed of the positive results of this new effort when testimony is presented on the fiscal year 1977 budget request.

The Committee has also approved a recent budget amendment for \$4,300,000 and 130 additional positions. The House did not consider this request. The amount will be used to implement and oversee two programs recently enacted into law—the child support enforcement program and the new Title XX social services program. With respect to the former, the Committee is concerned that the Department has attempted to begin work on the program prior to Congressional approval. The Committee cautions against any premature expenditure of funds for this purpose until enactment of this bill.

Reductions to the budget request in the amount of \$2,483,000 are recommended: \$360,000 for payment to GSA for standard level user charges; \$1,532,000 for project contracts and other services; and, \$591,000 for travel.

The Committee has allowed \$15,219,000 to continue operations during the transition period.

### SOCIAL SECURITY ADMINISTRATION

#### PAYMENTS TO SOCIAL SECURITY TRUST AND OTHER FUNDS

1975 comparable appropriation	-----	\$3,345,323,000
1976 budget estimate	-----	4,175,255,000
House allowance	-----	4,123,363,000
Committee recommendation	-----	4,123,363,000

The bill includes \$4,123,363,000, a decrease of \$51,892,000 from the amount requested and an increase of \$778,040,000 over the amount appropriated for fiscal year 1975. This appropriation, for the most part, provides for payments from Federal funds to the social security trust funds for certain benefits and related administrative costs not financed by contributions from workers and employers.

The budget requested \$11,953,000 to cover estimated underfinancing of 1974 costs for hospital insurance for the uninsured. These funds are no longer needed since the underfinancing was determined to be a valid 1974 obligation and the obligation has been liquidated using available 1974 funds. Therefore, the Committee has removed this amount from the budget request.

The Committee has not allowed \$39,939,000 requested for standard level user charges related to social security trust fund programs, but has included \$10,616,000 for the Supplemental Security Income Program. The amount requested represents charges imposed by the General Services Administration in excess of the actual cost of space and maintenance services. The Committee continues to believe that the social security trust fund programs should not participate in the financial support of a general buildings fund having no relationship to trust fund operations. Facilities required for social security trust fund programs should be financed directly from the trust funds, as in previous years.

The bill provides \$2,939,000,000 in payments for supplementary medical insurance under part B of the Medicare program. These funds, together with the premiums paid by aged and disabled enrollees, finance supplementary medical insurance benefits and administrative costs. The amount included in the bill is an increase of \$612,000,000 over the 1975 funding. Most of the increase is attributable to increases

in physicians' fees, number and type of services rendered, and greater use of hospital outpatient services.

A payment of \$610,430,000 is provided in the bill to cover the costs of hospital and related care for certain aged persons who are not insured under the social security or railroad retirement systems. This is an increase of \$139,430,000 over the amount provided in fiscal year 1975, and results mainly from increases in medical care costs and utilization.

A payment of \$295,000,000 is provided for reimbursement of benefits paid on the basis of military service credits of veterans of World War II and certain other veterans. In addition, a payment of \$268,317,000 is included in the bill to reimburse the Old Age Survivors Insurance trust fund for special payments made to certain uninsured persons who retired before the enactment of social security legislation or before their occupations were covered by social security. This is a decrease of \$39,006,000 from the amount provided in 1975, and relates primarily to the declining number of persons receiving benefits.

The Committee concurs with the House allowance of \$880,940,000 for the interim period—July 1, 1976 through September 30, 1976.

#### SPECIAL BENEFITS FOR DISABLED COAL MINERS

1975 comparable appropriation	-----	\$957,740,000
1976 budget estimate	-----	999,778,000
House allowance	-----	999,778,000
Committee recommendation	-----	999,778,000

The Committee recommends \$999,778,000 for this program, consisting of \$987,000,000 for benefit payments and \$12,778,000 for administrative costs. This amount represents an increase of \$42,038,000 from the amount appropriated for 1975. The amount recommended for benefit payments is an increase of \$54,000,000 above the \$933,000,000 appropriated for fiscal year 1975, and is the net result of a decrease of \$15,000,000 in retroactive payments and an increase of \$69,000,000 to meet the costs of annualizing the October 1974 benefit payment increase and projecting another benefit increase effective October 1975. For administrative costs, the amount included is a reduction of \$11,962,000 from the \$24,740,000 appropriated for fiscal year 1975 due to a reduction in the appeals workload projected for 1976 from the high 1975 level.

The budget estimates for the Social Security Administration for this appropriation are for benefit payments and related administrative expenses authorized by Title IV of the Federal Coal Mine Health and Safety Act of 1969. This appropriation provides for cash benefits to miners who are disabled because of black lung disease, and for widows and children of miners who were entitled to these benefits or whose deaths were caused by black lung disease.

The Committee recommends for the interim period (July 1, 1976 to September 30, 1976) \$234,600,000, the same as the House allowance and the budget request.

#### SUPPLEMENTAL SECURITY INCOME PROGRAM

1975 comparable appropriation	-----	\$4,857,102,000
1976 budget estimate	-----	5,538,523,000
House allowance	-----	5,518,523,000
Committee recommendation	-----	5,518,523,000

The Committee recommends \$5,518,523,000, the same amount as the House allowance, which is a reduction of \$20,000,000 from the budget request and an increase of \$661,421,000 over the amount appropriated for 1975. The Social Security Amendments of 1972 established this federally administered program of basic cash payments for aged, blind and disabled people with very low income. It replaced the State and local programs of aid to these groups and has been in effect as a Federal program for about a year and a half, the first Federal payments having been made in January 1974.

The net reduction of \$20,000,000 in the budget estimate made by the Committee is based upon the actual cost-of-living benefit increase which was effective July 1, 1975. The budget projected an 8.7 percent cost-of-living increase but the actual increase amounted to 8.0 percent. Thus, the budget estimate was overstated by \$20,000,000.

The bill provides \$4,760,000,000 for benefit payments to the aged, blind and disabled, a net increase of \$680,000,000 over the amount estimated for 1975. The 8.0 percent cost-of-living increase in benefits and an estimated rise in the number of beneficiaries from 4,000,000 to 4,500,000 account for most of this increase.

The bill includes \$205,000,000 in Federal contributions toward State supplementary payments; \$54,888,000 for vocational rehabilitation services provided by State agencies to blind and disabled recipients; and \$498,635,000 for reimbursement to the social security trust funds for the cost of administering the program.

The Committee recommends \$1,503,541,000, the same amount as the House allowance, for program costs and administration during the period July 1, 1976 through September 30, 1976. This amount is a reduction of \$5,000,000 from the budget request and relates to the net reduction made in the estimate for benefit payments for fiscal year 1976.

#### LIMITATION ON SALARIES AND EXPENSES

1975 comparable appropriation	-----	\$2, 125, 987, 000
1976 budget estimate	-----	2, 373, 132, 000
House allowance	-----	2, 373, 133, 612
Committee recommendation	-----	2, 373, 133, 612

The Committee concurs with the House allowance of \$2,373,133,612, an increase of \$248,976,000 over the 1975 level and \$1,612 over the budget estimate. This increase from the estimate is for the Social Security Administration to establish a social security contact station in Arnold, Jefferson County, Missouri.

The Committee recommends that the 6,000 positions requested as term positions be authorized instead as full-time permanent positions without limitation on the duration of the positions, thus bringing the permanent position authorization for this account to 78,356. The Committee's decision is based on the conclusion that more permanent staff is needed to do a better job on the Supplemental Security Income program in anticipation that workload is going to continue at a heavy rate.

This account covers the administrative costs for the retirement, survivors and disability insurance program for the aged, blind and disabled. The trust funds are reimbursed for the administrative costs of the Supplemental Security Income program from the Supplemental

Security Income Program appropriation which is funded by the general revenues of the Treasury.

The Committee concurs with the House allowance of \$629,900,403 for the interim period—July 1, 1976 through September 30, 1976. This is an increase of \$403 over the budget estimate and is for the purpose of financing the social security contact station in Arnold, Missouri.

#### LIMITATION ON CONSTRUCTION

1975 comparable appropriation	-----	\$8, 232, 000
1976 budget estimate	-----	6, 300, 000
House allowance	-----	6, 300, 000
Committee recommendation	-----	6, 300, 000

The bill provides authority to spend \$6,300,000 from the social security trust funds for purchase contract payments on three program centers. The Committee concurs with the House allowance of \$3,633,000 for the interim period—July 1, 1976 through September 30, 1976.

#### ASSISTANT SECRETARY FOR HUMAN DEVELOPMENT

##### HUMAN DEVELOPMENT

1975 comparable appropriation	-----	\$1, 460, 507, 000
1976 budget estimate	-----	1, 404, 682, 000
House allowance	-----	1, 500, 049, 000
Committee recommendation	-----	1, 528, 358, 318

The bill includes \$1,528,358,318, an increase of \$28,309,318 over the House bill and \$123,676,318 over the budget request. Also included is authority to spend \$600,000 from the social security trust funds. This account includes the following activities: child development, youth development, programs for the aging, the Rehabilitation Services Administration, grants for the developmentally disabled, and special programs for Native Americans.

##### Child Development

The Committee recommends \$456,000,000 for the Head Start program, an increase of \$6,000,000 over the House amount and \$21,700,000 over the budget request. Head Start is a comprehensive preschool program serving children and their families, primarily those who are poor. Grants to carry out the program are awarded to public and private nonprofit agencies, with the Federal share comprising 80 percent of total project costs. The increase provided is intended to meet increased operating costs of Head Start projects across the Nation. For research and demonstration projects authorized by Section 426 of the Social Security Act, the Committee has approved the budget request of \$15,700,000, the same as the House allowance. This is also the same amount as available for fiscal year 1975 and will assure continuation of projects relating to day care, child development and handicapped children. An amount of \$18,928,000 is included to continue activities authorized by the Child Abuse Prevention and Treatment Act.

##### Youth Development

The Committee has provided \$10,000,000 to carry out the Runaway Youth Act. Under this program, grants are awarded to private non-

profit agencies providing temporary shelter care and counseling services to youth who run away. It is estimated that the funds provided will support 144 local runaway projects serving 72,000 youths. The Committee notes that youths under 19 are responsible for more than 50 percent of the serious crime in this country. The Committee believes this program can play a vital role in helping to improve this situation.

#### *Nutrition Services for the Elderly*

The Committee has included bill language providing that the level of operations for the Nutrition services for the elderly program authorized under Title VII of the Older Americans Act shall be \$200,000,000 per annum. Because of the availability of carryover funds, and the Committee's desire to reduce forward funding into subsequent fiscal years, the bill provides for \$125,000,000 in new obligational authority, the same as the House allowance. The Department is, nevertheless, directed to spend the full \$200,000,000 for the program in fiscal year 1976. This would permit a modest amount of program expansion so that a portion of those elderly persons now on waiting lists can be served.

#### *Rehabilitation Services*

The bill includes \$720,000,000 for grants to States for basic vocational rehabilitation services, an increase of \$40,000,000 over the budget request and the amount appropriated for fiscal year 1975. The amount provided for basic grants is the full amount authorized. Under this program, allotments are made to States based upon a formula that takes into account population and per capita income, with each State allotted a minimum of \$2 million. The financial participation is 80 percent Federal and 20 percent State matching. In addition to basic grants, States receive other Federal funds for rehabilitation services from the Supplemental security income program and the beneficiary rehabilitation program authorized under provisions of the Social Security Act. From all funds available for vocational rehabilitation, States will be able to serve an estimated 1,660,000 handicapped persons and rehabilitate approximately 332,000. In addition, the Committee has provided \$309,318 (authorized under Section 110(b) of the Rehabilitation Act) to be allotted to North Dakota. The law authorizes an additional appropriation whenever allocations to States fall below the 1973 level. Under the present formula, North Dakota would be the only State to receive less than its 1973 allotment. The amount contained in the bill would remedy this situation.

The Committee has included \$23,000,000 to continue innovation and expansion grants at the 1975 level. No funds were requested for this program. These programs serve to supplement basic State grants and assist States in their efforts to design innovative programs to meet the needs of the poor and the severely handicapped. The Committee has also provided \$4,900,000 for special studies and evaluations. The Committee directs that out of the amount provided \$1,000,000 be allotted to the Projects with Industry program. A portion of this amount should be used to expand projects to the western half of the Nation. An amount of \$9,400,000 is recommended for training and facilities grants, an increase of \$2,500,000 over the budget request. The increase is for construction of rehabilitation facilities in

areas of greatest need. The Committee intends that the entire increase remain available until expended.

The Committee fully supports the program of services offered at the Maryland Rehabilitation Center and the seven other comprehensive rehabilitation centers throughout the Nation. It is the Committee's view that the Federal government should continue to provide the leadership and incentive for States to construct and operate such facilities. The Committee expects that the Rehabilitation Services Administration will make every effort to ensure that the eight comprehensive rehabilitation centers are adequately funded during fiscal year 1976.

For rehabilitation research activities, the bill includes \$24,000,000, an increase of \$4,000,000 over the budget request. The Rehabilitation Act of 1973 specifies a number of priorities for research. Special emphasis is placed on spinal cord injury and renal disease. The Committee believes HEW has fallen short in meeting this goal and urges expanded efforts in this vital area of research. Of the amount provided, at least \$1,000,000 should be directed toward developing and expanding model projects for spinal cord injury rehabilitation. A portion of this amount, \$250,000 will allow a model demonstration project to be developed in the greater New England area where no such project presently exists. The bill includes \$22,200,000 for rehabilitation training which, together with funds available from previous years, will maintain a program level of \$28,000,000. A portion of the funds provided in the bill for research and training may be used for international rehabilitation research, demonstration and training including the development of a domestic center to assist in coordinating information, research, and training relating to the rehabilitation of handicapped individuals.

#### *Developmental Disabilities*

For hospital improvement and rehabilitation service projects for the developmentally disabled, the bill includes \$18,500,000, the same as the amount allowed by the House and available in fiscal year 1975. These funds are used to improve care in institutions, initiate and expand community programs, rehabilitate the mentally retarded and provide in-service training.

#### *Special Programs for Native Americans*

The bill includes \$34,000,000 for the Native Americans program, an increase of \$2,000,000 over the budget request and House allowance. Through grants and contracts to tribal organizations and other non-profit agencies, this program helps meet the needs of Indians, Native Hawaiians, and Alaskan Natives. The Committee expects that \$200,000 will be used for planning during fiscal year 1976 for the recently authorized Native Hawaiians program. Funds should also be directed toward continuing successful Native Americans programs, including: the Kenai Native Association's Controlled Environment Project (\$1.2 million), the Pyramid Lake project, the Vejas Campground, the Organization of Forgotten Americans, and the Blackfoot Writing project.

#### *Salaries and Expenses*

The Committee recommends \$44,921,000 for salaries and expenses, a reduction of \$733,000 below the budget request. Payment of standard level user charges to GSA has been reduced by 10 percent following the general policy used throughout the bill. The requested increase

of \$854,000 for Comprehensive Employment and Training Act activities which included \$129,000 for annualization of pay cost increases and \$725,000 for collection and dissemination of information relating to job opportunities for the unemployed and underemployed has been reduced by \$427,000. In addition \$600,000 is authorized to be expended from trust funds.

The bill also includes \$371,505,000 and authority to use \$150,000 in trust funds during the interim period.

#### DEPARTMENTAL MANAGEMENT

##### OFFICE FOR CIVIL RIGHTS

1975 comparable appropriation.....	\$22, 207, 000
1976 budget estimate.....	25, 147, 000
House allowance.....	24, 686, 000
Senate allowance.....	24, 686, 000

The Committee recommends \$24,686,000, the same as the House allowance. This represents a decrease of \$461,000 from the budget request and an increase of \$2,479,000 over the comparable fiscal year 1975 appropriation. Authorization is also included to transfer \$1,351,000 from the social security trust funds.

The allowance provides the full request of 60 new positions. Of these, 42 will implement Section 504 of the Rehabilitation Act of 1973 which prohibits discrimination against the handicapped by recipients of Federal assistance. The Committee is concerned, however, that this number of positions may be inadequate to effectively initiate section 504 enforcement and a request for additional positions will be expected if necessary.

An additional 12 positions have been provided to increase Title VI enforcement in institutions which provide health and social services. Six new positions will be used to enforce the sex discrimination provisions of Title IX of the 1972 Education Amendments.

The bill includes a 10% reduction in funds requested for GSA standard level user charges and a reduction to maintain travel at the fiscal year 1975 rate.

The bill also includes \$6,379,000 and authority to use \$352,000 in trust funds to maintain the fiscal year 1976 level of funding during the interim period. This is the same as the House allowance and \$115,000 below the budget request.

The Committee also notes, that there has been an alarmingly high level of vacant positions within the OCR for the past two fiscal years. The Committee therefore directs that OCR report to the Congress no later than 6 months following enactment of this bill, the number of vacant positions as well as what efforts are being taken to properly fill and utilize these positions.

In addition, the Committee approves of the Office's systematic efforts through data collection and surveys to detect violations of Title VI and directs the Office to extend these surveys to both Title IX and Section 504 of the Rehabilitation Act of 1973. The Department should give high priority to these surveys.

#### GENERAL DEPARTMENTAL MANAGEMENT

1975 comparable appropriation.....	\$79, 644, 000
1976 budget estimate.....	93, 035, 000
House allowance.....	87, 289, 000
Senate allowance.....	85, 249, 000

The Committee recommends \$85,249,000, \$2,040,000 below the House allowance, \$7,786,000 below the budget request and \$5,605,000 above the fiscal year 1975 level. Authorization is included to transfer \$12,751,000 from the Social Security trust funds.

The Committee concurs with the House that more staff is needed to effectively manage the Department's growing array of programs. This is especially true in areas of workloads performed directly for the public such as legal services related to Social Security litigation, and very importantly, the enforcement of long-term care facilities regulations. In addition, increased emphasis should be given in areas such as contracts and grants management which affect the entire range of departmental programs. A total of 187 new positions is recommended because the Committee feels that the requested increase of 310 is too large to permit effective recruitment of skilled personnel such as lawyers, procurement specialists, and nursing and medical specialists for the long-term care program. The Department is directed to allow 12 new positions for the investigations staff and 37 new positions for the Audit Agency because additional resources are necessary to maintain the financial integrity of large programs such as Medicare and the guaranteed student loan program. The Committee hopes that these additional positions will prove the effectiveness of providing more resources in this area and would urge the Department to cite examples during next year's hearings.

The Committee has not approved the requested dollar increases for executive training, a facilities management system, and "other special requests." Further the Committee directs that within this account and other HEW programs, unnecessary purchases such as furniture and carpeting be closely monitored and regulations in this area strengthened. In addition, the bill includes a 10% (\$1,375,000) reduction in funds requested for GSA standard level user charges and a reduction to maintain travel at the fiscal year 1975 rate before the per diem rate increase went into effect. The remaining reductions are in the immediate office of the Secretary and the Under Secretary and Assistant Secretary's where positions and funds could be more appropriately utilized in direct programs in the various agencies or in the areas noted above in general departmental management or in the Office of Civil Rights. The bill includes \$22,160,000 and authority to transfer \$3,284,000 in trust funds to maintain the fiscal year 1976 level of funding during the interim period. This is \$510,000 below the House allowance and \$1,946,000 below the budget request.

#### POLICY RESEARCH

1975 comparable appropriation.....	\$24, 950, 000
1976 budget estimate.....	29, 260, 000
House allowance.....	26, 300, 000
Senate allowance.....	24, 950, 000

The Committee recommends \$24,950,000, \$1,350,000 below the House allowance, a decrease of \$4,310,000 from the budget estimate and the same as the fiscal year 1975 level. Policy Research activities are authorized by Section 232 of the Community Services Act of 1974 and Section 1110 of the Social Security Act.

The appropriation supports research into the causes and cures of poverty, and major areas of research are income maintenance and employment, education, health insurance, and human resource delivery problems. The Committee has not been convinced by government witnesses that there is no duplication between "Policy Research" and similar research conducted by other agencies and Federal Departments and would expect the Department to submit further information in this area. The amount included in this bill will continue existing projects at the current level of support. But more importantly, the Committee is very interested in the real needs and purposes of the program. It has not been demonstrated to the Committee what effect or influence the various studies under policy research have had or how they are being utilized. The Committee hopes that HEW will produce this information prior to next year's hearings.

The bill also includes \$6,575,000 to maintain the fiscal year 1976 level of funding during the interim period. This is the same as the House allowance and \$740,000 below the budget request.

The Committee has not approved the requested dollar increase for executive training facilities management system and other special requests. Further the Committee directs that within this account and other HEW programs, unnecessary purchases such as furniture and carpeting be closely monitored and regulations in this area strengthened. In addition, the bill includes \$1,375,000 reduction in funds requested for GSA standard level user charges and a reduction to maintain travel at the fiscal year 1975 rate before the pay raise increase went into effect. The remaining reductions are in the immediate office of the Secretary and the Under Secretary and Assistant Secretary's where positions and funds could be more appropriately utilized in direct programs in the various agencies or in the areas noted above in general departmental management or in the Office of Civil Rights. The bill includes \$2,180,000 and authority to transfer \$3,282,000 in first funds to maintain the fiscal year 1976 level of funding during the interim period. This is \$210,000 below the House allowance and \$1,918,000 below the budget request.

The Committee therefore reports to the Congress no appropriation for the bill and the interim funding level for the 1975 comparable appropriation is \$1,375,000 below the House allowance, \$1,375,000 below the budget estimate, and \$1,375,000 below the House allowance. The Committee recommends \$1,375,000, \$1,375,000 below the House allowance, a decrease of \$4,310,000 from the budget estimate, and the same as the fiscal year 1975 level. Policy Research activities are authorized by Section 232 of the Community Services Act of 1974 and Section 110 of the Social Security Act.

TITLE III

RELATED AGENCIES

ACTION

OPERATING EXPENSES, DOMESTIC PROGRAMS

1975 comparable appropriation.....	\$100,000,000
1976 Budget estimate.....	101,574,000
House allowance.....	101,313,000
Committee recommendation.....	105,623,000

The Committee recommends an appropriation of \$105,623,000, a net increase of \$4,310,000 over the House allowance and \$4,049,000 over the budget request. This recommendation includes support for several proven domestic volunteer programs, including Volunteers in Service to America and Foster Grandparents. It also includes provision for several other antipoverty and older Americans service programs and continues various experimental volunteer programs.

The Committee recommends \$6,088,000 for the Special Volunteer Programs, the full amount of the budget request, restoring \$2,357,000 cut by the House. The Committee directs the ACTION Agency to place emphasis on the following programs for which the Committee has received favorable reports of accomplishment: \$500,000 over the House allowance for the Mini-grant program, under which seed money is provided to localities to mobilize part-time volunteers to work on antipoverty-related projects; up to \$250,000 for programs such as "Sea Ventures", which provides marine education and recreation to underprivileged innercity children during the summer months; and to maintain the Program for Local Service, in which participants work full time on antipoverty programs within their own communities, at least at the budget-request level of \$1,000,000.

The Committee recommends an increase of \$2,000,000 over the House allowance for Older Americans Volunteer Programs. These programs remain highly regarded, and have been proven to be effective in utilizing the talents and energies of many highly dedicated older Americans. This recommended increase is intended to support expansion of the highly successful Foster Grandparents and Senior Companion programs.

The Senior Companions program especially merits increased funding above the present minimal level of support. Senior Companions is patterned after Foster Grandparents, and provides continued service to those developmentally disabled persons who have been served by Foster Grandparents, but have exceeded the age limit of 17 years. The Agency has recently indicated that the budget request level would

be sufficient to maintain Foster Grandparents at the 1975 level of volunteer strength. Therefore, augmented funding will provide for an expansion in volunteer strength or an increase in the stipend to the senior citizen participants.

The Committee recommends a further reduction of \$47,000 below the House allowance for staff travel, and concurs with the House reduction for rental payments to the General Services Administration by ten percent (\$114,000).

The Committee recommends for the interim period (July 1, 1976-September 30, 1976) \$25,591,000, an increase of \$4,508,000 over the budget request.

## COMMUNITY SERVICES ADMINISTRATION

### COMMUNITY SERVICES PROGRAM

1975 comparable appropriation.....	\$507, 700, 000
1976 budget request.....	363, 000, 000
1976 House allowance.....	474, 385, 000
Committee recommendation.....	526, 452, 000

The Committee recommends \$526,452,000 for the operation of the Community Services Administration in fiscal year 1976. This is an increase of \$163,452,000 over the Administration's budget request for 1976 and an increase of \$52,067,000 over the House allowance. This agency is presently operating under authority contained in the continuing resolution.

The Committee agrees with the House recommendation of \$330,000,000 for the local initiative program. This amount provides for continuation of nearly 900 Community Action Agencies at current Federal funding levels of expenditure rather than at decreased Federal share levels as authorized under Section 225(c) of the Economic Opportunity Act, as amended. It will ensure that during fiscal year 1976 each State will be allotted at least the same annualized level of funding for local initiative programs that it received out of funds appropriated during fiscal year 1975.

Community Action Agencies provide the vehicle for the community action process which gives the local community the authority to design and implement a plan to combat poverty adapted to that community's particular needs and problems in areas of health, housing, manpower, education, youth development, economic development, and consumer affairs. There are 437 urban and 444 rural Community Action Agencies covering 2,197 counties and serving 75 percent, or approximately 21 million, of the Nation's poor.

The Committee concurs with the House recommendation of \$10,000,000 for the Senior Opportunities and Services program. This will permit the program to be continued at the same annualized funding level at which is operated in fiscal year 1975.

The Senior Opportunity and Services program is designed to identify and meet the special needs of the elderly poor. Specific program objectives include: development of new employment, volunteer, and referral services; creation of additional services and programs to remedy gaps and deficiencies in existing programs; and modification of eligibility requirements and program structures to facilitate the

greater use of existing public services by the elderly poor. Currently 1,000 senior citizens are funded, serving approximately 800,000 elderly citizens.

An amount of \$12,000,000 is recommended by the Committee, also in agreement with the House, for the State Economic Opportunity offices program in 1976. State Economic Opportunity offices function as advisors to the Governors on Community Services Administration programs and other anti-poverty activities within the States. They also mobilize resources and act as advocates for the poor at the State level, as well as provide technical assistance to Community Services Administration grantees.

The Committee recommends \$16,300,000 for demonstration programs. An increase of \$7,500,000 over the House allowance. Within this total, rural housing programs authorized under Section 222(a) of the Economic Opportunity Act, as amended by the Community Services Act of 1974, will be expanded to \$10,000,000. This will provide assistance to low-income families in rural areas to construct and acquire ownership of adequate housing; to rehabilitate or repair existing substandard units in low-income areas; and to otherwise assist families in obtaining standard housing.

The Committee further recommends \$5,000,000 in demonstration funds for the Veterans' Education and Training Services, which was not considered by the House nor included in the budget estimate. The Veterans' Education and Training Services project is directed at enrolling educationally and economically-disadvantaged veterans in Veterans Administration education and training programs.

The Committee recommends \$30,000,000 for the Emergency Food and Medical Services, an increase of \$7,600,000 over the House allowance. The Administration's budget did not request funds for these programs. For fiscal year 1975, \$22,400,000 was appropriated for Emergency Food and Medical Services programs. These funds supplement assistance under the provisions of other Federal programs, filling in the gaps of services provided, and extending the accessibility of the disadvantaged to existing Federal, State, and local feeding and nutritional programs.

The Committee is appalled at the negation of congressional intent by Community Services Administration in implementing the Second Supplemental Appropriations Act for fiscal year 1975 with respect to the Emergency Food and Medical Services Program, particularly the provisions in Senate Report 94-137 pertaining to programs for migrants and seasonal farmworkers. The Committee has found no evidence that the required 15 percent was obligated for Native American groups, migrants, and seasonal farmworkers, and found, furthermore, a failure to formulate and administer the programs nationally. The Committee has also found that in the distribution of the Emergency Food and Medical Services funds for fiscal year 1974 no funds were spent in Region 10 for migrants and seasonal workers, although the population of these groups was significant. The Committee, therefore, expects the Community Services Administration to take full responsibility for insuring these critically-needed services are distributed equitably according to law through a national plan, and report to the Committee in full the bases upon which funding allocations are made.

The Committee recommends \$10,000,000 to provide nationally administered assistance to meet the needs of migrant and seasonal farm-

workers and their families, such as day care for children, education, health services, improved housing and sanitation, legal counsel, consumer training, and counseling. These funds may also be used to upgrade the skills of migrant workers because of rapid technological advancement in the agriculture areas, as authorized by Title III, Part B of the Economic Opportunity Act as amended by the Community Services Act.

The Committee requests the Community Services Administration to submit a proposal for additional Federal staff, should such resources be deemed necessary to provide for adequate administration of both the migrant and Emergency Food and Medical Services programs.

The Committee recommends \$46,500,000 for Community Economic Development under Title VII of the Community Services Act. The House has recommended the same amount. The recommendation will provide funds to continue 21 Special Impact programs through the Community Development Corporation mechanism. The increase of \$7,500,000 over the budget request will allow expansion of effective current programs as well as initiation of new ventures. Community Development Corporations, together with related cooperatives and non-profit agencies, are set up for the purpose of planning and operating economic enterprises in communities with a high concentration of poor residents.

The Committee recommends \$38,500,000 for Emergency Energy Conservation Services program, an increase of \$22,000,000 over the House allowance. Together with the \$16,500,000 appropriated late in fiscal year 1975 in the Second Supplemental, a total of \$55,000,000 would be made available. This is the same amount requested by the President for fiscal 1976 under proposed legislation. The Committee expects that these funds will be spent immediately after becoming available.

The Emergency Energy Conservation Services program is designed to aid low-income families reduce their energy consumption and lessen the impact of the ever-increasing cost of energy. The Committee believes this program will provide an important step forward in attempts to conserve energy resources. In addition to winterization, the funds provided in this bill will be used for short-time assistance including loans and grants to eligible individuals, to help them avoid cut-offs in instances where they temporarily cannot pay utility bills. The intent of the Committee is that this appropriation be used for winterization and financial relief of the poor and near poor, not for expansion of administrative machinery. No Federal employees should be added, and local agency administrative costs should not exceed 10 percent. The Director is encouraged to consider waiving the non-Federal share requirements for these programs due to the emergency nature of the matters involved.

Within the total provided for Emergency Energy Conservation Services, the Committee recommends up to \$3 million for a National Center of Appropriate Technology, whose primary purpose will be to work with Community Action Agencies and other appropriate local groups to develop and implement innovative energy technology and energy systems appropriate to the needs of the elderly, poor, and near poor.

The Committee has noted that substantial energy savings can be realized in the rural areas of Alaska where the majority of low-income families now spend 50 percent of their income on fuel during the winter months. Information available to the Committee indicates that fuel consumption can be cut almost in half when these homes are properly winterized. The Committee expects that no less than \$1,000,000 will be spent to winterize homes in Alaskan villages. The Community Services Administration is directed to present adequate justification to the Committee if such amounts are not expended in Alaska. As the Bureau of Indian Affairs has developed considerable expertise in arctic and sub-arctic construction, the Committee recommends that the Director of the Community Services Administration consult with the Commissioner of the Bureau of Indian Affairs to effect this much needed program in rural Alaska.

The Committee expects the Director to make funds available for consumer affairs programs, as authorized under Section 228 of the Economic Opportunity Act, as amended by the Community Services Act of 1974.

The Committee is also concerned over the excessive number of Schedule C appointees in the Community Services Administration. Although most government agencies follow a ratio of one Schedule C per 2,000 employees, the Community Services Administration with less than 2,000 employees has 19 such appointees. Despite the fact that two of these Schedule C positions are vacant, the Committee understands that the Community Services Administration has requested from the Civil Service Commission an additional two Schedule C positions.

The Committee believes that the Director of Community Services Administration should take immediate and decisive action toward drastically reducing the excessive numbers of Schedule C positions to a level more nearly commensurate with standard government practice. Furthermore, the Community Services Administration is directed to report fully to the Committee all actions taken pertaining to the excessive Schedule C positions prior to the beginning of hearings on the fiscal year 1977 appropriation requests.

The Committee can find no need for the position of Attorney-Advisor (General) in the Office of the Director, when there is an Office of General Counsel available within the Community Services Administration. The Committee, therefore, recommends deletion of this position and \$25,000 since adequate legal staff support should be available to the Director from the Office of General Counsel.

The Committee also recommends a 25 percent reduction of \$8,000 in the travel budget for the Office of the Director. This cut corresponds to the reduction in professional staff recommended for the Office of the Director from four to three positions.

Consistent with the policy followed throughout the bill, the Committee has reduced the request for payment of standard level user charges to the General Services Administration by 10 percent, or \$315,000, the same as the House allowance.

The Committee has added bill language extending availability of funds appropriated in the fiscal year 1975 Second Supplemental for the Community Services Administration through December 31, 1975. These funds are currently available through September 30, 1975.

The purpose of this language is to avoid having the availability of these funds expire before Congress has a chance to express its will on the President's recent rescission proposals. The Budget Impoundment and Control Act provides that if Congress does not act by October 11, 1975, the Administration must spend the impounded funds. However, since these appropriations are scheduled to expire September 30, an extension of availability is required to prevent the loss of these funds in the interim.

The Committee recommends for the interim period (July 1, 1976-September 30, 1976) \$129,746,000 an increase of \$28,996,000 over the budget request.

#### FEDERAL MEDIATION AND CONCILIATION SERVICE

##### SALARIES AND EXPENSES

1975 comparable appropriation.....	\$16,245,000
1976 budget estimate.....	18,250,000
House allowance.....	17,704,000
Committee recommendation.....	17,904,000

The Committee recommends an appropriation of \$17,904,000, a decrease of \$346,000 from the budget request, but an increase of \$200,000 over the House allowance. This represents an increase of 11 positions over the House allowance, for a total of 51 additional positions. The 11 new positions allowed by the Committee are to establish the new Regional office planned for Seattle, Washington. The other 40 new positions allowed by both the House and the Senate are to provide additional personnel to handle the increased workload resulting from Public Law 93-360, which extended the coverage of the National Labor Relations Act to private non-profit hospitals and health care facilities.

The Committee concurs with the House request for 50 new temporary positions to be used for health care boards of inquiry pursuant to Public Law 93-360.

The increase over the 1975 appropriation is primarily for the cost of the new positions to be added and several mandatory items, such as the full-year cost of the Federal pay raise effective for only part of the year in 1975.

The Committee recommends for the interim period (July 1, 1976-September 30, 1976) \$4,476,000 a decrease of \$324,000 from the budget request, but an increase of \$49,000 over the House allowance.

#### NATIONAL COMMISSION ON LIBRARIES AND INFORMATION SCIENCE

##### SALARIES AND EXPENSES

1975 comparable appropriation.....	\$409,000
1976 budget estimate.....	502,000
House allowance.....	409,000
Committee recommendation.....	468,000

The Committee recommends \$468,000, an increase of \$59,000 over the House allowance, but \$34,000 less than the budget request, and an increase of \$59,000 over the 1975 appropriation. This increase is the first since fiscal year 1973 and allows for two additional staff positions for three-quarters of the fiscal year, for a total of seven staff positions; regular salary increments for the present staff of five per-

sons; and increases in the rates for postage, communications, supplies and travel.

The addition of the two new staff positions will help the Commission work toward the implementation of its national program, which is based on its legal mandate as expressed in Public Law 91-345. The program is user oriented and is designed to provide every individual in the United States with equal opportunity of access to satisfy the individual's educational, working, cultural, and leisure-time needs and interests.

Development of a cost-effective nationwide library network depends on compatible state networks, uniform standards, and shared communication. The current growth is uneven and lacks cohesion. The introduction of remedial and innovative reforms is basic to alleviate the present expensive, almost chaotic situation. Such a program requires detailed, continuous staff coordination and planning to achieve maximum participation by local governments and public private agencies. The program is based on the use of existing library resources, the strengthening at local levels of library services. Special attention is focused on service to the unserved, both in rural and urban areas. Improved sharing and access to the information resources of Federal agencies for the public at large is another essential element in meeting the Commission's national program goals.

The Committee recommends for the interim period (July 1, 1976-September 30, 1976) \$117,000 a decrease of \$8,000 from the budget request.

#### NATIONAL LABOR RELATIONS BOARD

##### SALARIES AND EXPENSES

1975 comparable appropriation.....	\$62,669,000
1976 budget estimate.....	68,499,000
House allowance.....	67,461,000
Committee recommendations.....	68,071,000

The Committee recommends \$68,071,000, an increase of \$610,000 over the House allowance but \$428,000 less than the budget request. This represents an increase of \$5,402,000 over the 1975 appropriation, primarily for mandatory increases and because of an increased caseload.

The \$68,071,000 recommended provides for an increase of 118.3 man-years, to process the anticipated workload during 1976 of over 49,000 cases, including more than 32,000 unfair labor practice cases. The Committee also recommends allowing the full budget request of 97 new positions rather than the 50 new positions in the House allowance. The Committee has restored these positions as well as the \$15,000 House travel cut because case intake is exceeding the budget estimates, the settlement rate has fallen, and backlog is increasing. As a law enforcement agency with a legislative mandate to receive and settle unfair labor practice disputes and representation matters, the Board would otherwise not be in a position to control or curtail its case intake.

Consistent with the policy followed throughout the bill, the Committee has reduced the request for payment of standard level user charges to the General Services Administration by ten percent, or \$428,000, the same as the House allowance.

The Committee recommends for the interim period (July 1, 1976-September 30, 1976) \$17,018,000 a decrease of \$109,000 from the budget request.

#### NATIONAL MEDIATION BOARD

##### SALARIES AND EXPENSES

1975 comparable appropriation.....	\$3,236,000
1976 budget request.....	3,105,000
1976 House allowance.....	3,405,000
Committee recommendation.....	3,405,000

The Committee recommends \$3,405,000 for the National Mediation Board, the same as the House allowance and an increase of \$300,000 over the budget request.

The Railroad Labor Act provides under Section 3 that each third or neutral party selected under this section shall receive from the Mediation Board such compensation as the Mediation Board may fix, together with his necessary traveling expenses and those incurred for subsistence, or per diem allowance while serving as such third or neutral party. The Committee's recommendation of \$3,405,000 will allow the Mediation Board to pay 100 percent of the cost of arbitration of railroad grievances as provided by Section 3 of the Railway Labor Act.

The Committee recommends \$850,000 for the interim period, the same as the House allowance, and an increase of \$75,000 above the budget request.

#### OCCUPATIONAL SAFETY AND HEALTH REVIEW COMMISSION

##### SALARIES AND EXPENSES

1975 comparable appropriation.....	\$5,512,000
1976 budget estimate.....	5,675,000
House allowance.....	5,638,000
Committee recommendation.....	5,638,000

The Committee recommends an appropriation of \$5,638,000, a decrease of \$37,000 from the budget request and the same as the House allowance.

This Commission was established on April 28, 1971, pursuant to the Occupational Safety and Health Act of 1970. Its prime function is to adjudicate issues in dispute between the United States Department of Labor's Occupational Safety and Health Administration and employers, employees, or representatives of employees to whom Occupational Safety and Health Administration has issued citations charging a violation of the Act. The Agency functions as a court system which entails factfinding hearings and the issuing of orders affirming, modifying, or vacating enforcement actions.

The Committee concurs with the House in the request for three Administrative Law Judges at the GS-16 level to provide for a total of 43 for the Commission. With this addition, it is anticipated that there will be a reduction in the backlog of undecided cases to a point where no case is pending on review for more than one year.

The Committee agrees with the House reduction of \$37,000, which is 10 percent of the payment of the Standard Level User Charges to the General Services Administration.

The Committee recommends for the interim period (July 1, 1976 to

September 30, 1976) \$1,418,000 the same as the House allowance and the budget request.

#### RAILROAD RETIREMENT BOARD

##### PAYMENTS TO RAILROAD RETIREMENT TRUST FUNDS

1975 comparable appropriation.....	\$3,516,000
1976 budget estimate.....	250,000,000
House allowance.....	250,000,000
Committee recommendation.....	250,000,000

The Committee recommends \$250,000,000 the same as the budget request and House allowance. This is the first of 25 level payments due the Railroad Retirement Trust Fund to place the railroad retirement system on a sound financial basis by providing funds to phase out the windfall portion of dual benefits received by persons who are vested under both the railroad retirement and social security systems.

No appropriation is required for the interim period.

##### REGIONAL RAIL TRANSPORTATION PROTECTIVE ACCOUNT

1975 comparable appropriation.....	
1976 budget estimate.....	\$55,100,000
House allowance.....	37,600,000
Committee recommendation.....	37,600,000

The Committee recommends \$37,600,000, the full amount of the House allowance for 1976 and a decrease of \$17,500,000 from the budget request.

The Committee concurs with the House that the full amount of the budget request will not be needed because there is very little likelihood the final reorganization plan under the Regional Rail Reorganization Act will be implemented before January 1, 1976. This is the first appropriation to cover the payment of benefits to protected railroad employees adversely affected in the establishment of the Midwest and Northeast rail system provided under the Regional Rail Reorganization Act of 1973. The appropriation includes \$100,000 for Railroad Retirement Board administrative expenses incurred while reimbursing the Consolidated Rail Corporation, the United States Railway Association, and acquiring railroads who will pay separation and displacement allowances.

The Committee recommends for the interim period (July 1, 1976 to September 30, 1976) \$10,030,000 the same as the House allowance and the budget request.

##### LIMITATION ON SALARIES AND EXPENSES

1975 comparable appropriation.....	(\$25,758,000)
1976 budget estimate.....	(29,703,000)
House allowance.....	(28,703,000)
Committee recommendation.....	(28,703,000)

The Committee recommends \$28,703,000, the amount of the House allowance for 1976, a reduction of \$1,000,000 from the budget request, and an increase of \$2,945,000 over the 1975 appropriation. The amount is for the administration of a nationwide retirement system for rail-

road employees who have retired because of age or disability and to eligible wives and survivors of such employees.

The Committee agrees with the House action to reduce the budget request by \$1,000,000 for the payment of standard level user charges to the General Services Administration. The Committee is adamant that railroad retirement trust fund monies not be used for the payment of such charges. The Railroad Retirement Board is directed to pay only actual costs incurred for space occupied.

The increase over the 1975 appropriation is primarily for annualization costs of new positions in the Second Supplemental Appropriation Act of 1975 and annualization of the Government-wide pay raise effective in 1975. No new positions were requested for 1976.

The Committee recommends \$7,175,000 for the interim period (July 1, 1976 to September 30, 1976), the same as the House allowance, and a comparable 10 percent reduction of \$255,000 from the budget request for payment of standard level user charges.

### SOLDIERS' AND AIRMEN'S HOME

#### OPERATION AND MAINTENANCE

1975 comparable appropriation-----	\$15,391,000
1976 Budget estimate-----	15,665,000
House allowance-----	15,665,000
Committee recommendation-----	15,665,000

The Committee recommends \$15,665,000, the full amount of the budget request and House allowance. This represents an increase of \$274,000 over the 1975 appropriation, primarily for general schedules and wage grade pay increases and significant increases in utilities. There is no projected increase in staffing, and the existing 1,150 positions are expected to adequately service the needs of the 2,600 to 2,700 membership in the Home.

The Committee recommends for the interim period (July 1, 1976 to September 30, 1976) \$3,905,000 the same as the House allowance and the budget request.

Established by the Department of Health, Education and Welfare. Further, consistent with the General Accounting Office's existing and established by the Department of Health, Education and Welfare. The Committee has revised general provision language relating to the proportion of HEW staff in the Washington area versus staff assigned to other areas of the country. The Committee language would continue to limit the proportion of Washington area staff to total staff to the 1966 level. The Committee has streamlined the provision by eliminating language limiting its application only to new positions.

## TITLES II AND IV

### GENERAL PROVISIONS

#### Section 205

The Committee has revised general provision language relating to the proportion of HEW staff in the Washington area versus staff assigned to other areas of the country. The Committee language would continue to limit the proportion of Washington area staff to total staff to the 1966 level. The Committee has streamlined the provision by eliminating language limiting its application only to new positions.

#### Section 407

The Committee has deleted Section 407, a general provision limiting the amount of funds contained in this bill which may be used for contract services by consultants. Section 407 limits funds used for this purpose to the 1973 level. This provision, which was contained in Labor-HEW Appropriations Acts in fiscal years 1974 and 1975, is also included in the Education Division and Related Agencies Appropriations bill (H.R. 5901) for fiscal year 1976, and is contained within the President's request for the fiscal 1976 regular Labor-HEW Appropriations bill.

The deletion of Section 407 should not be read as a diminution of the Committee's long-standing concern over the extensive use and abuse of consultant services and consultant hiring practices. Rather, the action taken by this Committee is an effort to eliminate inequities which may have arisen and to make the current use of appropriated funds more efficient.

The Committee directs the Departments and agencies funded through this Act and the Education Division and Related Agencies Appropriations Act to:

1. Report semi-annually to the appropriate committees of Congress the obligations made from funds for consultant fees and services to any individual, consulting firm, or institution in excess of \$25,000 during the reporting period. The required report will show—

- Total dollars obligated during the reporting period;
- Number of awards by agency;
- Type of award, that is, contract, grant, or other;
- Name of awardee and accumulated total dollars obligated during the reporting period;
- Title and major objective of each award; and
- A follow-up statement on the implementation of findings.

For the current year, no less than two reports shall be provided.

2. Establish consistent procedures for reporting meaningful and timely data.

3. Establish accounting controls to avoid any end-of-year crises. Further, consistent with the General Accounting Office's existing statutory responsibility to approve agency accounting systems, the Committee directs the Comptroller General to review the systems established by the various agencies and Departments to control the use of consultants and consulting services. The GAO should report its findings and comments to the appropriate committees of Congress within six months following enactment of this bill. In addition, the Committee requests the GAO to make periodic inspections to insure that consultant and other operational support contracts are not being used to avoid personnel ceilings or Civil Service Commission rules and regulations.

4. Avoid increases to the current rate of obligation or expenditure without consulting with the appropriate committees of Congress.

The Committee realizes that not to exceed the current rate for some agencies and departments will be difficult because of the so-called carryover from fiscal year 1975. Therefore, the Committee will expect the agencies and departments to submit revised estimates for Congressional consideration within 30 days after enactment of this bill.

Further, the Committee will require that each Department and agency, for their fiscal year 1977 estimates of obligations for consulting services, provide an annual budget submission. If any Department or agency believes it will exceed this estimate at any time by more than five percent, it should consult with the appropriate committees of Congress immediately.

The Committee wishes to reiterate its belief that controls must be exercised with respect to both profit and nonprofit-making organizations and individuals. The Committee believes the distinction between the two is no longer relevant and desires to avoid discrimination between profit and nonprofit organizations.

In addition, the Committee will expect the Departments and agencies contained in this Act and the Education Division and Related Agencies Appropriations Act to (1) conform closely to established, internal procedures (many of which have been in effect since 1970) over the procurement and utilization of management consultant services; (2) work toward expanding and encouraging competition in the awarding of grants, contracts, and personal services agreements; (3) eliminate grant or contract activities that duplicate or conflict with ongoing activities or ignore in-house capabilities to perform the necessary work; and (4) develop a more central method for review and coordination to provide a capability for concentrating scarce resources into fewer, more significant priorities.

The Committee believes that much of the controversy and confusion over the enforcement of Section 407 could have been avoided at the outset, had the Departments and agencies made a serious effort to implement this provision by providing the necessary and proper controls.

The Committee has also added general provision language dealing with the availability of appropriations. This provision, which is consistent with language contained in previous appropriation bills, was inadvertently left out of the House bill.

ENTERTAINMENT ALLOWANCES

Bill language deleted last year has been restored authorizing the Director of the Federal Mediation and Conciliation Service to make available not to exceed \$2,500 for official reception and representation expenses. This is consistent with last year's restoration of such language for the Secretaries of Labor and Health, Education, and Welfare which had been previously deleted by the House on a point of order.

LIMITATIONS AND LEGISLATIVE PROVISIONS

The following amendments recommended by the Committee in this bill, not made to carry out the provisions of an existing law, are brought to the attention of the Senate in accordance with Senate Rule XVI.

On page 39, in connection with "Human development":

*Provided further, That the level of operations for the Nutrition Services for the Elderly program shall be \$200,000,000 per annum.*

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1975 AND THE BUDGET ESTIMATES OF NEW (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1976 AND THE TRANSITION PERIOD**

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

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

Agency and item	New budget (obligational) authority, 1975	Budget estimate of new (obligational) authority, 1976 and transition period	Increase (+) or decrease (-)
<b>DEPARTMENT OF LABOR</b>			
Manpower Administration: Unemployment trust funds.....	\$9,702,700,000	\$9,759,931,000	+\$57,231,000
Transition period.....		2,923,400,000	
Special workers' compensation expenses.....	5,184,000	2,751,000	-2,433,000
Transition period.....		690,000	
Total, Department of Labor.....	9,707,884,000	9,762,682,000	+54,798,000
Transition period.....		2,924,090,000	
<b>DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE</b>			
Assistantant Secretary for Health: Public Health Service trust funds.....	1,463,000	1,527,000	+64,000
Transition period.....		381,750	
Office of Education: Special statistical compilations and surveys.....	20,000	21,000	+1,000
Transition period.....		5,250	
Social Security Administration:			
Federal old-age survivors insurance trust fund.....	58,324,712,000	61,820,364,000	+3,495,652,000
Transition period.....		16,087,000,000	
Federal disability insurance trust fund.....	7,768,642,000	8,251,014,000	+482,372,000
Transition period.....		2,115,000,000	
Federal hospital insurance trust fund.....	12,473,072,000	13,583,401,000	+1,110,329,000
Transition period.....		3,285,000,000	
Federal supplementary medical insurance trust fund.....	4,294,735,000	4,970,032,000	+675,297,000
Transition period.....		1,401,000,000	
Total, Department of Health, Education, and Welfare.....	82,862,644,000	88,626,359,000	+5,763,715,000
Transition period.....		22,888,387,000	
<b>RAILROAD RETIREMENT BOARD</b>			
Railroad retirement account.....	2,382,767,000	3,232,100,000	+849,333,000
Transition period.....		480,430,000	
<b>SOLDIERS' AND AIRMEN'S HOME</b>			
Payment of claims.....	5,000	5,000	
Total, permanent new budget (obligational) authority, trust funds.....	94,953,300,000	101,621,146,000	+6,667,846,000
Transition period.....		26,292,907,000	26,292,907,000

See footnotes at end of table.

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1975 AND THE BUDGET ESTIMATES OF NEW (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1976 AND THE TRANSITION PERIOD—Continued**

**Title I—DEPARTMENT OF LABOR**

Agency and item (1)	1975 comparable appropriation (2)	1976 budget estimate (3)	House allowance (4)	Senate committee recommendation (5)	Increase (+) or decrease (-), Senate committee recommendation compared with—		
					1975 comparable appropriation (6)	Budget estimate (7)	House bill (8)
<b>MANPOWER ADMINISTRATION</b>							
<b>PROGRAM ADMINISTRATION</b>							
Planning, evaluation and research.....	\$5,110,000	\$4,921,000	\$5,118,000	\$5,118,000	+\$8,000	+\$197,000	-----
Manpower program administration.....	33,930,000	32,506,000	32,537,000	32,537,000	-1,393,000	+31,000	-----
Apprenticeship services.....	9,961,000	11,528,000	11,528,000	11,528,000	+1,567,000	-----	-----
U.S. employment service.....	609,000	627,000	627,000	627,000	+18,000	-----	-----
Unemployment insurance service.....	239,000	244,000	264,000	264,000	+25,000	+20,000	-----
Investigation and compliance.....	773,000	796,000	721,000	721,000	-52,000	-75,000	-----
Executive direction and management.....	16,387,000	15,816,000	15,837,000	15,837,000	-550,000	+21,000	-----
Total.....	67,009,000	66,438,000	66,632,000	66,632,000	-377,000	+194,000	-----
Transition period.....		16,195,000	16,748,000	16,748,000	+16,748,000	+553,000	-----
Trust fund transfer.....	(28,665,000)	(29,866,000)	(29,866,000)	(29,866,000)	(+1,201,000)	-----	-----
Transition period.....		(7,377,000)	(7,377,000)	(7,377,000)	(+7,377,000)	-----	-----

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<b>COMPREHENSIVE MANPOWER ASSISTANCE</b>							
State and local programs:							
Title I: Manpower revenue sharing.....	1,580,000,000	1,580,000,000	1,580,000,000	1,580,000,000	-----	-----	-----
Title II: Public service jobs.....	400,000,000	400,000,000	400,000,000	400,000,000	-----	-----	-----
Summer program.....	458,050,000	-----	-----	-----	-458,050,000	-----	-----
National programs:							
National training programs.....	371,960,000	371,960,000	365,960,000	371,960,000	-----	-----	+\$6,000,000
Program support.....	42,440,000	42,440,000	42,440,000	42,440,000	-----	-----	-----
Total.....	2,852,450,000	2,394,400,000	2,388,400,000	2,394,400,000	-458,050,000	-----	+6,000,000
Transition period.....		599,000,000	597,500,000	599,000,000	+599,000,000	-----	+1,500,000
TEMPORARY EMPLOYMENT ASSISTANCE.....	2,500,000,000	-----	-----	-----	-2,500,000,000	-----	-----
COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS.....	42,000,000	-----	-----	-----	-42,000,000	-----	-----
FEDERAL UNEMPLOYMENT BENEFITS AND ALLOWANCES							
Payments to Federal employees.....	330,900,000	384,000,000	384,000,000	384,000,000	+53,100,000	-----	-----
Trade adjustment assistance.....	34,100,000	26,000,000	26,000,000	26,000,000	-8,100,000	-----	-----
Special unemployment assistance and payments under other Federal unemployment programs.....	2,000,000,000	-----	-----	-----	-2,000,000,000	-----	-----
Total.....	2,365,000,000	410,000,000	410,000,000	410,000,000	-1,955,000,000	-----	-----
Transition period.....		95,000,000	95,000,000	95,000,000	+95,000,000	-----	-----
ADVANCES TO THE EXTENDED UNEMPLOYMENT COMPENSATION ACCOUNT.....	750,000,000	-----	-----	-----	-750,000,000	-----	-----
ADVANCES TO UNEMPLOYMENT TRUST FUND AND OTHER FUNDS.....	5,000,000,000	-----	-----	-----	-5,000,000,000	-----	-----
GRANTS TO STATES FOR UNEMPLOYMENT INSURANCE AND EMPLOYMENT SERVICES.....	64,400,000	74,000,000	81,300,000	82,800,000	+18,400,000	+8,800,000	+1,500,000
Transition period.....		18,500,000	20,300,000	20,700,000	+20,700,000	+2,200,000	+400,000
Trust fund transfer.....	(1,177,900,000)	(995,000,000)	(1,056,300,000)	(1,054,800,000)	(-123,100,000)	(+59,800,000)	(-1,500,000)
Transition period.....		(248,750,000)	(264,100,000)	(263,700,000)	(+263,700,000)	(+14,950,000)	(-400,000)

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U 12,000,000 in 75 labor - HEW RJJ  
36,000,000 in 76 Cont. Res.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1975 AND THE BUDGET ESTIMATES OF NEW (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1976 AND THE TRANSITION PERIOD—Continued

Title I—DEPARTMENT OF LABOR—Continued

Agency and item (1)	1975 comparable appropriation (2)	1976 budget estimate (3)	House allowance (4)	Senate committee recommendation (5)	Increase (+) or decrease (-), Senate committee recommendation compared with—		
					1975 comparable appropriation (6)	Budget estimate (7)	House bill (8)
<b>LABOR-MANAGEMENT SERVICES ADMINISTRATION</b>							
Salaries and expenses:							
Labor-management relations service.....	\$1,145,000	\$1,179,000	\$1,168,000	\$1,168,000	+\$23,000	-\$11,000	-----
Labor-management policy development.....	2,194,000	2,209,000	2,198,000	2,198,000	+4,000	-11,000	-----
Administration of reporting and disclosure laws.....	14,412,000	14,864,000	14,771,000	14,771,000	+359,000	-93,000	-----
Veterans reemployment rights.....	2,432,000	2,509,000	2,503,000	2,503,000	+71,000	-6,000	-----
Federal labor-management relations.....	4,268,000	4,375,000	4,341,000	4,341,000	+73,000	-34,000	-----
Employee benefits security.....	10,326,000	14,756,000	14,175,000	14,175,000	+3,849,000	-581,000	-----
Executive direction and administrative services.....	2,068,000	2,108,000	2,076,000	2,076,000	+8,000	-32,000	-----
Total.....	36,845,000	42,000,000	41,232,000	41,232,000	+4,387,000	-768,000	-----
Transition period.....		10,047,000	10,047,000	10,047,000	+10,047,000		-----
<b>EMPLOYMENT STANDARDS ADMINISTRATION</b>							
Salaries and expenses:							
Improving and protecting wages.....	33,279,000	36,647,000	36,443,000	36,443,000	+3,164,000	-204,000	-----
Elimination of discrimination in employment.....	11,713,000	13,493,000	13,421,000	13,421,000	+1,708,000	-72,000	-----
Worker's compensation.....	22,272,000	19,473,000	21,627,000	23,710,000	+1,438,000	+4,237,000	+\$2,083,000
Program development and administration.....	8,852,000	10,102,000	10,069,000	10,069,000	+1,217,000	-33,000	-----
Total.....	76,116,000	79,715,000	81,590,000	83,845,000	+7,527,000	+3,928,000	+2,083,000
Transition period.....		19,929,000	20,390,000	20,911,000	+20,911,000	+982,000	+521,000
Trust fund transfer.....		(225,000)	(225,000)	(225,000)	(-225,000)		-----
Transition period.....		(56,000)	(56,000)	(56,000)	(-56,000)		-----
Special benefits:							
Federal employees compensation act benefits.....	155,054,000	178,859,000	178,859,000	178,859,000	+23,805,000		-----
Disabled coal miners benefits.....	8,900,000	20,000,000	20,000,000	20,000,000	+12,000,000		-----
Longshore and harbor workers' benefits.....	1,946,000	2,141,000	2,141,000	2,141,000	+195,000		-----
Total.....	165,900,000	201,000,000	201,000,000	201,000,000	+36,000,000		-----
Transition period.....		70,000,000	70,000,000	70,000,000	+70,000,000		-----
<b>OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION</b>							
Salaries and expenses:							
Safety and health standards.....	5,552,000	5,153,000	6,653,000	6,653,000	+1,101,000	+1,500,000	-----
Enforcement:							
Federal inspections.....	43,756,000	48,050,000	51,246,000	62,946,000	+19,190,000	+14,896,000	+11,700,000
State programs.....	37,335,000	48,500,000	35,600,000	33,900,000	-3,435,000	-14,600,000	-1,700,000
Training, education and information.....	5,674,000	4,838,000	4,838,000	4,838,000	-836,000		-----
Safety and health statistics.....	5,526,000	5,607,000	6,007,000	6,007,000	+481,000	+400,000	-----
Executive direction and administration.....	4,163,000	3,877,000	3,877,000	3,877,000	-286,000		-----
Total.....	102,006,000	116,025,000	108,221,000	118,221,000	+16,215,000	+2,196,000	+10,000,000
Transition period.....		29,000,000	27,000,000	29,500,000	+29,500,000	+500,000	+2,500,000

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1975 AND THE  
 , BUDGET ESTIMATES OF NEW (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1976 AND THE TRANSITION  
 PERIOD—Continued

Title I—DEPARTMENT OF LABOR—Continued

Agency and item (1)	1975 comparable appropriation (2)	1976 budget estimate (3)	House allowance (4)	Senate committee recommendation (5)	Increase (+) or decrease (-), Senate committee recommendation compared with—		
					1975 comparable appropriation (6)	Budget estimate (7)	House bill (8)
<b>BUREAU OF LABOR STATISTICS</b>							
Salaries and expenses:							
Manpower and employment.....	\$17,269,000	\$20,500,000	\$24,725,000	\$24,725,000	+\$7,456,000	+\$4,225,000	-----
Prices and cost of living.....	9,270,000	11,089,000	10,313,000	10,313,000	+1,043,000	-776,000	-----
Wages and industrial relations.....	7,867,000	9,232,000	9,127,000	9,127,000	+1,260,000	-105,000	-----
Productivity and technology.....	2,161,000	2,222,000	2,206,000	2,206,000	+45,000	-16,000	-----
Economic research.....	1,345,000	1,028,000	1,023,000	1,023,000	-322,000	-5,000	-----
Executive direction and staff services.....	9,921,000	10,517,000	10,357,000	10,357,000	+436,000	-160,000	-----
Revision of the consumer price index.....	6,589,000	7,095,000	7,095,000	7,095,000	+506,000	-----	-----
Total.....	54,422,000	61,683,000	64,846,000	64,846,000	+10,424,000	+3,163,000	-----
Transition period.....	-----	15,250,000	16,210,000	16,210,000	+16,210,000	+960,000	-----
<b>DEPARTMENTAL MANAGEMENT</b>							
Salaries and expenses:							
Executive direction.....	7,151,000	7,410,000	7,345,000	7,345,000	+194,000	-65,000	-----
Legal services.....	9,012,000	9,484,000	9,316,000	9,316,000	+304,000	-168,000	-----
International labor affairs.....	2,899,000	4,721,000	4,301,000	4,301,000	+1,402,000	-420,000	-----
Administration and management.....	9,720,000	10,035,000	9,745,000	9,745,000	+25,000	-290,000	-----

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Appeals from determination of Federal employee claims.....	260,000	264,000	262,000	262,000	+2,000	-2,000	-----
Promoting employment of the handicapped.....	1,297,000	1,328,000	1,328,000	1,328,000	+31,000	-----	-----
Total.....	30,339,000	33,242,000	32,297,000	32,297,000	+1,958,000	-945,000	-----
Transition period.....	-----	7,781,000	7,781,000	7,781,000	+7,781,000	-----	-----
Trust fund transfer.....	(820,000)	(881,000)	(881,000)	(881,000)	(+61,000)	-----	-----
Transition period.....	-----	(221,000)	(221,000)	(221,000)	(+221,000)	-----	-----
Special foreign currency program.....	200,000	200,000	70,000	70,000	-130,000	-130,000	-----
Total, Department of Labor.....	14,105,787,000	3,478,703,000	3,475,558,000	3,495,141,000	-10,610,646,000	+16,438,000	+\$19,583,000
Transition period.....	-----	880,702,000	880,976,000	885,897,000	+885,897,000	+5,195,000	+4,921,000

TITLE II—DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

<b>HEALTH SERVICES ADMINISTRATION</b>							
<b>HEALTH SERVICES</b>							
<b>1. Community health services:</b>							
(a) Comprehensive health grants to States.....	(\$90,000,000)	(-----)	(1)	(1)	(\$90,000,000)	-----	-----
(b) Community health centers.....	(196,648,000)	(\$155,190,000)	(1)	(1)	(-196,648,000)	(\$-155,190,000)	-----
<b>(c) Maternal and child health:</b>							
(1) Grants to States.....	266,951,000	193,922,000	\$295,700,000	\$295,700,000	+28,749,000	+101,778,000	-----
(2) Research and training.....	25,917,000	17,500,000	21,500,000	25,917,000	-----	+8,417,000	+\$4,417,000
(3) Sudden infant death information dissemination.....	2,000,000	-----	2,200,000	3,000,000	+1,000,000	+3,000,000	+800,000
(d) Family planning.....	(100,615,000)	(79,435,000)	(1)	(1)	(-100,615,000)	(-79,435,000)	-----
(e) Migrant health.....	(23,750,000)	(19,200,000)	(1)	(1)	(-23,750,000)	(-19,200,000)	-----
(f) Health maintenance organizations.....	7,160,000	18,612,000	18,612,000	18,612,000	(+15,015,000)	-----	-----
(g) National Health Service Corps.....	(17,131,000)	(12,529,000)	(1)	(1)	(-17,131,000)	(-12,529,000)	-----

See footnote at end of table, p. 125.

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COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1975 AND THE  
 , BUDGET ESTIMATES OF NEW (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1976 AND THE TRANSITION  
 PERIOD—Continued

Title I—DEPARTMENT OF LABOR—Continued

Agency and item (1)	1975 comparable appropriation (2)	1976 budget estimate (3)	House allowance (4)	Senate committee recommendation (5)	Increase (+) or decrease (-), Senate committee recommendation compared with--		
					1975 comparable appropriation (6)	Budget estimate (7)	House bill (8)
<b>BUREAU OF LABOR STATISTICS</b>							
Salaries and expenses:							
Manpower and employment.....	\$17,269,000	\$20,500,000	\$24,725,000	\$24,725,000	+\$7,456,000	+\$4,225,000	-----
Prices and cost of living.....	9,270,000	11,089,000	10,313,000	10,313,000	+1,043,000	-776,000	-----
Wages and industrial relations.....	7,867,000	9,232,000	9,127,000	9,127,000	+1,260,000	-105,000	-----
Productivity and technology.....	2,161,000	2,222,000	2,206,000	2,206,000	+45,000	-16,000	-----
Economic research.....	1,345,000	1,028,000	1,023,000	1,023,000	-322,000	-5,000	-----
Executive direction and staff services.....	9,921,000	10,517,000	10,357,000	10,357,000	+436,000	-160,000	-----
Revision of the consumer price index.....	6,589,000	7,095,000	7,095,000	7,095,000	+506,000	-----	-----
Total.....	54,422,000	61,683,000	64,846,000	64,846,000	+10,424,000	+3,163,000	-----
Transition period.....	-----	15,250,000	16,210,000	16,210,000	+16,210,000	+960,000	-----
<b>DEPARTMENTAL MANAGEMENT</b>							
Salaries and expenses:							
Executive direction.....	7,151,000	7,410,000	7,345,000	7,345,000	+194,000	-65,000	-----
Legal services.....	9,012,000	9,484,000	9,316,000	9,316,000	+304,000	-168,000	-----
International labor affairs.....	2,899,000	4,721,000	4,301,000	4,301,000	+1,402,000	-420,000	-----
Administration and management.....	9,720,000	10,035,000	9,745,000	9,745,000	+25,000	-290,000	-----
Appeals from determination of Federal employee claims.....	260,000	264,000	262,000	262,000	+2,000	-2,000	-----
Promoting employment of the handicapped.....	1,297,000	1,328,000	1,328,000	1,328,000	+31,000	-----	-----
Total.....	30,339,000	33,242,000	32,297,000	32,297,000	+1,958,000	-945,000	-----
Transition period.....	-----	7,781,000	7,781,000	7,781,000	+7,781,000	-----	-----
Trust fund transfer.....	(820,000)	(881,000)	(881,000)	(881,000)	(+61,000)	-----	-----
Transition period.....	-----	(221,000)	(221,000)	(221,000)	(+221,000)	-----	-----
Special foreign currency program.....	200,000	200,000	70,000	70,000	-130,000	-130,000	-----
Total, Department of Labor.....	14,105,787,000	3,478,703,000	3,475,558,000	3,495,141,000	-10,610,646,000	+16,438,000	+\$19,583,000
Transition period.....	-----	880,702,000	880,976,000	885,897,000	+885,897,000	+5,195,000	+4,921,000

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TITLE II—DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

<b>HEALTH SERVICES ADMINISTRATION</b>							
<b>HEALTH SERVICES</b>							
1. Community health services:							
(a) Comprehensive health grants to States.....	(\$90,000,000)	(-----)	(1)	(1)	(-\$90,000,000)	-----	-----
(b) Community health centers.....	(196,648,000)	(\$155,190,000)	(1)	(1)	(-196,648,000)	(-\$155,190,000)	-----
(c) Maternal and child health:							
(1) Grants to States.....	266,951,000	193,922,000	\$295,700,000	\$295,700,000	+23,749,000	+101,778,000	-----
(2) Research and training.....	25,917,000	17,500,000	21,500,000	25,917,000	-----	+8,417,000	+\$4,417,000
(3) Sudden infant death information dis- semination.....	2,000,000	-----	2,200,000	3,000,000	+1,000,000	+3,000,000	+800,000
(d) Family planning.....	(100,615,000)	(79,435,000)	(1)	(1)	(-100,615,000)	(-79,435,000)	-----
(e) Migrant health.....	(23,750,000)	(19,200,000)	(1)	(1)	(-23,750,000)	(-19,200,000)	-----
(f) Health maintenance organizations.....	7,160,000	18,612,000	18,612,000	18,612,000	(+15,015,000)	-----	-----
(g) National Health Service Corps.....	(17,131,000)	(12,529,000)	(1)	(1)	(-17,131,000)	(-12,529,000)	-----

See footnote at end of table, p. 125.

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**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1975 AND THE BUDGET ESTIMATES OF NEW (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1976 AND THE TRANSITION PERIOD—Continued**

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

Agency and item (1)	1975 comparable appropriation (2)	1976 budget estimate (3)	House allowance (4)	Senate committee recommendation (5)	Increase (+) or decrease (-), Senate committee recommendation compared with—		
					1975 comparable appropriation (6)	Budget estimate (7)	House bill (8)
<b>NATIONAL INSTITUTES OF HEALTH—Con.</b>							
National Institute of Neurological and Communicative Disorders and Stroke.....	\$129,011,000	\$107,055,000	\$136,546,000	\$136,546,000	+\$7,535,000	+\$29,491,000	-----
Transition period.....		27,964,000	32,964,000	32,964,000	+32,964,000	+5,000,000	-----
National Institute of Allergy and Infectious Diseases.....	110,409,000	100,777,000	118,918,000	118,918,000	+8,509,000	+18,141,000	-----
Transition period.....		26,974,000	26,974,000	26,974,000	+26,974,000		-----
National Institute of General Medical Sciences.....	135,423,000	120,779,000	146,461,000	146,461,000	+11,038,000	+25,682,000	-----
Transition period.....		32,961,000	32,961,000	32,961,000	+32,961,000		-----
National Institute of Child Health and Human Development.....	116,679,000	96,547,000	126,889,000	126,889,000	+10,210,000	+30,342,000	-----
Transition period.....		23,566,000	23,566,000	23,566,000	+23,566,000		-----
National Institute on Aging.....	13,905,000	14,428,000	15,526,000	20,526,000	+6,621,000	+6,098,000	+\$5,000,000
Transition period.....		3,943,000	3,943,000	3,943,000	+3,943,000		-----
National Eye Institute.....	39,393,000	34,554,000	42,608,000	50,000,000	+10,607,000	+15,446,000	+7,392,000
Transition period.....		9,103,000	9,103,000	9,103,000	+9,103,000		-----
National Institute of Environmental Health Sciences.....	31,884,000	29,368,000	35,915,000	35,915,000	+4,031,000	+6,547,000	-----
Transition period.....		7,540,000	7,540,000	7,540,000	+7,540,000		-----
Research resources.....	127,816,000	80,724,000	128,731,000	131,731,000	+3,915,000	+51,007,000	+3,000,000
Transition period.....		20,195,000	20,195,000	20,195,000	+20,195,000		-----
John E. Fogarty International Center.....	5,406,000	4,540,000	5,345,000	5,345,000	-61,000	+805,000	-----
Transition period.....		1,135,000	1,135,000	1,135,000	+1,135,000		-----
Total, Research Institutes.....	1,887,525,000	1,629,553,000	2,009,328,000	2,177,720,000	+290,195,000	+548,167,000	+168,392,000
Transition period.....		403,822,000	416,822,000	416,822,000	+416,822,000	+13,000,000	-----
National Library of Medicine.....	28,848,000	28,815,000	28,815,000	29,565,000	+717,000	+750,000	+750,000
Transition period.....		6,572,000	6,572,000	6,572,000	+6,572,000		-----
Buildings and facilities.....	3,900,000	2,000,000	93,000,000	41,000,000	+38,000,000	+38,000,000	-52,000,000
Transition period.....		750,000	750,000	750,000	+750,000		-----
Office of the Director.....	17,986,000	19,986,000	19,612,000	17,896,000	-90,000	-2,090,000	-1,716,000
Transition period.....		4,997,000	4,903,000	4,474,000	+4,474,000	-523,000	-429,000
Total, NIH.....	1,937,359,000	1,681,354,000	2,150,755,000	2,266,181,000	+328,822,000	+584,827,000	+115,426,000
Items not authorized.....	(155,075,000)	(123,646,000)	(1)	(1)	(-155,075,000)	(-123,646,000)	-----
Transition period.....		416,141,000	429,047,000	428,618,000	+428,618,000	+12,477,000	-429,000
<b>ALCOHOL, DRUG ABUSE AND MENTAL HEALTH ADMINISTRATION</b>							
<b>ALCOHOL, DRUG ABUSE AND MENTAL HEALTH</b>							
<b>1. General mental health:</b>							
(a) Research.....	92,650,000	80,189,000	92,908,000	92,908,000	+258,000	+12,719,000	-----
(b) Training.....	75,993,000	30,266,000	60,266,000	75,993,000		+45,727,000	+15,727,000
(c) Community programs:							
(1) Construction of centers.....	(14,250,000)	(.....)	(1)	(1)	(-14,250,000)		-----
(2) Staffing of centers.....	170,789,000	135,363,000	135,363,000	135,363,000	-35,426,000		-----
(3) Mental health of children.....	28,108,000	24,780,000	24,780,000	26,844,000	-1,264,000	+2,064,000	+2,064,000
(d) Management and information.....	20,429,000	20,274,000	22,274,000	22,274,000	+1,845,000	+2,000,000	-----
Subtotal.....	387,969,000	290,872,000	335,591,000	353,382,000	-34,587,000	+62,510,000	+17,791,000

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See footnote at end of table, p. 125.

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1975 AND THE BUDGET ESTIMATES OF NEW (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1976 AND THE TRANSITION PERIOD—Continued**

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

Agency and item (1)	1975 comparable appropriation (2)	1976 budget estimate (3)	House allowance (4)	Senate committee recommendation (5)	Increase (+) or decrease (-), Senate committee recommendation compared with—		
					1975 comparable appropriation (6)	Budget estimate (7)	House bill (8)
<b>HEALTH ADMINISTRATION—Continued</b>							
<b>ALCOHOL, DRUG ABUSE AND MENTAL HEALTH—Con.</b>							
<b>2. Drug abuse:</b>							
(a) Research.....	\$34,063,000	\$31,602,000	\$34,000,000	\$34,063,000		+\$2,461,000	+\$63,000
(b) Training.....	13,757,000	2,803,000	9,803,000	13,757,000		+10,954,000	+3,954,000
(c) Community programs:							
(1) Project grants and contracts.....	12,935,000	11,836,000	11,836,000	12,925,000	-\$10,000	+1,089,000	+1,089,000
(2) Grants to States.....	(35,000,000)	(35,000,000)	(1)	(1)	(-35,000,000)	(-35,000,000)	
(d) Management and information.....	15,092,000	14,294,000	14,294,000	14,294,000	-798,000		
Subtotal.....	75,847,000	60,535,000	69,933,000	75,939,000	-808,000	+14,504,000	+5,106,000
<b>3. Alcoholism:</b>							
(a) Research.....	11,008,000	9,047,000	11,008,000	13,008,000	+2,000,000	+3,961,000	+2,000,000
(b) Training.....	6,846,000	6,067,000	6,067,000	7,067,000	+221,000	+1,000,000	+1,000,000
(c) Community programs:							
(1) Project grants and contracts.....	64,908,000	45,451,000	64,908,000	73,908,000	+9,000,000	+28,457,000	+9,000,000
(2) Grants to States.....	52,000,000	45,600,000	52,000,000	60,000,000	+8,000,000	+14,400,000	+8,000,000
(d) Management and information.....	10,328,000	7,143,000	7,143,000	9,143,000	-1,185,000	+2,000,000	+2,000,000
Subtotal.....	145,090,000	118,308,000	141,126,000	163,126,000	+18,036,000	+49,818,000	+22,000,000
<b>4. Program direction.....</b>	<b>10,451,000</b>	<b>11,564,000</b>	<b>11,004,000</b>	<b>10,451,000</b>		<b>-1,113,000</b>	<b>-553,000</b>
<b>Total.....</b>	<b>619,357,000</b>	<b>476,279,000</b>	<b>557,654,000</b>	<b>601,998,000</b>	<b>-17,359,000</b>	<b>+125,719,000</b>	<b>+44,344,000</b>
Items not authorized.....	(163,576,000)	(177,348,000)	(1)	(1)	(-163,576,000)	(-177,348,000)	
Transition period.....		116,565,000	84,242,000	84,104,000	+84,104,000	-32,461,000	-138,000
<b>SAINT ELIZABETHS HOSPITAL.....</b>	<b>48,758,000</b>	<b>48,064,000</b>	<b>48,064,000</b>	<b>48,064,000</b>		<b>-694,000</b>	
Transition period.....		15,500,000	15,500,000	15,500,000	+15,500,000		
<b>BUILDINGS AND FACILITIES.....</b>			<b>2,500,000</b>	<b>5,400,000</b>	<b>+5,400,000</b>	<b>+5,400,000</b>	<b>+2,900,000</b>
<b>Total, Alcohol, Drug Abuse, and Mental Health Administration.....</b>	<b>668,115,000</b>	<b>524,343,000</b>	<b>608,218,000</b>	<b>655,462,000</b>	<b>-12,653,000</b>	<b>+131,119,000</b>	<b>+47,244,000</b>
Transition period.....		132,065,000	99,742,000	99,604,000	+99,604,000	-32,461,000	-138,000
<b>HEALTH RESOURCES ADMINISTRATION</b>							
<b>HEALTH RESOURCES</b>							
1. National health statistics.....	21,997,000	25,636,000	25,636,000	21,997,000		-3,639,000	-3,639,000
2. Health planning and resources development.....	10,000,000	66,000,000	86,000,000	80,000,000	+70,000,000	+14,000,000	-6,000,000
3. Comprehensive health planning.....	37,900,000					-37,900,000	
4. Regional medical programs.....	50,000,000					-50,000,000	
5. Health services research and evaluation.....	28,659,000	26,000,000	26,000,000	23,400,000	-5,259,000	-2,600,000	-2,600,000
<b>6. Health manpower:</b>							
<b>(a) Health professions:</b>							
<b>(1) Institutional assistance:</b>							
(i) Capitation grants.....	(150,000,000)	(101,100,000)	(1)	(1)	(-150,000,000)	(-101,100,000)	
(ii) Start-up and conversion as- sistance.....	(4,700,000)	(3,000,000)	(1)	(1)	(-4,700,000)	(-3,000,000)	
(iii) Financial distress grants.....	(5,000,000)	(5,000,000)	(1)	(1)	(-5,000,000)	(-5,000,000)	
(iv) Special projects.....	(37,583,000)	(45,472,000)	(1)	(1)	(-37,583,000)	(-45,472,000)	

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See footnote at end of table, p. 125.

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1975 AND THE BUDGET ESTIMATES OF NEW (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1976 AND THE TRANSITION PERIOD—Continued**

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

Agency and item  (1)	1975 comparable appropriation  (2)	1976 budget estimate  (3)	House allowance  (4)	Senate committee recommendation  (5)	Increase (+) or decrease (-), Senate committee recommendation compared with—		
					1975 comparable appropriation  (6)	Budget estimate  (7)	House bill  (8)
<b>HEALTH RESOURCES ADMINISTRATION</b>							
<b>HEALTH RESOURCES—Continued</b>							
<b>6. Health manpower—Continued</b>							
<b>(a) Health professions—Continued</b>							
<b>(2) Student assistance:</b>							
(i) Loans.....	\$36,000,000	\$20,000,000	\$20,000,000	\$27,000,000	-\$9,000,000	+\$7,000,000	+\$7,000,000
(ii) General scholarships.....	6,900,000	3,500,000	3,500,000	3,500,000	-3,400,000		
(iii) National health service scholarships.....	(22,500,000)	(22,500,000)	(1)	(1)	(-22,500,000)	(-22,500,000)	
(iv) Loan repayments.....	3,000,000	6,000,000	6,000,000	6,000,000	+3,000,000		
(3) Dental health activities.....	7,842,000	7,842,000	7,842,000	9,042,000	+1,200,000	+1,200,000	+1,200,000
Subtotal, health professions.....	53,742,000	37,342,000	37,342,000	45,542,000	-8,200,000	+8,200,000	+8,200,000
<b>(b) Nursing:</b>							
<b>(1) Institutional assistance:</b>							
(i) Capitation grants.....	(34,343,000)	(.....)	(1)	(1)	(-34,343,000)		
(ii) Financial distress grants.....	(4,750,000)	(.....)	(1)	(1)	(-4,750,000)		
(iii) Special projects.....	(19,000,000)	(18,000,000)	(1)	(1)	(-19,000,000)	(-18,000,000)	
<b>(2) Student assistance:</b>							
(i) Loans.....	22,800,000	9,000,000	9,000,000	15,000,000	-7,800,000	+6,000,000	+6,000,000
(ii) General scholarships.....	6,000,000	4,000,000	4,000,000	4,000,000	-2,000,000		
(iii) Traineeships.....	(13,016,000)	(.....)	(1)	(1)	(-13,016,000)		
(iv) Loan repayments.....	100,000	2,500,000	2,500,000	2,500,000	+2,400,000		
(3) Educational research grants and contracts.....	1,200,000		(1)	(1)	-1,200,000		
Subtotal, Nursing.....	30,100,000	15,500,000	15,500,000	21,500,000	-8,600,000	+6,000,000	+6,000,000
(Subtotal, including unauthorized items)	(101,209,000)	(33,500,000)	(1)	(1)	(-101,209,000)	(-33,500,000)	
(e) Public health.....	(20,520,000)	(.....)	(1)	(1)	(-20,520,000)		
(d) Allied health.....	(28,321,000)	(.....)	(1)	(1)	(-28,311,000)		
(e) Special educational programs.....	(53,475,000)	(91,086,000)	(1)	(1)	(-53,475,000)	(-91,086,000)	
(f) D.C. Medical manpower assistance.....	7,500,000		9,050,000	9,050,000	+1,550,000	+9,050,000	
<b>7. Health facilities construction:</b>							
<b>(a) Medical facilities:</b>							
(1) Formula grants.....		78,000,000	78,000,000	78,000,000	+78,000,000		
(2) Special projects.....		22,000,000	22,000,000	22,000,000	+22,000,000		
(b) Health teaching facilities.....	(114,000,000)	(.....)	(1)	(1)	(-114,000,000)		
(c) Interest subsidies.....	2,000,000	3,000,000	3,000,000	3,000,000	+1,000,000		
(d) Special medical facilities.....	22,000,000		7,575,000	7,575,000	-14,425,000	+7,575,000	
Subtotal, health facilities construction.....	24,000,000	103,000,000	110,575,000	110,575,000	+86,575,000	+7,575,000	
<b>8. Program management.....</b>	46,963,000	51,893,000	50,648,000	48,507,000	+1,544,000	-3,386,000	-2,141,000
<b>Total.....</b>	<b>310,861,000</b>	<b>325,371,000</b>	<b>360,751,000</b>	<b>360,571,000</b>	<b>+49,710,000</b>	<b>+35,200,000</b>	<b>-180,000</b>
Less: Trust fund transfer.....	-8,542,000	-42,000	-42,000	-42,000	+8,500,000		
<b>Total, Health resources.....</b>	<b>302,319,000</b>	<b>325,329,000</b>	<b>360,709,000</b>	<b>360,529,000</b>	<b>+58,210,000</b>	<b>+35,200,000</b>	<b>-180,000</b>
Transition period.....		81,790,000	78,790,000	78,255,000	+78,255,000	-3,535,000	-585,000

See footnote at end of table, p. 125.

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1975 AND THE BUDGET ESTIMATES OF NEW (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1976 AND THE TRANSITION PERIOD—Continued**

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

Agency and item (1)	1975 comparable appropriation (2)	1976 budget estimate (3)	House allowance (4)	Senate committee recommendation (5)	Increase (+) or decrease (-), Senate committee recommendation compared with—		
					1975 comparable appropriation (6)	Budget estimate (7)	House bill (8)
<b>HEALTH RESOURCES ADMINISTRATION—Continued</b>							
<b>HEALTH RESOURCES—Continued</b>							
MEDICAL FACILITIES GUARANTEE AND LOAN FUND		\$10,000,000	\$10,000,000	\$10,000,000	\$+10,000,000		
Transition period		7,000,000	7,000,000	7,000,000	+7,000,000		
PAYMENT OF SALES INSUFFICIENCIES	\$4,000,000	4,000,000	4,000,000	4,000,000			
Total, Health Resources Administration	306,319,000	339,329,000	374,709,000	374,529,000	+68,210,000	+35,200,000	-18,000
Transition period		88,790,000	85,790,000	85,255,000	+83,255,000	-3,535,000	-535,000
<b>ASSISTANT SECRETARY FOR HEALTH</b>							
Assistant Secretary for Health	22,025,000	23,288,000	23,142,000	20,842,000	-1,183,000	-2,446,000	-2,300,000
Transition period		6,302,000	5,785,000	5,210,000	+5,210,000	-1,092,000	-575,000
Trust fund transfer	(27,080,000)	(.....)	(.....)	(.....)	(-27,080,000)	(.....)	(.....)
Retirement pay and medical benefits—commissioned officers	39,200,000	45,013,000	45,013,000	45,013,000	+5,813,000		
Transition period		13,552,000	13,552,000	13,552,000	+13,552,000		
Total, Assistant Secretary for Health	61,225,000	68,301,000	68,155,000	65,855,000	+4,630,000	-2,446,000	-2,300,000
Transition period		19,854,000	19,337,000	18,762,000	+18,762,000	-1,092,000	-575,000
Total, Health Agencies	3,566,564,000	3,139,710,000	3,862,637,000	4,034,800,000	+468,236,000	+895,090,000	+172,163,000

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**SOCIAL AND REHABILITATION SERVICE**

<b>Public assistance:</b>							
1. Maintenance assistance	4,861,927,000	5,166,639,000	5,166,800,000	5,166,800,000	+304,873,000	+161,000	
2. Medical assistance	6,966,375,000	7,766,000,000	7,766,000,000	7,766,000,000	+799,625,000		
3. Social services	1,891,905,000	1,948,000,000	1,948,000,000	1,948,000,000	+56,095,000		
4. State and local training	53,172,000	60,246,000	54,000,000	54,000,000	+828,000	-6,246,000	
5. Child welfare services	50,000,000	46,000,000	50,000,000	55,000,000	+5,000,000	+9,000,000	+5,000,000
6. Research	9,200,000	12,200,000	9,200,000	10,700,000	+1,500,000	-1,500,000	+1,500,000
7. Training projects	8,900,000	.....	6,000,000	8,900,000		+8,900,000	+2,900,000
Total	13,841,479,000	14,999,085,000	15,000,000,000	15,009,400,000	+1,167,921,000	+10,315,000	+9,400,000
Transition period		3,964,682,000	3,965,000,000	3,965,000,000	+3,965,000,000	+318,000	
<b>Work incentives:</b>							
1. Training	175,000,000	233,000,000	233,000,000	233,000,000	+58,000,000		
2. Child care	105,000,000	97,000,000	97,000,000	97,000,000	-8,000,000		
Total	280,000,000	330,000,000	330,000,000	330,000,000	+50,000,000		
Transition period		80,000,000	80,000,000	80,000,000	+80,000,000		
Salaries and expenses	51,453,000	63,361,000	57,878,000	60,878,000	+9,425,000	-2,483,000	+3,000,000
Transition period		16,265,000	14,470,000	15,219,000	+15,219,000	-1,046,000	+749,000
Trust fund transfer	(600,000)						
Total, Social and Rehabilitation Service	14,172,932,000	15,392,446,000	15,387,878,000	15,400,278,000	+1,227,346,000	+7,832,000	+12,400,000
Transition period		4,060,947,000	4,059,470,000	4,060,219,000	+4,060,219,000	-728,000	+749,000
<b>SOCIAL SECURITY ADMINISTRATION</b>							
Payments to Social Security Trust Funds	3,345,323,000	4,175,255,000	4,123,363,000	4,123,363,000	+778,040,000	-51,892,000	
Transition period		892,000,000	880,940,000	880,940,000	+880,940,000	-11,060,000	
Special benefits for disabled coal miners	957,740,000	999,778,000	999,778,000	999,778,000	+42,038,000		
Transition period		234,600,000	234,600,000	234,600,000	+234,600,000		

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See footnote at end of table, p. 125.

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1975 AND THE BUDGET ESTIMATES OF NEW (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1976 AND THE TRANSITION PERIOD—Continued**

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

Agency and item (1)	1975 comparable appropriation (2)	1976 budget estimate (3)	House allowance (4)	Senate committee recommendation (5)	Increase (+) or decrease (-), Senate committee recommendation compared with—		
					1975 comparable appropriation (6)	Budget estimate (7)	House bill (8)
<b>SOCIAL SECURITY ADMINISTRATION—Con.</b>							
Supplemental Security Income program.....	\$4,857,102,000	\$5,538,523,000	\$5,518,523,000	\$5,518,523,000	+\$661,421,000	-\$20,000,000	-----
Transition period.....	-----	1,508,541,000	1,503,541,000	1,503,541,000	+1,503,541,000	-5,000,000	-----
<i>Limitation on salaries and expenses</i> .....	(2,125,378,000)	(2,373,132,000)	(2,373,133,612)	(2,373,133,612)	(+247,164,612)	(+1,612)	-----
Transition period.....	(-----)	(629,300,000)	(629,300,403)	(629,300,403)	(+629,300,403)	(+493)	-----
<i>Limitation on construction</i> .....	(8,332,000)	(6,300,000)	(6,300,000)	(6,300,000)	(-1,932,000)	-----	-----
Transition period.....	(-----)	(3,633,000)	(3,633,000)	(3,633,000)	(+3,633,000)	-----	-----
Total.....	9,160,165,000	10,713,556,000	10,641,664,000	10,641,664,000	+1,481,499,000	-71,892,000	-----
Transition period.....	-----	2,635,141,000	2,619,081,000	2,619,081,000	+2,619,081,000	-16,060,000	-----
<b>ASSISTANT SECRETARY FOR HUMAN DEVELOPMENT</b>							
<b>HUMAN DEVELOPMENT</b>							
<b>1. Child development:</b>							
(a) Head Start.....	441,000,000	434,300,000	450,000,000	456,000,000	+15,000,000	+21,700,000	+\$6,000,000
(b) Research, demonstration, and evaluation.....	15,700,000	15,700,000	15,700,000	15,700,000	-----	-----	-----
(c) Child abuse.....	14,714,000	18,928,000	18,928,000	18,928,000	+4,214,000	-----	-----
<b>2. Youth development.....</b>	<b>10,000,000</b>	<b>5,000,000</b>	<b>5,000,000</b>	<b>10,000,000</b>	<b>-----</b>	<b>+5,000,000</b>	<b>+5,000,000</b>
<b>3. Aging programs:</b>							
(a) Community services.....	(105,000,000)	(96,000,000)	(1)	(1)	(-105,000,000)	(-96,000,000)	-----
(b) Nutrition.....	125,000,000	99,600,000	125,000,000	125,000,000	-----	+25,400,000	-----
(c) Research, demonstrations and manpower.....	(15,000,000)	(7,000,000)	(1)	(1)	(-15,000,000)	(-7,000,000)	-----
(d) Federal Council on Aging.....	(500,000)	(500,000)	(1)	(1)	(-500,000)	(-500,000)	-----
<b>4. Rehabilitation services and facilities:</b>							
(a) Basic State grants.....	680,000,000	680,000,000	720,000,000	720,309,318	+40,309,318	+40,309,318	+309,318
(b) Service projects:							
(1) Innovation and expansion.....	23,000,000	-----	15,000,000	23,000,000	-----	+23,000,000	+8,000,000
(2) Deaf-blind Center.....	2,000,000	2,100,000	2,100,000	2,100,000	+100,000	-----	-----
(3) Special studies and evaluation.....	5,945,000	4,400,000	4,400,000	4,900,000	-1,045,000	+500,000	+500,000
(4) Training and facilities grants.....	8,000,000	6,900,000	6,900,000	9,400,000	+1,400,000	+2,500,000	+2,500,000
(c) Research.....	20,000,000	20,000,000	20,000,000	24,000,000	+4,000,000	+4,000,000	+4,000,000
(d) Training.....	22,200,000	22,200,000	22,200,000	22,200,000	-----	-----	-----
<b>5. Grants for the developmentally disabled:</b>							
(a) State grants.....	(30,875,000)	(30,875,000)	(1)	(1)	(-30,875,000)	(-30,875,000)	-----
(b) Service projects.....	18,500,000	18,500,000	18,500,000	18,500,000	-----	-----	-----
(c) University affiliated facilities.....	(4,250,000)	(4,250,000)	(1)	(1)	(-4,250,000)	(-4,250,000)	-----
<b>6. Special programs for Native Americans.....</b>							
	<b>32,000,000</b>	<b>32,000,000</b>	<b>32,000,000</b>	<b>34,000,000</b>	<b>+2,000,000</b>	<b>+2,000,000</b>	<b>+2,000,000</b>
<b>7. Salaries and expenses.....</b>							
	<b>43,048,000</b>	<b>45,654,000</b>	<b>44,921,000</b>	<b>44,921,000</b>	<b>+1,873,000</b>	<b>-733,000</b>	-----
<i>Less trust fund transfer</i> .....	-600,000	-600,000	-600,000	-600,000	-----	-----	-----
Total.....	1,460,507,000	1,404,682,000	1,500,049,000	1,528,358,318	+67,851,318	+123,676,318	+28,309,318
Items not authorized.....	(155,625,000)	(138,625,000)	(1)	(1)	(-155,625,000)	(-138,625,000)	-----
Transition period.....	-----	348,163,000	371,505,000	371,505,000	+371,505,000	+23,342,000	-----
<b>DEPARTMENT MANAGEMENT</b>							
Office for Civil Rights.....	23,673,000	26,498,000	26,037,000	26,037,000	+2,364,000	-461,000	-----
Less: Trust fund transfer.....	-1,466,000	-1,351,000	-1,351,000	-1,351,000	+115,000	-----	-----
Total.....	22,207,000	25,147,000	24,686,000	24,686,000	+2,479,000	-461,000	-----

See footnotes at end of table, p. 125.

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1975 AND THE BUDGET ESTIMATES OF NEW (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1976 AND THE TRANSITION PERIOD—Continued**

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

Agency and item (1)	1975 comparable appropriation (2)	1976 budget estimate (3)	House allowance (4)	Senate committee recommendation (5)	Increase (+) or decrease (-), Senate committee recommendation compared with—		
					1975 comparable appropriation (6)	Budget estimate (7)	House bill (8)
<b>DEPARTMENT MANAGEMENT—Continued</b>							
General Departmental Management.....	\$92,211,000	\$105,786,000	\$100,040,000	\$98,000,000	+\$5,789,000	-\$7,786,000	-\$2,040,000
Less: Trust fund transfer.....	-13,946,000	-12,751,000	-12,751,000	-12,751,000	-1,195,000		
Total.....	78,265,000	93,035,000	87,289,000	85,249,000	+6,984,000	-7,786,000	-2,040,000
Policy research.....	26,323,000	29,260,000	26,300,000	24,950,000	-1,379,000	-4,310,000	-1,350,000
Total, Departmental Management.....	128,801,000	147,442,000	138,275,000	134,885,000	+8,084,000	-12,557,000	-3,390,000
Transition period.....		37,915,000	35,624,000	35,114,000	+35,114,000	-2,801,000	-510,000
Total, Title II—Department of Health, Education, and Welfare.....	28,486,969,000	30,797,836,000	31,530,503,000	31,739,985,318	+3,253,016,318	+942,149,318	+209,482,318
Transition period.....		7,902,500,000	7,883,129,000	7,881,316,000	+7,881,316,000	-21,184,000	-1,813,000
Trust fund limitations.....	(2,134,219,000)	(2,379,432,000)	(2,379,433,612)	(2,379,433,612)	(+245,214,612)	(+11,612,000)	
Trust fund transfers.....	(47,379,000)	(39,415,000)	(41,415,000)	(41,415,000)	(-6,964,000)	(-2,000,000)	

**TITLE III—RELATED AGENCIES**

Action (domestic programs).....	\$100,000,000	\$101,574,000	\$101,313,000	\$105,623,000	+\$5,623,000	+\$4,049,000	+\$4,310,000
Transition period.....		21,083,000	21,083,000	25,591,000	+25,591,000	+4,508,000	+4,508,000
Community Services Administration.....	507,700,000	363,000,000	474,385,000	526,452,000	+18,752,000	+163,452,000	+52,067,000
Transition period.....		90,750,000	144,975,000	129,746,000	+129,746,000	+38,996,000	-15,229,000
Corporation for Public Broadcasting.....	(62,000,000)	(70,000,000)	(1)	(1)	(-62,000,000)	(-70,000,000)	
Transition period.....		(17,500,000)	(1)	(1)		(-17,500,000)	
Federal Mediation and Conciliation Service.....	16,245,000	18,250,000	17,704,000	17,904,000	+1,659,000	-346,000	+200,000
Transition period.....		4,800,000	4,426,000	4,476,000	+4,476,000	-324,000	+50,000
National Commission on Libraries and Information Science.....	409,000	502,000	409,000	468,000	+59,000	-34,000	+59,000
Transition period.....		125,000	102,000	117,000	+117,000	-8,000	+15,000
National Labor Relations Board.....	62,669,000	68,499,000	67,461,000	68,071,000	+5,402,000	-428,000	+610,000
Transition period.....		17,127,000	16,865,000	17,018,000	+17,018,000	-109,000	+153,000
National Mediation Board.....	3,236,000	3,105,000	3,405,000	3,405,000	+169,000	+300,000	
Transition period.....		775,000	850,000	85,000	+850,000	+75,000	
Occupational Safety and Health Review Commission.....	5,512,000	5,675,000	5,638,000	5,638,000	+126,000	-37,000	
Transition period.....		1,418,000	1,418,000	1,418,000	+1,418,000		
Railroad Retirement Board:							
Payments to Railroad Retirement Trust Funds.....	3,516,000	250,000,000	250,000,000	250,000,000	+246,484,000		
Regional Rail Transportation Protective Account.....		55,100,000	37,600,000	37,600,000	+37,600,000	-17,500,000	
Transition period.....		10,030,000	10,030,000	10,030,000	+10,030,000		
Limitation on salaries and expenses.....	(25,758,000)	(29,703,000)	(28,705,000)	(28,703,000)	(+2,945,000)	(-1,000,000)	
Transition period.....		(7,430,000)	(7,175,000)	(7,175,000)	(+7,175,000)	(-255,000)	
Soldiers' and Airmen's Home (trust fund appropriation):	15,391,000	15,665,000	15,665,000	15,665,000	+274,000		
Operation and maintenance:							
Transition period.....		3,905,000	3,905,000	3,905,000	+3,905,000		
Total, Title III—Related Agencies.....	714,678,000	881,370,000	973,580,000	1,030,826,000	+316,148,000	+149,456,000	+57,246,000
Transition period.....		150,013,000	203,654,000	193,151,000	+193,151,000	+43,138,000	-10,503,000
Total, Labor-HEW Appropriations Bill.....	43,307,434,000	35,157,909,000	35,979,641,000	36,265,952,318	-7,041,481,682	+1,108,043,318	+286,311,318
Transition period.....		8,933,216,000	8,967,759,000	8,960,364,000	+8,960,364,000	+27,149,000	-7,395,000
Trust fund limitations.....	(2,159,977,000)	(2,409,135,000)	(2,408,136,000)	(2,408,136,000)	(+242,159,000)	(-889,000)	
Trust fund transfers.....	(1,253,944,000)	(1,065,387,000)	(1,128,687,000)	(1,128,687,000)	(-125,257,000)	(+63,300,000)	

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

# Ninety-fourth Congress of the United States of America

## AT THE FIRST SESSION

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

### An Act

Making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1976, and the period ending September 30, 1976, and for other purposes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the following sums are appropriated out of any money in the Treasury not otherwise appropriated, for the Departments of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1976, and the period ending September 30, 1976, and for other purposes, namely:

#### TITLE I—DEPARTMENT OF LABOR

##### MANPOWER ADMINISTRATION

###### PROGRAM ADMINISTRATION

For expenses of administering employment and training programs, \$66,632,000, together with not to exceed \$29,866,000 which may be expended from the Employment Security Administration account in the Unemployment Trust Fund, and of which \$5,270,000 shall be for carrying into effect the provisions of 38 U.S.C. 2001-2003.

For "Program administration" for the period July 1, 1976, through September 30, 1976, \$16,748,000, together with not to exceed \$7,377,000 which may be expended from the Employment Security Administration account in the Unemployment Trust Fund, and of which \$1,318,000 shall be for carrying into effect the provisions of 38 U.S.C. 2001-2003.

###### COMPREHENSIVE MANPOWER ASSISTANCE

For expenses necessary to carry into effect the Comprehensive Employment and Training Act of 1973, as amended, and sections 326 and 328 of the Trade Expansion Act of 1962 (19 U.S.C. 1951 and 1961) and sections 236, 237, and 238 of the Trade Act of 1974, \$2,388,400,000, plus reimbursements, to remain available until September 30, 1977: *Provided*, That this appropriation shall be available for the purchase and hire of passenger motor vehicles, and for construction, alteration, and repair of buildings and other facilities and for the purchase of real property for training centers as authorized by the Comprehensive Employment and Training Act of 1973, as amended.

For "Comprehensive manpower assistance" for the period July 1, 1976, through September 30, 1976, \$597,500,000, plus reimbursements, to remain available until September 30, 1977: *Provided*, That this appropriation shall be available for the purchase and hire of passenger motor vehicles, and for construction, alteration and repair of buildings and other facilities and for the purchase of real property for training centers as authorized by the Comprehensive Employment and Training Act of 1973, as amended.



FEDERAL UNEMPLOYMENT BENEFITS AND ALLOWANCES

For payments during the current fiscal year of benefits and allowances to unemployed Federal employees and ex-servicemen, as authorized by title 5, chapter 85 of the United States Code, of trade adjustment benefit payments and allowances, as provided by law (19 U.S.C. 1941-1944 and 1952; part I, subchapter B, chapter 2, title II, of the Trade Act of 1974), and of unemployment assistance as authorized by title II of the Emergency Jobs and Unemployment Assistance Act of 1974, \$410,000,000, together with such amounts as may be necessary to be charged to the subsequent appropriation for payments for any period subsequent to June 15 of the current year: *Provided*, That, in addition, there shall be transferred from the Postal Service Fund to this appropriation such sums as the Secretary of Labor determines to be the cost of benefits for ex-Postal Service employees: *Provided further*, That amounts received during the current fiscal year from the Postal Service or recovered from the States pursuant to 5 U.S.C. 8505 (d) shall be available for such payments during the year.

For payments during the period July 1, 1976, through September 30, 1976, of benefits and allowances to unemployed Federal employees and ex-servicemen, as authorized by title 5, Chapter 85 of the United States Code, and of trade adjustment benefit payments and allowances, as provided by law (19 U.S.C. 1941-1944 and 1952; part I, subchapter B, chapter 2, title II, of the Trade Act of 1974), \$95,000,000, together with such amounts as may be necessary to be charged to the subsequent appropriation for payments for any period subsequent to September 15 of the current period: *Provided*, That, in addition, there shall be transferred from the Postal Service Fund to this appropriation such sums as the Secretary of Labor determines to be the cost of benefits for ex-Postal Service employees: *Provided further*, That amounts received during the current period from the Postal Service or recovered from the States pursuant to 5 U.S.C. 8505 (d) shall be available for such payments during the period.

GRANTS TO STATES FOR UNEMPLOYMENT INSURANCE AND EMPLOYMENT SERVICES

For grants for activities authorized by the Act of June 6, 1933, as amended (29 U.S.C. 49-49n, 39 U.S.C. 3202 (a) (1) (E)); Veterans' Employment and Readjustment Act of 1972, as amended (38 U.S.C. 2001-2013); title III of the Social Security Act, as amended (42 U.S.C. 501-503); sections 312 (e) and (g) of the Comprehensive Employment and Training Act of 1973, as amended; and necessary administrative expenses for carrying out 5 U.S.C. 8501-8523, 19 U.S.C. 1941-1944, 1952, and chapter 2, title II, of the Trade Act of 1974, including upon the request of any State, the payment of rental for space made available to such State in lieu of grants for such purpose, \$81,300,000, together with not to exceed \$1,051,300,000, which may be expended from the Employment Security Administration account in the Unemployment Trust Fund, and of which \$76,000,000 shall be available only to the extent necessary to meet increased costs of administration resulting from changes in a State law or increases in the number of unemployment insurance claims filed and claims paid or increased salary costs resulting from changes in State salary compensation plans embracing employees of the State generally over those upon which the State's basic grant was based, which cannot be provided for by normal budgetary adjustments: *Provided*, That any portion of the

funds granted to a State in the current fiscal year and not obligated by the State in that year shall be returned to the Treasury and credited to the account from which derived.

For grants for the period July 1, 1976, through September 30, 1976, for activities authorized by the Act of June 6, 1933, as amended (29 U.S.C. 49-49n, 39 U.S.C. 3202(a)(1)(E)); Veterans' Employment and Readjustment Act of 1972, as amended (38 U.S.C. 2001-2013); title III of the Social Security Act, as amended (42 U.S.C. 501-503); sections 312 (e) and (g) of the Comprehensive Employment and Training Act of 1973, as amended; and necessary administrative expenses for carrying out 5 U.S.C. 8501-8523, 19 U.S.C. 1941-1944, 1952, and chapter 2, title II, of the Trade Act of 1974, including upon the request of any State, the payment of rental for space made available to such State in lieu of grants for such purpose, \$20,300,000, together with not to exceed \$262,850,000 which may be expended from the Employment Security Administration account in the Unemployment Trust Fund, and of which \$15,000,000 shall be available only to the extent necessary to meet increased costs of administration resulting from changes in a State law or increases in the number of unemployment insurance claims filed and claims paid or increased salary costs resulting from changes in State salary compensation plans embracing employees of the State generally over those upon which the State's basic grant was based, which cannot be provided for by normal budgetary adjustments: *Provided*, That any portion of the funds granted to a State in the current period and not obligated by the State in that period shall be returned to the Treasury and credited to the account from which derived.

LABOR-MANAGEMENT SERVICES ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses for the Labor-Management Services Administration, \$41,232,000.

For "Salaries and expenses" for the period July 1, 1976, through September 30, 1976, \$10,047,000.

PENSION BENEFIT GUARANTY CORPORATION

The Pension Benefit Guaranty Corporation is hereby authorized to make such expenditures within limits of funds and borrowing authority available to such corporation, and in accord with law, and to make such contracts and commitments without regard to fiscal year limitation as provided by section 104 of the Government Corporation Control Act, as amended (31 U.S.C. 849), as may be necessary in carrying out the program set forth in the budget for the current fiscal year, and the program for the period July 1, 1976, through September 30, 1976, for such corporation.

EMPLOYMENT STANDARDS ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses for the Employment Standards Administration, including reimbursement to State, Federal, and local agencies and their employees for inspection services rendered, \$82,410,000, together with \$225,000 which may be expended from the Special Fund in accordance with Sections 39(c) and 44(j) of the Longshoremen's and Harbor Workers' Compensation Act.

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For "Salaries and expenses" for the period July 1, 1976, through September 30, 1976, \$20,602,000, together with \$56,000 which may be expended from the Special Fund in accordance with Sections 39(c) and 44(j) of the Longshoremen's and Harbor Workers' Compensation Act.

SPECIAL BENEFITS

For the payments of compensation, benefits, and expenses (except administrative expenses) accruing during the current or any prior fiscal year authorized by title IV of the Federal Coal Mine Health and Safety Act of 1969, as amended, and title V, chapter 81 of the United States Code; continuation of benefits as provided for under the head "Civilian War Benefits" in the Federal Security Agency Appropriation Act, 1947; the Employees' Compensation Commission Appropriation Act, 1944; and sections 4(c) and 5(f) of the War Claims Act of 1948 (50 U.S.C. App. 2012); and fifty per centum of the additional compensation and benefits required by section 10(h) of the Longshoremen's and Harbor Workers' Compensation Act, as amended, \$201,000,000, together with such amount as may be necessary to be charged to the subsequent year appropriation for the payment of compensation and other benefits for any period subsequent to June 15 of the current year: *Provided*, That in addition there shall be transferred from the Postal Service fund to this appropriation such sums as the Secretary of Labor determines to be the cost of administration for Postal Service employees through June 30, 1976.

Whenever the Secretary of Labor finds it will promote the achievement of the above activities, qualified persons may be appointed to conduct hearings thereunder without meeting the requirements for hearing examiners appointed under 5 U.S.C. 3105: *Provided*, That no person shall hold a hearing in any case with which he has been concerned previously in the administration of such activities.

For "Special benefits" for the period July 1, 1976, through September 30, 1976, \$70,000,000.

OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses for the Occupational Safety and Health Administration, \$116,221,000, of which not to exceed \$9,000,000 shall be available for reimbursement to States under section 7(c)(1) of the Occupational Safety and Health Act of 1970 (29 U.S.C. 656(c)(1)) for the furnishing of consultation services to employers under section 21(c) of such Act (29 U.S.C. 670(c)).

None of the funds appropriated in 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.

For "Salaries and expenses" for the period July 1, 1976, through September 30, 1976, \$29,000,000, of which not to exceed \$1,250,000 shall be available for reimbursement to States under section 7(c)(1) of the Occupational Safety and Health Act of 1970 (29 U.S.C. 656(c)(1)) for the furnishing of consultation services to employers under section 21(c) of such Act (29 U.S.C. 670(c)).

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BUREAU OF LABOR STATISTICS

SALARIES AND EXPENSES

For necessary expenses for the Bureau of Labor Statistics, including advances or reimbursements to State, Federal, and local agencies and their employees for services rendered, \$64,846,000, of which \$7,095,000 shall be for expenses of revising the Consumer Price Index, including salaries of temporary personnel assigned to this project without regard to competitive civil service requirements.

For "Salaries and expenses" for the period July 1, 1976, through September 30, 1976, \$16,210,000, of which \$1,774,000 shall be for expenses of revising the Consumer Price Index, including salaries of temporary personnel assigned to this project without regard to competitive civil service requirements.

DEPARTMENTAL MANAGEMENT

SALARIES AND EXPENSES

For necessary expenses for departmental management and \$1,328,000 for the President's Committee on Employment of the Handicapped, \$32,297,000, together with not to exceed \$881,000, to be derived from the Employment Security Administration account, Unemployment Trust Fund.

For "Salaries and expenses" for the period July 1, 1976, through September 30, 1976, \$7,781,000, together with an amount not to exceed \$221,000 to be derived from the Employment Security Administration account, Unemployment Trust Fund.

SPECIAL FOREIGN CURRENCY PROGRAM

For payments in foreign currencies which the Treasury Department determines to be excess to the normal requirements of the United States, for necessary expenses of the Department of Labor, as authorized by law, \$70,000, to remain available until expended: *Provided*, That this appropriation shall be available, in addition to other appropriations to such agency for payments in the foregoing currencies.

GENERAL PROVISIONS

SEC. 101. Appropriations in this Act available for salaries and expenses shall be available for supplies, services, and rental of conference space within the District of Columbia, as the Secretary of Labor shall deem necessary for settlement of labor-management disputes.

SEC. 102. Funds appropriated by this Act for the payment of special unemployment assistance under title II of the Emergency Jobs and Unemployment Assistance Act of 1974 shall not be used for making such payments of assistance or waiting period credit, beginning after the date of enactment of this Act, to any individual who performs services in an instructional, research, or principal administrative capacity for an educational institution or agency with respect to any week commencing during the period between two successive academic years (or, when the contract provides instead for a similar period

between two regular but not successive terms, during such similar period) if—

(1) such individual performed services in any such capacity for any educational institution or agency for the first of such academic years or terms; and

(2) such individual has a contract to perform services in any such capacity for any educational institution or agency for the latter of such academic years or terms.

This title may be cited as the "Department of Labor Appropriation Act, 1976".

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

### HEALTH SERVICES ADMINISTRATION

#### HEALTH SERVICES

For carrying out, except as otherwise provided, titles III, V, XI, XII, and XIII of the Public Health Service Act, the Act of August 8, 1946 (5 U.S.C. 7901), section 1 of the Act of July 19, 1963 (42 U.S.C. 253a), section 108 of Public Law 93-353, and titles V and XI of the Social Security Act, \$557,693,000, of which \$1,200,000 shall be available only for payments to the State of Hawaii for care and treatment of persons afflicted with leprosy: *Provided*, That any amounts received by the Secretary in connection with loans and loan guarantees under title XIII and any other property or assets derived by him from his operations respecting such loans and loan guarantees, including any money derived from the sale of assets, shall be available to the Secretary without fiscal year limitation for direct loans and loan guarantees, as authorized by said title XIII, in addition to funds specifically appropriated for that purpose: *Provided further*, That this appropriation shall be available for payment of the costs of medical care, related expenses, and burial expenses, hereafter incurred, by or on behalf of any person who has participated in the study of untreated syphilis initiated in Tuskegee, Alabama, in 1932, in such amounts and subject to such terms and conditions as prescribed by the Secretary of Health, Education, and Welfare, and for payment, in such amounts and subject to such terms and conditions, of such costs and expenses hereafter incurred by or on behalf of such person's wife or offspring determined by the Secretary to have suffered injury or disease from syphilis contracted from such person: *Provided further*, That when the Health Services Administration operates an employee health program for any Federal department or agency, payment for the estimated cost shall be made by way of reimbursement or in advance to this appropriation: *Provided further*, That in addition, \$26,671,000 may be transferred to this appropriation as authorized by section 201(g)(1) of the Social Security Act, from any one or all of the trust funds referred to therein.

For "Health services" for the period July 1, 1976, through September 30, 1976, \$135,126,000: *Provided*, That not to exceed \$7,021,000 may be transferred and expended as authorized by section 201(g)(1) of the Social Security Act, from any one or all of the trust funds referred to therein: *Provided further*, That any amounts received by the Secretary in connection with loans and loan guarantees under title XIII and any other property or assets derived by him from his operations respecting such loans and loan guarantees, including any money derived from the sale of assets, shall be available to the Secretary



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without fiscal year limitation for direct loans and loan guarantees, as authorized by said title XIII, in addition to funds specifically appropriated for that purpose: *Provided further*, That this appropriation shall be available for payment of the costs of medical care, related expenses, and burial expenses, hereafter incurred, by or on behalf of any person who has participated in the study of untreated syphilis initiated in Tuskegee, Alabama, in 1932, in such amounts and subject to such terms and conditions as prescribed by the Secretary of Health, Education, and Welfare, and for payment, in such amounts and subject to such terms and conditions, of such costs and expenses hereafter incurred by or on behalf of such person's wife or offspring determined by the Secretary to have suffered injury or disease from syphilis contracted from such person: *Provided further*, That when the Health Services Administration operates an employee health program for any Federal department or agency, payment for the estimated cost shall be made by way of reimbursement or in advance to this appropriation: *Provided further*, That \$300,000 shall be available for payment to the State of Hawaii for care and treatment of persons afflicted with leprosy.

CENTER FOR DISEASE CONTROL

PREVENTIVE HEALTH SERVICES

To carry out, to the extent not otherwise provided, title III of the Public Health Service Act, the Federal Coal Mine Health and Safety Act of 1969, and the Occupational Safety and Health Act of 1970; including insurance of official motor vehicles in foreign countries; and purchase, hire, maintenance, and operation of aircraft; \$108,971,000: *Provided*, That training of employees of Federal, State, and local governments and of private agencies, shall be made subject to reimbursement or advances to this appropriation for the full cost of such training.

For "Preventive health services" for the period July 1, 1976, through September 30, 1976, including insurance of official motor vehicles in foreign countries, and purchase, hire, maintenance, and operation of aircraft; \$28,032,000: *Provided*, That training of employees of Federal, State, and local governments and of private agencies, shall be made subject to reimbursement or advances to this appropriation for the full cost of such training.

NATIONAL INSTITUTES OF HEALTH

NATIONAL CANCER INSTITUTE

For carrying out, to the extent not otherwise provided, title IV, part A, of the Public Health Service Act with respect to cancer, \$743,564,000 including \$25,000,000 for construction and renovation which shall remain available until expended.

For the "National Cancer Institute" for the period July 1, 1976, through September 30, 1976, \$149,700,000.

NATIONAL HEART AND LUNG INSTITUTE

For expenses, not otherwise provided for, necessary to carry out title III of the Public Health Service Act, \$349,059,000.

For the "National Heart and Lung Institute" for the period July 1, 1976, through September 30, 1976, \$58,015,000.



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NATIONAL INSTITUTE OF DENTAL RESEARCH

For expenses, not otherwise provided for, to carry out title IV, part C, of the Public Health Service Act, \$45,794,000.

For the "National Institute of Dental Research" for the period July 1, 1976, through September 30, 1976, \$7,674,000.

NATIONAL INSTITUTE OF ARTHRITIS, METABOLISM, AND DIGESTIVE DISEASES

For expenses necessary to carry out title IV, part D, of the Public Health Service Act with respect to arthritis, rheumatism, metabolic diseases, and digestive diseases, \$175,172,000.

For the "National Institute of Arthritis, Metabolism and Digestive Diseases" for the period July 1, 1976, through September 30, 1976, \$43,052,000.

NATIONAL INSTITUTE OF NEUROLOGICAL AND COMMUNICATIVE DISORDERS AND STROKE

For expenses necessary to carry out, to the extent not otherwise provided, title IV, part D, of the Public Health Service Act with respect to neurology and stroke, \$136,546,000.

For the "National Institute of Neurological and Communicative Disorders and Stroke" for the period July 1, 1976, through September 30, 1976, \$32,964,000.

NATIONAL INSTITUTE OF ALLERGY AND INFECTIOUS DISEASES

For expenses, not otherwise provided for, to carry out title IV, part D, of the Public Health Service Act with respect to allergy and infectious diseases, \$118,918,000.

For the "National Institute of Allergy and Infectious Diseases" for the period July 1, 1976, through September 30, 1976, \$26,974,000.

NATIONAL INSTITUTE OF GENERAL MEDICAL SCIENCES

For expenses, not otherwise provided for, necessary to carry out title IV, part E, of the Public Health Service Act with respect to general medical sciences, \$146,461,000.

For "National Institute of General Medical Sciences" for the period July 1, 1976, through September 30, 1976, \$32,961,000.

NATIONAL INSTITUTE OF CHILD HEALTH AND HUMAN DEVELOPMENT

To carry out, except as otherwise provided, title IV, part E and title X of the Public Health Service Act with respect to child health and human development, \$126,889,000.

For "National Institute of Child Health and Human Development" for the period July 1, 1976, through September 30, 1976, \$23,566,000.

NATIONAL INSTITUTE ON AGING

To carry out, except as otherwise provided, title IV, part H of the Public Health Service Act with respect to aging, \$17,526,000.

For the "National Institute on Aging" for the period July 1, 1976, through September 30, 1976, \$3,943,000.



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NATIONAL EYE INSTITUTE

For expenses necessary to carry out title IV, part F of the Public Health Service Act, with respect to eye diseases and visual disorders, \$45,565,000.

For the "National Eye Institute" for the period July 1, 1976, through September 30, 1976, \$9,103,000.

NATIONAL INSTITUTE OF ENVIRONMENTAL HEALTH SCIENCES

To carry out, except as otherwise provided, sections 301 and 311 of the Public Health Service Act with respect to environmental health sciences, \$35,915,000.

For the "National Institute of Environmental Health Sciences" for the period July 1, 1976, through September 30, 1976, \$7,540,000.

RESEARCH RESOURCES

To carry out, except as otherwise provided, section 301 of the Public Health Service Act with respect to research resources and general research support grants, \$129,931,000: *Provided*, That none of these funds shall be used to pay recipients of the general research support grants programs any amount for indirect expenses in connection with such grants.

For "Research resources" for the period July 1, 1976, through September 30, 1976, \$20,195,000.

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

For the John E. Fogarty International Center for Advanced Study in the Health Sciences, \$5,705,000, of which not to exceed \$860,000 shall be available for payment to the Gorgas Memorial Institute for maintenance and operation of the Gorgas Memorial Laboratory.

For "John E. Fogarty International Center for Advanced Study in the Health Sciences" for the period July 1, 1976, through September 30, 1976, \$1,135,000.

NATIONAL LIBRARY OF MEDICINE

To carry out, to the extent not otherwise provided for, section 301 with respect to health information communications and parts I and J of title III of the Public Health Service Act, \$29,065,000.

For the "National Library of Medicine" for the period July 1, 1976, through September 30, 1976, \$6,572,000.

BUILDINGS AND FACILITIES

For construction of, and acquisition of sites and equipment for, facilities of or used by the National Institutes of Health, where not otherwise provided, \$54,000,000, to remain available until expended.

For "Buildings and facilities" for the period July 1, 1976, through September 30, 1976, \$750,000, to remain available until expended.

OFFICE OF THE DIRECTOR

For expenses necessary for the Office of the Director, National Institutes of Health, \$17,896,000.



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Funds advanced to the National Institutes of Health management fund from appropriations in this Act shall be available for the expenses of sharing medical care facilities and resources pursuant to section 328 of the Public Health Service Act and for the purchase of not to exceed thirteen passenger motor vehicles for replacement only.

For "Office of the Director" for the period July 1, 1976, through September 30, 1976, \$4,474,000.

ALCOHOL, DRUG ABUSE, AND MENTAL HEALTH ADMINISTRATION

ALCOHOL, DRUG ABUSE, AND MENTAL HEALTH

For carrying out the Public Health Service Act with respect to mental health and, except as otherwise provided, the Community Mental Health Centers Act (42 U.S.C. 2681, et seq.), the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970, as amended, and the Narcotic Addict Rehabilitation Act of 1966, \$579,554,000.

For "Alcohol, drug abuse, and mental health" for the period July 1, 1976, through September 30, 1976, \$84,104,000.

SAINT ELIZABETHS HOSPITAL

For expenses necessary for the maintenance and operation of the hospital, including clothing for patients, and cooperation with organizations or individuals in the scientific research into the nature, causes, prevention, and treatment of mental illness, \$48,064,000, or such amounts as may be necessary to provide a total appropriation equal to the difference between the amount of the reimbursements received during the current fiscal year on account of patient care provided by the hospital during such year and \$75,186,000.

For expenses necessary for the maintenance and operation of the hospital, including clothing for patients, and cooperation with organizations or individuals in the scientific research into the nature, causes, prevention, and treatment of mental illness, \$15,500,000, or such amounts as may be necessary to provide a total appropriation equal to the difference between the amount of the reimbursements received during the period of July 1, 1976, through September 30, 1976, on account of patient care provided by the hospital during that period and \$20,500,000.

BUILDINGS AND FACILITIES

For construction, alterations, extension, and equipment of buildings and facilities on the grounds of Saint Elizabeths Hospital, \$5,400,000, to remain available until expended.

HEALTH RESOURCES ADMINISTRATION

HEALTH RESOURCES

For carrying out, to the extent not otherwise provided, section 422, titles III, VII, VIII, XV, and XVI of the Public Health Service Act, section 1122 of the Social Security Act, section 222 of the Social Security Amendments of 1972, and the District of Columbia Medical and Dental Manpower Act of 1970, as amended, \$347,428,000, of which \$7,575,000 shall remain available until expended for carrying out section 305(b)(3) of the Public Health Service Act, and \$3,000,000 shall be available for loan guarantees and interest subsidies under part B



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of title VII and part A of title VIII and shall remain available until expended and not to exceed \$100,000,000 for title XVI shall remain available through September 30, 1978: *Provided*, That, in addition, \$42,000 may be transferred to this appropriation, as authorized by section 201(g) of the Social Security Act from any one or all of the trust funds referred to therein: *Provided further*, That not to exceed \$74,260,000 shall be available and expended for medical facilities construction authorized under title XVI of the Public Health Service Act.

For "Health resources" for the period July 1, 1976, through September 30, 1976, \$78,255,000: *Provided*, That in addition, \$11,000 may be transferred to this appropriation, as authorized by section 201(g) of the Social Security Act from any one or all of the trust funds referred to therein.

MEDICAL FACILITIES GUARANTEE AND LOAN FUND

To carry out section 1622 of the Public Health Service Act, \$10,000,000 shall be available without fiscal year limitation for the payment of interest subsidies.

For the "Medical facilities guarantee and loan fund," for the period July 1, 1976, through September 30, 1976, \$7,000,000 to remain available until expended.

PAYMENT OF SALES INSUFFICIENCIES AND INTEREST LOSSES

For the payment of such insufficiencies as may be required by the trustee on account of outstanding beneficial interest or participations in the Health Professions Education Fund assets or Nurse Training Fund assets, authorized by the Department of Health, Education, and Welfare Appropriation Act, 1968, to be issued pursuant to section 302(c) of the Federal National Mortgage Association Charter Act, \$164,000, and for payment of amounts pursuant to section 744(b) or 827(b) of the Public Health Service Act to schools which borrow any sums from the Health Professions Education Fund or Nurse Training Fund, \$3,836,000: *Provided*, That the amounts appropriated herein shall remain available until expended.

HEALTH EDUCATION LOANS

The Secretary is hereby authorized to make such expenditures, within the limits of funds available in the Health Professions Education Fund and the Nurse Training Fund, and in accord with law, and to make such contracts and commitments without regard to fiscal year limitation as provided by section 104 of the Government Corporation Control Act, as amended, as may be necessary in carrying out the programs set forth in the budget for the current fiscal year and for the period July 1, 1976, through September 30, 1976.

ASSISTANT SECRETARY FOR HEALTH

ASSISTANT SECRETARY FOR HEALTH

For expenses necessary for the Office of the Assistant Secretary for Health, \$20,842,000.

For "Assistant Secretary for Health", for the period July 1, 1976, through September 30, 1976, \$5,210,000.



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RETIREMENT PAY AND MEDICAL BENEFITS FOR COMMISSIONED OFFICERS

For retired pay of commissioned officers, as authorized by law, and for payments under the Retired Serviceman's Family Protection Plan; Survivor Benefit Plan and payments for medical care of dependents and retired personnel under the Dependents' Medical Care Act (10 U.S.C., ch. 55), such amount as may be required during the current fiscal year.

For "Retirement pay and medical benefits for commissioned officers," such amount as may be required during the period of July 1, 1976, through September 30, 1976.

SOCIAL AND REHABILITATION SERVICE

PUBLIC ASSISTANCE

For carrying out, except as otherwise provided, titles I, IV, VI, X, XI, XIV, XVI, XIX, and XX of the Social Security Act, and the Act of July 5, 1960 (24 U.S.C., ch. 9) \$15,003,950,000, of which \$52,500,000 shall be for child welfare services under part B of title IV.

For making, after March 31 of the current fiscal year, payments to States under titles I, IV, VI, X, XIV, XVI, XIX, and XX, respectively, of the Social Security Act, for the last three months of the current fiscal year (except with respect to activities included in the appropriation for "Work incentives"); and for making, after April 30 of the current fiscal year, payments for the period July 1, 1976, through September 30, 1976, such sums as may be necessary, the obligations incurred and the expenditures made thereunder for payments under each of such titles to be charged to the subsequent appropriations therefor for the current or succeeding fiscal year or the period July 1, 1976, through September 30, 1976, or fiscal year 1977.

In the administration of titles I, IV (other than part C thereof), VI, X, XIV, XVI, XIX, and XX, respectively, of the Social Security Act, payments to a State under any such titles for any quarter in the period beginning April 1 of the prior year, and ending June 30 of the current year may be made with respect to a State plan approved under such title prior to or during such period, but no such payment shall be made with respect to any plan for any quarter prior to the quarter in which a plan was submitted which was subsequently approved.

Such amounts as may be necessary from this appropriation shall be available for grants to States for any period in the prior fiscal year subsequent to March 31 of that year.

For "Public assistance" for the period July 1, 1976, through September 30, 1976, \$3,965,000,000, of which \$12,500,000 shall be for child welfare services under part B of title IV of the Social Security Act.

For making, after June 30, 1976, payments to States under titles I, IV, VI, X, XIV, XVI, XIX, and XX, respectively, of the Social Security Act, for the first quarter of fiscal year 1977 (except with respect to activities included in the appropriation for "Work incentives") and for the period July 1, 1976, through September 30, 1976, such sums as may be necessary, the obligations incurred and the expenditures made thereunder for payments under each of such titles to be charged to the subsequent appropriations therefor for the transitional period or fiscal year 1977.

In the administration of titles I, IV (other than part C thereof), VI, X, XIV, XVI, XIX, and XX, respectively, of the Social Security



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Act, payments to a State under any such titles for any quarter in the period beginning April 1 of fiscal year 1976 and ending September 30, 1976, may be made with respect to a State plan approved under such title prior to or during such period, but no such payment shall be made with respect to any plan for any quarter prior to the quarter in which a plan was submitted which was subsequently approved.

Such amounts as may be necessary from this appropriation shall be available for grants to States for any period in fiscal year 1976 subsequent to March 31 of that year.

WORK INCENTIVES

For carrying out a work incentive program, as authorized by part C of title IV of the Social Security Act, including registration of individuals for such program, and for related child care and supportive services, as authorized by section 402(a)(19)(G) of the Act, including transfer to the Secretary of Labor, as authorized by section 431 of the Act, \$330,000,000, which shall be the maximum amount available for transfer to the Secretary of Labor and to which the States may become entitled, pursuant to section 403(d) of such Act, for these purposes.

For "Work incentives" for the period July 1, 1976, through September 30, 1976, \$80,000,000, which shall be the maximum amount available for transfer to the Secretary of Labor and to which the States may become entitled.

SALARIES AND EXPENSES

For expenses, not otherwise provided, necessary for the Social and Rehabilitation Service, \$60,378,000.

For "Salaries and expenses" for the period July 1, 1976, through September 30, 1976, \$15,219,000.

SOCIAL SECURITY ADMINISTRATION

PAYMENTS TO SOCIAL SECURITY TRUST AND OTHER FUNDS

For payment to the Federal Old-Age and Survivors Insurance, the Federal Disability Insurance, the Federal Hospital Insurance, and the Federal Supplementary Medical Insurance Trust Funds, as provided under sections 217(g), 228(g), 229(b), and 1844 of the Social Security Act, and sections 103(c) and 111(d) of the Social Security Amendments of 1965, \$4,112,747,000 and to the Federal Buildings Fund an additional amount not to exceed \$10,616,000 for payment of the Standard Level User Charge pursuant to section 210(j) of the Federal Property and Administrative Services Act of 1949.

For "Payments to the Social Security Trust and Other Funds" for the period July 1, 1976, through September 30, 1976, \$880,940,000, including \$2,940,000 for the Federal Buildings Fund for payment of the Standard Level User Charge.

SPECIAL BENEFITS FOR DISABLED COAL MINERS

For carrying out title IV of the Federal Coal Mine Health and Safety Act of 1969, including the payment of travel expenses either on an actual cost or commuted basis, to an individual for travel incident to medical examination, and to parties, their representatives and all reasonably necessary witnesses for travel within the United States, Puerto Rico, and the Virgin Islands, to reconsideration interviews and



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to proceedings before administrative law judges, \$999,778,000: *Provided*, That such amounts as may be agreed upon by the Department of Health, Education, and Welfare and the Postal Service shall be used for payment, in such manner as said parties may jointly determine, of postage for the transmission of official mail matter by States in connection with the administration of said Act.

Benefit payments after April 30: For making, after April 30 of the current fiscal year, payments to entitled beneficiaries under title IV of the Federal Coal Mine Health and Safety Act of 1969, for the last two months of the current fiscal year, such sums as may be necessary, the obligations and expenditures therefor to be charged to the appropriation for the succeeding fiscal year.

Whenever the Commissioner of Social Security finds it will promote the achievement of the provisions of title IV of the Federal Coal Mine Health and Safety Act of 1969, qualified persons may be appointed to conduct hearings thereunder without meeting the requirements for administrative law judges appointed under 5 U.S.C. 3105 but such appointments shall terminate not later than December 31, 1976: *Provided*, That no person shall hold a hearing in any case with which he has been concerned previously in the administration of such title.

For "Special benefits for disabled coal miners" for the period July 1, 1976, through September 30, 1976, \$234,600,000, including the payment of travel expenses either on an actual cost or commuted basis, to an individual for travel incident to medical examinations, and to parties, their representatives and all reasonably necessary witnesses for travel within the United States, Puerto Rico, and the Virgin Islands, to reconsideration interviews and to proceedings before administrative law judges.

SUPPLEMENTAL SECURITY INCOME PROGRAM

For carrying out the Supplemental Security Income program under title XVI of the Social Security Act, section 401 of Public Law 92-603, and section 212 of Public Law 93-66, including payment to the social security trust funds for administrative expenses incurred pursuant to section 201(g)(1) of the Social Security Act, \$5,518,523,000: *Provided*, That for carrying out these activities for the last two months of the current fiscal year, such sums as may be necessary shall be available, the obligations and expenditures therefor to be charged to the appropriation for the succeeding fiscal period or fiscal year 1977.

For "Supplemental security income program" for the period July 1, 1976, through September 30, 1976, \$1,503,541,000: *Provided*, That for the last two months of the fiscal period, such sums as may be necessary shall be available, the obligations and expenditures therefor to be charged to the appropriation for the succeeding fiscal year.

LIMITATION ON SALARIES AND EXPENSES

For necessary expenses, not more than \$2,373,133,612 may be expended as authorized by section 201(g)(1) of the Social Security Act, from any one or all of the trust funds referred to therein: *Provided*, That such amounts as are required shall be available to pay travel expenses either on an actual cost or commuted basis, to an individual for travel incident to medical examinations, and to parties, their representatives and all reasonably necessary witnesses for travel within the United States, Puerto Rico, and the Virgin Islands to



reconsideration interviews and to proceedings before administrative law judges under titles II, XVI, and XVIII of the Social Security Act: *Provided further*, That \$25,000,000 of the foregoing amount shall be apportioned for use pursuant to section 3679 of the Revised Statutes (31 U.S.C. 665), only to the extent necessary to process workloads not anticipated in the budget estimates and to meet mandatory increases in costs of agencies or organizations with which agreements have been made to participate in the administration of titles XVI and XVIII and section 221 of title II of the Social Security Act, and after maximum absorption of such costs within the remainder of the existing limitation has been achieved: *Provided further*, That such amounts as may be agreed upon by the Department of Health, Education, and Welfare and the United States Postal Service shall be used for payment, in such manner as said organizations may jointly determine, of postage for the transmission of official mail matter in connection with the administration of the social security program by States participating in the program: *Provided further*, That such amounts as may be required may be expended for administration within the United States of the social insurance program of the United Kingdom, under terms of an agreement wherein similar services will be provided by the United Kingdom in that country for administration of the social insurance program of the United States: *Provided further*, That all of the permanent positions authorized for this appropriation shall be full-time permanent positions without limitation as to the duration of the positions.

For "Limitation on salaries and expenses" for the period July 1, 1976, through September 30, 1976, \$629,900,403 may be expended as authorized by section 201(g)(1) of the Social Security Act, from any one or all of the trust funds referred to therein: *Provided*, That such amounts as are required shall be available to pay travel expenses either on an actual cost or commuted basis, to an individual for travel incident to medical examinations, and to parties, their representatives and all reasonably necessary witnesses for travel within the United States, Puerto Rico, and the Virgin Islands to reconsideration interviews and to proceedings before administrative law judges under titles II, XVI, and XVIII of the Social Security Act: *Provided further*, That \$25,000,000 of the foregoing amount shall be apportioned for use pursuant to section 3679 of the Revised Statutes (31 U.S.C. 665), only to the extent necessary to process workloads not anticipated in the budget estimates and to meet mandatory increases in costs of agencies or organizations with which agreements have been made to participate in the administration of titles XVI and XVIII and section 221 of title II of the Social Security Act, and after maximum absorption of such costs within the remainder of the existing limitation has been achieved: *Provided further*, That such amounts as may be agreed upon by the Department of Health, Education, and Welfare and the United States Postal Service shall be used for payment, in such manner as said organizations may jointly determine, of postage for the transmission of official mail matter in connection with the administration of the social security program by States participating in the program: *Provided further*, That such amounts as may be required may be expended for administration within the United States of the social insurance program of the United Kingdom, under terms of an agreement wherein similar services will be provided by the United Kingdom in that country for administration of the social insurance program of the United States: *Provided further*, That all of the permanent



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positions authorized for this appropriation shall be full-time permanent positions without limitation as to the duration of the positions.

LIMITATION ON CONSTRUCTION

For acquisition of sites, construction and equipment of facilities and for payments of principal, interest, taxes, and any other obligations under contracts entered into pursuant to the Public Buildings Purchase Contract Act of 1954 and the Public Buildings Amendments of 1972, \$6,300,000, to be expended as authorized by section 201 (g) (1) of the Social Security Act, from any one or all of the trust funds referred to therein, and to remain available until expended.

For "Limitation on construction" for the period July 1, 1976, through September 30, 1976, \$3,633,000, to be expended as authorized by section 201 (g) (1) of the Social Security Act, from any one or all of the trust funds referred to therein, and to remain available until expended.

ASSISTANT SECRETARY FOR HUMAN DEVELOPMENT

HUMAN DEVELOPMENT

For carrying out, except as otherwise provided, section 426 of the Social Security Act, the Act of April 9, 1912 (42 U.S.C. 191), title VII of the Older Americans Act of 1965, the Child Abuse Prevention and Treatment Act, the Juvenile Justice and Delinquency Prevention Act of 1974, the Community Services Act of 1974, sections 106, 107, and 306 of the Comprehensive Employment and Training Act of 1973, the Rehabilitation Act of 1973, the International Health Research Act of 1960, and section 303(a) (2) of the Public Health Service Act, \$1,516,858,318, of which \$720,000,000 shall be for activities under section 110(a) of the Rehabilitation Act of 1973, \$309,318 shall be for section 110(b) of such Act, and for carrying out sections 301 and 304(b) (3) of such Act, \$1,500,000, to remain available until expended: *Provided*, That there may be transferred to this appropriation from the appropriation under the heading "Alcohol, drug abuse, and mental health" an amount not to exceed the sum of the allotment adjustment made by the Secretary pursuant to section 202(c) of the Community Mental Health Centers Act; together with not to exceed \$600,000 to be transferred from the Federal Disability Insurance Trust Fund and the Federal Old-Age and Survivors Insurance Trust Fund as provided by section 201(g) (1) of the Social Security Act: *Provided further*, That the level of operations for the nutrition services for the elderly program shall be \$187,500,000 per annum.

For "Human development" for the period July 1, 1976, through September 30, 1976, \$371,505,000, of which \$180,000,000 shall be for activities under section 110 of the Rehabilitation Act of 1973: *Provided*, That there be transferred to this appropriation from the appropriation under the heading "Alcohol, drug abuse, and mental health" an amount not to exceed the sum of the allotment adjustment made by the Secretary pursuant to section 202(c) of the Community Mental Health Centers Act; together with not to exceed \$150,000 to be transferred from the Federal Disability Insurance Trust Fund and the Federal Old-Age and Survivors Insurance Trust Fund, as provided in section 201(g) (1) of the Social Security Act.



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DEPARTMENTAL MANAGEMENT

OFFICE FOR CIVIL RIGHTS

For expenses necessary for the Office for Civil Rights \$24,686,000, together with not to exceed \$1,351,000, to be transferred and expended as authorized by section 201(g)(1) of the Social Security Act from any one or all of the trust funds referred to therein.

For "Office for Civil Rights" for the period July 1, 1976, through September 30, 1976, \$6,379,000: *Provided*, That in addition, not to exceed \$352,000 may be transferred and expended as authorized by section 201(g)(1) of the Social Security Act, from any one or all of the trust funds referred to therein.

GENERAL DEPARTMENTAL MANAGEMENT

For expenses, not otherwise provided, necessary for departmental management, including hire of six medium sedans, \$85,519,000 together with not to exceed \$12,751,000 to be transferred and expended as authorized by section 201(g)(1) of the Social Security Act from any one or all of the trust funds referred to therein.

For "General departmental management" for the period July 1, 1976, through September 30, 1976, \$22,160,000, including hire of six medium sedans: *Provided*, That in addition not to exceed \$3,284,000 may be transferred and expended as authorized by section 201(g)(1) of the Social Security Act, from any one or all of the trust funds referred to therein.

POLICY RESEARCH

For carrying out, to the extent not otherwise provided, research studies under section 232 of the Community Services Act of 1974 and section 1110 of the Social Security Act, \$24,950,000.

For "Policy research" for the period July 1, 1976, through September 30, 1976, \$6,575,000.

GENERAL PROVISIONS

SEC. 201. None of the funds appropriated by this title to the Social and Rehabilitation Service for grants-in-aid of State agencies to cover, in whole or in part, the cost of operation of said agencies, including the salaries and expenses of officers and employees of said agencies, shall be withheld from the said agencies of any States which have established by legislative enactment and have in operation a merit system and classification and compensation plan covering the selection, tenure in office, and compensation of their employees, because of any disapproval of their personnel or the manner of their selection by the agencies of the said States, or the rates of pay of said officers or employees.

SEC. 202. The Secretary is authorized to make such transfers of motor vehicles, between bureaus and officers, without transfer of funds, as may be required in carrying out the operations of the Department.

SEC. 203. None of the funds provided herein shall be used to pay any recipient of a grant for the conduct of a research project an amount equal to as much as the entire cost of such project.

SEC. 204. None of the funds contained in this Act shall be used for any activity the purpose of which is to require any recipient of any project grant for research, training, or demonstration made by any officer or employee of the Department of Health, Education, and Wel-



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fare to pay to the United States any portion of any interest or other income earned on payments of such grant made before July 1, 1964; nor shall any of the funds contained in this Act be used for any activity the purpose of which is to require payment to the United States of any portion of any interest or other income earned on payments made before July 1, 1964, to the American Printing House for the Blind.

SEC. 205. None of the funds contained in this title shall be available for additional permanent positions in the Washington area if the total authorized positions in the Washington area is allowed to exceed the proportion existing at the close of fiscal year 1966.

SEC. 206. Appropriations in this Act for the Health Services Administration, the National Institutes of Health, the Center for Disease Control, the Alcohol, Drug Abuse, and Mental Health Administration, the Health Resources Administration and the Office of the Secretary shall be available for expenses for active commissioned officers in the Public Health Service Reserve Corps and for not to exceed two thousand eight hundred commissioned officers in the Regular Corps; expenses incident to the dissemination of health information in foreign countries through exhibits and other appropriate means; advances of funds for compensation, travel, and subsistence expenses (or per diem in lieu thereof) for persons coming from abroad to participate in health or scientific activities of the Department pursuant to law; expenses of primary and secondary schooling of dependents in foreign countries, of Public Health Service commissioned officers stationed in foreign countries, at costs for any given area not in excess of those of the Department of Defense for the same area, when it is determined by the Secretary that the schools available in the locality are unable to provide adequately for the education of such dependents, and for the transportation of such dependents between such schools and their places of residence when the schools are not accessible to such dependents by regular means of transportation; rental or lease of living quarters (for periods not exceeding 5 years), and provision of heat, fuel, and light, and maintenance, improvement, and repair of such quarters, and advance payments therefor, for civilian officers, and employees of the Public Health Service who are United States citizens and who have a permanent station in a foreign country; purchase, erection, and maintenance of temporary or portable structures; and for the payment of compensation to consultants or individual scientists appointed for limited periods of time pursuant to section 207 (f) or section 207 (g) of the Public Health Service Act, at rates established by the Assistant Secretary for Health, or the Secretary where such action is required by statute, not to exceed the per diem rate equivalent to the rate for GS-18; not to exceed \$9,500 in the current fiscal year and \$2,375 in the period July 1, 1976, through September 30, 1976, for official reception and representation expenses related to any health agency of the Department when specifically approved by the Assistant Secretary for Health.

SEC. 207. No part of the funds contained in this title may be used to force any school or school district which is desegregated as that term is defined in title IV of the Civil Rights Act of 1964, Public Law 88-352, to take any action to force the busing of students; to force on account of race, creed, or color the abolishment of any school so desegregated; or to force the transfer or assignment of any student attending any elementary or secondary school so desegregated to or from a particular school over the protest of his or her parents or parent.



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SEC. 208. (a) No part of the funds contained in this title shall be used to force any school or school district which is desegregated as that term is defined in title IV of the Civil Rights Act of 1964, Public Law 88-352, to take any action to force the busing of students; to require the abolishment of any school so desegregated; or to force on account of race, creed, or color the transfer of students to or from a particular school so desegregated as a condition precedent to obtaining Federal funds otherwise available to any State, school district, or school.

(b) No funds appropriated in this Act may be used for the transportation of students or teachers (or for the purchase of equipment for such transportation) in order to overcome racial imbalance in any school or school system, or for the transportation of students or teachers (or for the purchase of equipment for such transportation) in order to carry out a plan of racial desegregation of any school or school system.

SEC. 209. None of the funds contained in this Act shall be used to require, directly or indirectly, the transportation of any student to a school other than the school which is nearest the student's home, and which offers the courses of study pursued by such student, in order to comply with title VI of the Civil Rights Act of 1964.

TITLE III—RELATED AGENCIES

ACTION

OPERATING EXPENSES, DOMESTIC PROGRAMS

For expenses necessary for Action to carry out the provisions of the Domestic Volunteer Service Act of 1973 (Public Law 93-113), \$103,266,000.

For expenses necessary for Action to carry out the Domestic Volunteer Service Act of 1973 (Public Law 93-113) for the period July 1, 1976, through September 30, 1976, \$21,083,000.

COMMUNITY SERVICES ADMINISTRATION

COMMUNITY SERVICES PROGRAM

For expenses of the Community Services Administration, \$494,652,000: *Provided*, That the appropriation for "Community service program" contained in title I, chapter VI of Public Law 94-32 (Second Supplemental Appropriations Act, 1975) is amended by striking out "September 30, 1975" and inserting in lieu thereof "June 30, 1976".

For "Community services program" for the period July 1, 1976, through September 30, 1976, \$129,746,000.

FEDERAL MEDIATION AND CONCILIATION SERVICE

SALARIES AND EXPENSES

For expenses necessary for the Federal Mediation and Conciliation Service to carry out the functions vested in it by the Labor-Management Relations Act, 1947 (29 U.S.C. 171-180, 182), including expenses of the Labor-Management Panel and boards of inquiry appointed by the President; hire of passenger motor vehicles; and rental of conference rooms in the District of Columbia; and expenses necessary pursuant to Public Law 93-360 for mandatory mediation in health



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care industry negotiation disputes, and for convening factfinding boards of inquiry appointed by the Director in the health care industry, \$17,904,000.

For "Salaries and expenses" for the period July 1, 1976, through September 30, 1976, \$4,476,000.

NATIONAL COMMISSION ON LIBRARIES AND INFORMATION SCIENCE

SALARIES AND EXPENSES

For necessary expenses of the National Commission on Libraries and Information Science, established by the Act of July 20, 1970 (Public Law 91-345), \$468,000.

For "Salaries and expenses" for the period July 1, 1976, through September 30, 1976, \$117,000.

NATIONAL LABOR RELATIONS BOARD

SALARIES AND EXPENSES

For expenses necessary for the National Labor Relations Board to carry out the functions vested in it by the Labor-Management Relations Act, 1947, as amended (29 U.S.C. 141-167), and other laws, \$67,766,000: *Provided*, That no part of this appropriation shall be available to organize or assist in organizing agricultural laborers or used in connection with investigations, hearings, directives, or orders concerning bargaining units composed of agricultural laborers as referred to in section 2(3) of the Act of July 5, 1935 (29 U.S.C. 152), and as amended by the Labor-Management Relations Act, 1947, as amended, and as defined in section 3(f) of the Act of June 25, 1938 (29 U.S.C. 203), and including in said definition employees engaged in the maintenance and operation of ditches, canals, reservoirs, and waterways when maintained or operated on a mutual, non profit basis and at least 95 per centum of the water stored or supplied thereby is used for farming purposes.

For "Salaries and expenses" for the period July 1, 1976, through September 30, 1976, \$16,941,000.

NATIONAL MEDIATION BOARD

SALARIES AND EXPENSES

For expenses necessary for carrying out the provisions of the Railway Labor Act, as amended (45 U.S.C. 151-188), including emergency boards appointed by the President, \$3,405,000.

For "Salaries and expenses" for the period July 1, 1976, through September 30, 1976, \$850,000.

OCCUPATIONAL SAFETY AND HEALTH REVIEW COMMISSION

SALARIES AND EXPENSES

For expenses necessary for the Occupational Safety and Health Review Commission, \$5,638,000.

For "Salaries and expenses" for the period July 1, 1976, through September 30, 1976, \$1,418,000.



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RAILROAD RETIREMENT BOARD

PAYMENTS TO RAILROAD RETIREMENT TRUST FUNDS

For payment to the Railroad Retirement Account, as provided under sections 15(b) and 15(d) of the Railroad Retirement Act of 1974, \$250,000,000.

REGIONAL RAIL TRANSPORTATION PROTECTIVE ACCOUNT

For payment of benefits under section 509 of the Regional Rail Reorganization Act of 1973, including not to exceed \$100,000 for payment to the Railroad Retirement Board for administrative expenses, \$37,600,000.

For "Regional rail transportation protective account" for the period July 1, 1976, through September 30, 1976, including not to exceed \$30,000 for payment to the Railroad Retirement Board for administrative expenses, \$10,030,000.

LIMITATION ON SALARIES AND EXPENSES

For expenses necessary for the Railroad Retirement Board, \$28,703,000, to be derived from the railroad retirement accounts: *Provided*, That \$500,000 of the foregoing amount shall be apportioned for use pursuant to section 3679 of the Revised Statutes, as amended (31 U.S.C. 665), only to the extent necessary to process workloads not anticipated in the budget estimates and after maximum absorption of the costs of such workloads within the remainder of the foregoing limitation has been achieved.

For "Limitation on salaries and expenses" for the period July 1, 1976, through September 30, 1976, \$7,175,000 to be derived from the railroad retirement accounts.

SOLDIERS' AND AIRMEN'S HOME

OPERATION AND MAINTENANCE

For maintenance and operation of the United States Soldiers' and Airmen's Home, to be paid from the Soldiers' and Airmen's Home permanent fund, \$15,665,000: *Provided*, That this appropriation shall not be available for the payment of hospitalization of members of the Home in United States Army hospitals at rates in excess of those prescribed by the Secretary of the Army upon recommendation of the Board of Commissioners of the Home and the Surgeon General of the Army.

For "Operation and maintenance" for the period July 1, 1976, through September 30, 1976, \$3,905,000.

TITLE IV—GENERAL PROVISIONS

SEC. 401. Appropriations contained in this Act, available for salaries and expenses, shall be available for services as authorized by 5 U.S.C. 3109 but at rates for individuals not to exceed the per diem rate equivalent to the rate for GS-18.

SEC. 402. Appropriations contained in this Act available for salaries and expenses shall be available for uniforms or allowances therefor as authorized by law (5 U.S.C. 5901-5902).

SEC. 403. Appropriations contained in this Act available for salaries and expenses shall be available for expenses of attendance at meetings which are concerned with the functions or activities for which the appropriation is made or which will contribute to improved conduct, supervision, or management of those functions or activities.



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SEC. 404. No part of any appropriation contained in this Act shall be used to finance any Civil Service Interagency Board of Examiners.

SEC. 405. No part of the funds appropriated under this Act shall be used to provide a loan, guarantee of a loan, a grant, the salary of or any remuneration whatever to any individual applying for admission, attending, employed by, teaching at, or doing research at an institution of higher education who has engaged in conduct on or after August 1, 1969, which involves the use of (or the assistance to others in the use of) force or the threat of force or the seizure of property under the control of an institution of higher education, to require or prevent the availability of certain curriculum, or to prevent the faculty, administrative officials, or students in such institution from engaging in their duties or pursuing their studies at such institution.

SEC. 406. The Secretary of Labor and the Secretary of Health, Education, and Welfare are authorized to transfer unexpended balances of prior appropriations to accounts corresponding to current appropriations provided in this Act: *Provided*, That such transferred balances are used for the same purpose, and for the same periods of time, for which they were originally appropriated.

SEC. 407. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein, except as provided in section 204 of Public Law 93-554.

SEC. 408. No part of any appropriation contained in this Act shall be used, other than for normal and recognized executive-legislative relationships, for publicity or propaganda purposes, for the preparation, distribution, or use of any kit, pamphlet, booklet, publication, radio, television or film presentation designed to support or defeat legislation pending before the Congress, except in presentation to the Congress itself.

SEC. 409. No part of any appropriation contained in this Act shall be available for paying to the Administrator of the General Services Administration in excess of 90 percent of the standard level user charge established pursuant to section 210(j) of the Federal Property and Administrative Services Act of 1949, as amended, for space and services.

SEC. 410. The Secretary of Labor and the Secretary of Health, Education, and Welfare are each authorized to make available not to exceed \$7,500 in the current fiscal year and \$1,875 in the period July 1, 1976, through September 30, 1976, from funds available for salaries and expenses under titles I and II, respectively, for official reception and representation expenses; the Director of the Federal Mediation and Conciliation Service is authorized to make available for official reception and representation expenses not to exceed \$2,500 in the current fiscal year and \$625 in the period July 1, 1976, through September 30, 1976, from funds available for "Salaries and expenses, Federal Mediation and Conciliation Service".

SEC. 411. None of the funds appropriated by this Act shall be used to pay for any research program or project or any program, project, or course which is of an experimental nature, or any other activity involving human participants, which is determined by the Secretary or a court of competent jurisdiction to present a danger to the physical, mental, or emotional well-being of a participant or subject of such program, project, or course, without the written, informed consent of each participant or subject, or his parents or legal guardian, if such participant or subject is under eighteen years of age. The Secretary shall adopt appropriate regulations respecting this section.



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This Act may be cited as the "Departments of Labor and Health,  
Education, and Welfare Appropriation Act, 1976".

*Speaker of the House of Representatives.*

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

December 19, 1975

## Office of the White House Press Secretary

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THE WHITE HOUSE

TO THE HOUSE OF REPRESENTATIVES:

I return without my approval H.R. 8069, the Departments of Labor and Health, Education, and Welfare Appropriation Act, 1976.

As you know, I have just vetoed H.R. 5559, which would have extended for six months the temporary tax cut due to expire on New Year's Eve, because it was not accompanied by a limit on Federal spending for the next fiscal year. H.R. 8069 is a classic example of the unchecked spending which I referred to in my earlier veto message.

H.R. 8069 would provide nearly \$1 billion more in spending authority than I had requested. Not only would the \$45 billion total in this bill add significantly to the already burdensome Federal deficits expected this year and next, but the individual increases themselves are unjustified, unnecessary, and unwise. This bill is, therefore, inconsistent with fiscal discipline and with effective restraint on the growth of government.

I am not impressed by the argument that H.R. 8069 is in line with the Congress' second concurrent resolution on the budget and is, therefore, in some sense proper. What this argument does not say is that the resolution, which expresses the Congress' view of appropriate budget restraint, approves a \$50 billion, or 15 percent, increase in Federal spending in one year. Such an increase is not appropriate budget restraint.

Effective restraint on the growth of the Federal Government requires effective limits on the growth of Federal spending. This bill provides an opportunity for such limitation. By itself, this bill would add \$382 million to this year's deficit and would make next year's deficit \$372 million more than if my recommendations had been adopted. In addition, the increases provided for this year would raise expectations for next year's budget and make the job of restraining spending that much more difficult. Thus, this bill would contribute to excessive deficits and needless inflationary pressures.

Furthermore, if this bill became law, it would increase permanent Federal employment by 8,000 people. I find it most difficult to believe the majority of the American people favor increasing the number of employees on the Federal payroll, whether by Congressional direction or by other means. On the contrary, I believe the overwhelming majority agree with my view that there are already too many employees in the Federal Government.

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I am returning this bill without my signature and renewing my request to the Congress to approve a ceiling on Federal spending as the best possible Christmas present for the American people.

GERALD R. FORD

THE WHITE HOUSE,  
December 19, 1975

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December 8, 1975

Dear Mr. Director:

The following bills were received at the White House on December 8th:

✓ H.R. 8069  
H.R. 10481 ✓

Please let the President have reports and recommendations as to the approval of these bills as soon as possible.

Sincerely,

Robert D. Linder  
Chief Executive Clerk



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