

EXECUTIVE SESSION

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WEDNESDAY, FEBRUARY 23, 1977

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United States Senate,
Committee on Finance,
Washington, D.C.

The Committee met, pursuant to notice, at 10:10 a.m.
in room 2221, Dirksen Senate Office Building, Hon. Russell
B. Long (Chairman of the Committee) presiding.

Present: Senators Long, Ribicoff, Byrd, Gravel, Bentsen,
Haskell, Matsunaga, Moynihan, Curtis, Packwood, Roth and
Danforth.

The Chairman. Let me call this meeting to order,
gentlemen.

We can open this meeting and we will have more members
here as we go along. I think that all the old members know
that the rule on quorums, insofar as the Chairman is concerned,
that we operate by the same quorum rule as the Senate. We
presume a quorum to be present unless someone makes a point
of no quorum.

As a practical matter, I, as Chairman, do not propose
that something come to a vote unless both parties are
represented, even on a unanimous consent basis, unless both
parties are represented here in the room and unless I believe

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1 there is someone here that can reflect the point of
2 view, the various points of view in the Committee.

3 But we have a rule on reconsideration that we have been
4 going by. It helps to move things along.

5 Anything that we agree to can be reconsidered -- in-
6 fact, it is automatically reconsidered anytime one member of
7 the Committee wants it reconsidered. He does not have to
8 get a majority of the Committee to vote to reconsider. He
9 can just say, I want to reconsider this matter and it is
10 automatically back before us.

11 It is my experience that 90 percent of the decisions
12 that we make will not be reconsidered. For that small number,
13 if someone wants to be considered, the Senators are much
14 more considerate in letting us make a tentative decision if
15 they know that they are not locked in.

16 I think that we ought to continue to do business that
17 way.

18 Now, we have an agenda before us. First, there has
19 been such demand for the Committee history of the Senate
20 Committee on Finance that we need to print some additional
21 copies.

22 How many do we need to print, Mike?

23 Mr. Stern. The resolution calls for printing 1600
24 copies for the use of the Committee. Actually, the last
25 edition is four years old. The history has marched on. This

A T C U R C L O C C O

1 would be a revised edition.

2 Senator Curtis. What does that history include?

3 Mr. Stern. It starts in 1814 when the predecessor to
4 the Finance Committee, the Select Committee on Finance on
5 a Uniform National Currency was formed.

6 Senator Curtis. When?

7 Mr. Stern. 1815, excuse me. It traces the history
8 of the various jurisdictional areas of the Finance Committee
9 up through 1977.

10 Senator Curtis. Is it a biographical document, too?

11 Mr. Stern. It really does not deal with biographical
12 information on any Senator, although it does list all the
13 membership of the Committee, Congress by Congress, in the back
14 of the book.

15 Senator Curtis. In the main, it does not duplicate
16 any of the government publications?

17 Mr. Stern. No, sir.

18 The Chairman. Without objection, we will agree.

19 Mr. Stern. This is just a resolution permitting the
20 printing.

21 The Chairman. I was waiting for Senator Laxalt to
22 arrive to welcome the new members. He will not be here
23 today, I am told.

24 On behalf of the Committee, let me welcome Senator
25 Matsunaga and Senator Moynihan to our Committee. We are very

1 proud to have both of you on the Democratic side of the
2 aisle.

3 I am also, on behalf of the Committee, happy to welcome
4 Senator Danforth to our Committee. We are very proud to have
5 you, Senator.

6 The three of you, we know you are going to make a very
7 great contribution. It is my experience on this Committee,
8 if we talk about things enough, we tend to get together.
9 Communicating one time is not enough. If a fellow is sitting
10 the other way, you may have to communicate twenty times, but
11 you would be amazed how flexible these members are if you
12 communicate with them enough to where they get your point of
13 view.

14 They may persuade you that you are in error; they might
15 go along with you, too. It has been amazing to the extent
16 to which all points of view can be reconciled and have been
17 reconciled in this Committee by an interchange among the
18 Senators. If they talk about it enough, they tend to get
19 together. At least, that has been my experience.

20 Now we have two vacancies on the Joint Committee on
21 Internal Revenue and Taxation, do we not, Mr. Stern, under
22 the law?

23 Mr. Stern. That is correct. There are five Finance
24 Committee members appointed by the Committee to the Joint
25 Committee on Taxation and there are two vacancies, Senator

1 Hartke's position and Senator Fannin's position.

2 The Chairman. The next two members would be Senator
3 Ribicoff, on the Democratic side, and Senator Hansen, so if
4 there is no objection, those two will be appointed to the
5 Joint Committee.

6 I would like to suggest considering expanding the Joint
7 Committee; that takes an amendment to the law, so more members
8 can serve on the Joint Committee. I would like to suggest --
9 we do not need to decide today -- I would like to suggest
10 that we consider expanding the number on the Joint Committee
11 from five to at least nine, perhaps even ten if it would
12 make the numbers work out better, so that the information
13 that is available to the Committee could be more fully
14 shared.

15 We could add some on both sides. I would appreciate it
16 if all members would think about it. At a future meeting, I
17 would like to offer a resolution on behalf of the Committee.

18 With regard to the Trade Advisor, Senator Ribicoff, you
19 have not yet made clear what, at least, as a matter of
20 official record which subcommittee you would prefer to
21 head.

22 Senator Ribicoff. I personally would like to continue,
23 Mr. Chairman, to be as Chairman of the Subcommittee on
24 International Trade, as I have in past years. I would like
25 to continue on that.

1 The Chairman. On the assumption that you would continue
2 as Chairman.

3 Mr. Stern, have you worked it out?

4 Mr. Stern. At the beginning of each Congress, the
5 President Pro Tempore appoints, on the advice of the Finance
6 Committee, appoints five so-called Trade Advisors in
7 connection with the trade negotiations.

8 Senator Curtis. May I ask a question right there?

9 Mr. Stern. Yes, sir.

10 Senator Curtis. Is the number five fixed by statute?

11 Mr. Stern. Yes, sir.

12 What you have done in the past is designate five official
13 advisors and all other members of the Finance Committee are
14 designated as alternate advisors and there is a letter in
15 front of you reproduced, dated February 21st from the
16 Chairman to Senator Eastland which does exactly that.

17 This would be as a matter of record. All members of
18 the Committee have been designated either as advisors or
19 as alternate official advisors.

20 Senator Curtis. May I ask, are we faced with a hard and
21 fast time limit to get those things in?

22 On the Minority side, I have some conferring that I am
23 committed to do that I have not been able to finish, because
24 the men are not here. I know that I submitted two names.

25 The Chairman. Let me tell you how I would suggest that

1 we do that. Here is the letter. May I read it?

2 This is to Senator James Eastland, President Pro Tempore.

3 "The Trade Act of 1974, Section 161, directs the Presi-
4 dent Pro Tempore of the Senate, upon the recommencation of
5 the Chairman of the Committee on Finance, to select five
6 members of the Committee to be accredited by the President as
7 official advisors to the United States delegation to inter-
8 national conferences, meetings, and negotiation sessions
9 relating to trade agreements.

10 "I would appreciate it if you would designate the follow-
11 ing five Committee members as official advisors: Senator
12 Long, Senator Talmadge, Senator Ribicoff, Senator Curtis and
13 Senator Hansen.

14 "Please also designate the following Senators as alter-
15 nate official advisors: Senator Byrd, Senator Nelson, Senator
16 Gravel, Senator Bentsen, Senator Hathaway, Senator Haskell,
17 Senator Matsunaga, Senator Moynihan, Senator Dole, Senator
18 Packwood, Senator Roth, Senator Laxalt and Senator Danforth.

19 "With every good wish, I am, Sincerely, Russell B.
20 Long."

21 Here is what that means, that every member of this
22 Committee is either an official advisor or an alternate
23 advisor. In view of the fact that there are going to be some
24 very significant negotiations going on over there this year,
25 any time any member feels that he would like to go over there

1 and talk about what is going on or consult or advise or
2 be advised, we ought to try to see to it that the people over
3 there would be alerted; whatever he wants to know about what
4 is going on, he would find out.

5 In addition to that, Senator Ribicoff has very wisely
6 initiated on behalf of his subcommittee a number of trips,
7 one to go over and talk to the OECD, which is the
8 Organization of European Cooperation Development, OECD.

9 That was really -- it served a very useful purpose.
10 You would be surprised how much better this nation made out
11 because that delegation went over there. They wanted to know
12 why all of those United States Senators were attending that
13 meeting. It was stating, we really are going to get tough.

14 Senator Moynihan, you would be surprised at the impres-
15 sion it made. Frankly, I think that people woke up to the
16 fact that we are sick and tired of seeing this nation give
17 all the time without getting something in return.

18 Now, Senator Ribicoff invited every member of the
19 Committee. He actually went out of his way to try to persuade
20 every member of the Committee to make himself available to
21 attend that meeting. Everybody who could go went over there.

22 Now, I would hope that Senator Ribicoff would sponsor
23 at least one, maybe two, trips to talk to our negotiators
24 in Geneva, because I just think if our people are well aware
25 of what is being done, if those negotiators know they are

1 being watched very closely, they are going to do a better
2 job of looking after the interests of this country than they
3 are if they just feel that they are out there in a vacuum,
4 and they could agree to something that might adversely affect
5 the economic interests of this country without people being
6 very concerned about it, and immediately concerned:

7 Under the law we designate five; as a practical matter,
8 we are designating the whole Committee.

9 Senator Ribicoff. May I make a comment on that, Mr.
10 Chairman?

11 The Chairman. Yes.

12 Senator Ribicoff. For all of the members of the Finance
13 Committee, we must realize that the responsibility in trade
14 matters by the Constitution is given to the Congress, not to
15 the President. We generally delegate authority to the
16 President to act in certain matters for the Congress.

17 But the realization is definite throughout the world
18 today. It took them a long time to realize that the primary
19 role in trade matters is Congressional, so that it becomes
20 very important whether you are talking to a developed
21 country or an undeveloped country that the attitude of the
22 Congress and the Senate becomes a matter of some importance.

23 Whether any trade legislation, any matter affecting
24 trade, will be adopted, no longer do they rely on an agree-
25 ment made by the Secretary of State or the Special Trade

1 Representative, or the Secretary of the Treasury.

2 You could not do more for your nation, for Congress and
3 for the President, than to be present at as many of these
4 trade negotiations as possible. The Executive Branch welcomes
5 you today. The people who are sponsoring trade from every
6 country in the world, when they see a member of the Senate
7 they then know that this is a serious negotiation.

8 It is also obvious that it is impossible for any one of
9 the five of us, or any member, to spend as much time in
10 Geneva or Nairobi or anyplace where negotiations are going
11 on because of our duties here in the Senate with our voting,
12 our constituents, and our other obligations.

13 So I would hope from time to time, other members whom
14 you have listed as alternates, Mr. Chairman, would find the
15 time to go over to Geneva. 1977 is really the key year.
16 They have been marking time in the present GATT negotiations
17 due to American elections, Japanese elections and the
18 elections in West Germany, but '77 is a very, very landmark
19 year.

20 There is not one of your constituencies that would not
21 be affected directly or indirectly by the coming GATT
22 negotiations. I would assume that sometime in '78, early
23 in '78, if things go right, we will have the responsibility
24 here of approving in the Congress a trade agreement.

25 So again, Mr. Chairman, I would urge that every member

1 on this Committee, if he finds the time, go to Geneva for
2 as many days as he can to make a determination as to what
3 is going on.

4 I also want to comment, the members of the Finance
5 Committee staff who work in this field -- I am sorry we are
6 losing Bob Best who headed up that section of the Committee
7 staff, Mr. Chairman, but the remaining members of this staff
8 are able men, cooperative men, personable men, who are
9 available to every member of the Finance Committee to help
10 us on trade matters and all of you will find it a very
11 stimulating and exciting and a constructive part of your
12 duties in the Finance Committee and the United States
13 Senate.

14 Senator Roth. Mr. Chairman?

15 The Chairman. Yes.

16 Senator Roth. I would like to emphasize that I think
17 the importance of the Finance Committee's following what is
18 going on at these trade negotiations, as Senator Ribicoff
19 said, are of paramount importance, as you are going to have
20 to live a long time with whatever they decide over there.

21 So it is a matter of great importance to almost every
22 constituency, if not every constituency.

23 I have a suggestion. I know there are a number of
24 people on our side who are interested in it. It would seem
25 to me that there would be a very simple way to fulfill the

1 ambassador receiving the instructions on what position he
2 ought to take on a particular issue, and then actually going
3 into kind of a debate on the subject. But the real policy
4 is here.

5 So that I think that it would be well worth your while
6 to make your presence known in Geneva and to go over there
7 well-briefed by the staff, which I think can be more than
8 adequate to carry out the work with distinction so that you
9 are not going over there to hear a bunch of speeches, but to
10 make a point.

11 I think that it would be frustrating just to go over
12 there and listen to eighty country's delegations make
13 speeches. I think you would be better off in going over
14 there with a particular point and concern and so forth.

15 On the point of Senator Ross, that could be done. I
16 really do not see any opposition to making everybody an
17 official delegate. I think they are going to respect you
18 because you are a Senator, no matter what your title is.

19 If you are briefed before you go over there, they will
20 respect you a heck of a lot more. I do not know if I have
21 any other comments. I do not have any farewell speeches.

22 I appreciate having served with this Committee, and
23 look forward to working with you in the future. You will
24 know who I represent in the future.

25 The Chairman. Thank you very much, Bob.

1 If there is no objection, we will proceed.

2 Senator Curtis. I would like to see us go ahead and
3 attempt to change the statute.

4 Senator Packwood. I agree.

5 Senator Curtis. We cannot do it this morning.

6 The Chairman. I would be happy to support a change, an
7 amendment to the statute. I would be happy to have every
8 member of the Finance Committee named as an official advisor.

9 Now, we have some suggested rule changes. I suppose
10 the most significant of those is that our subcommittees will
11 be legislative subcommittees.

12 We discussed this matter on the Senate Floor. We discussed
13 it at our previous meetings. While I know that some members
14 do not like the idea of having legislative subcommittees, or
15 at least that many, I personally committed myself to that at
16 a previous Committee meeting and also on the Senate Floor
17 when this matter was being debated, that I would appoint at
18 least six legislative subcommittees if the Committee was
19 willing to approve that.

20 As far as I am concerned, I have taken the position on
21 the matter largely because some of the members who are here
22 wanted it that way.

23 Senator Packwood. Mr. Chairman?

24 The Chairman. Let me make it clear, that is the
25 position that I will have to support.

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1 Yes, Senator Packwood?

2 Senator Packwood. I am one of those who does not support
3 the position. It is the only Committee that I have ever
4 served on that did not have legislative subcommittees and
5 it is an absolute delight to know the only markup that is
6 going to go on is going to go on in this full Committee, that
7 you do not have to worry about conflicting subcommittee
8 meetings.

9 I see that under these proposed rules, there can indeed
10 be conflicting subcommittees, even subcommittees conflicting
11 with a meeting of the Committee of the whole.

12 None of us will ever get better treatment out of
13 subcommittee systems than we will out of the full Committee
14 if we do come to the meetings. I see nothing to be gained.
15 If you have a dozen little tariff bills and a dozen little
16 tax bills, if you want to create an Ad Hoc committee to
17 consider them, that is fine.

18 To start down the road on what will now be fledgling
19 subcommittees and in two to four years will be full subcom-
20 mittees, then subcommittees with a staff is a mistake for
21 this Committee.

22 Senator Roth. Mr. Chairman, I would like to echo what
23 Bob Packwood said. I have very grave concern for it in
24 the area of taxes, which is our very important job, of having
25 any subcommittee having legislative responsibility. Frankly,

1 it would make a very important difference what members of
2 this Committee are on that subcommittee on those matters.
3 I am not willing to let that rest at that level.

4 I think that in the area of taxes, I think in the area
5 of health, in the area of welfare reform, in the area of
6 Social Security, that these are prime matters that deserve the
7 careful attention of every member of this Committee.

8 Let me go back to the area of taxes. If I wanted to
9 kill my college tax credit, I would like to get that in the
10 subcommittee and never let it get out. You can talk about
11 the whole Committee can bring it up, you all know, we have
12 seen it work in other committees, it is a good way of killing
13 legislation.

14 The more important factor is that this Committee has
15 jurisdiction of matters that are of top priority to this
16 country, and to try to limit it to a small group, and we all
17 cannot serve on every subcommittee, it is going to destroy
18 the effectiveness of the Committee and be a step backward.

19 I know on the outside, there have been some that
20 feel that this is a step forward. I think in three or four
21 years some of these public interest groups who thought it was
22 a good step may well reverse themselves. I think that we
23 really ought to consider going ahead with the hearing
24 committees. We can delegate, from time to time, if the
25 workload is such by positive action. I thought that was

1 what we pretty much agreed in the Committee, that we could
2 delegate it from time to time. As Bob says, special things
3 for them to consider -- I have very serious reservations
4 about the other approach.

5 Senator Curtis. Mr. Chairman, I confirm what has been
6 said. I think this.

7 I am quite surprised that some of the alleged support
8 that this proposal has, it seems to me that it is in
9 violation of the one man-one vote rule. If we delegate
10 to a small subcommittee that is apt to end up with two
11 members constituting a quorum, a vital decision affecting
12 this economy and they take action, the press report it, in
13 the minds of many of the people, the Finance Committee has
14 acted. Then there sets in a polarization.

15 It comes before the full Committee and the question is,
16 shall we approve or upset the work of the subcommittee, while
17 if we sit down as a full Committee, every member here can
18 have his say before a decision is made.

19 Things are modified, things are changed. Original
20 ideas come up here and oftentimes something is worked out
21 where the author of the proposal will freely admit that he
22 has a better proposal after the whole Committee has discussed
23 it than before.

24 I cannot understand how public interest groups who want
25 to take the position that would vest in a couple of members

1 a vital decision related to our economy that the other course
2 would spread the participation to the seventeen or eighteen
3 members of the Committee, whatever the total Committee is.

4 The Chairman. Let me just indicate how I think we might
5 meet some of those problems. I think that we all agree that
6 the purpose of the subcommittees ought not to be to kill
7 legislation but to consider it and improve the Committee's
8 opportunity to act on it.

9 So I am suggesting that we act along this line: the
10 Chairman, subject to the approval of the Committee, shall
11 appoint legislative subcommittees. All legislation within
12 the jurisdiction of the subcommittee shall be referred to
13 the appropriate subcommittee subject to the right of the
14 Chairman to reserve for hearings or mark-ups in the full
15 Committee such House-passed measures as he deems necessary
16 for full participation by the full committee, either because
17 of the brevity of the time available to make decisions,
18 because of the sweeping nature of the measure, or because
19 of the great significance of it.

20 Now, I would think, for example, that the economic
21 package that the President is planning to send over here
22 would fall within that. Although we would have a subcom-
23 mittee that would handle it, as Chairman of the Committee, I
24 would say, this is something, we are working against the
25 clock; it is a very broad, sweeping measure and, that being

1 the case, we would hear it and decide that one in the full
2 Committee.

3 The other tax measures that are of not such a broad
4 and sweeping nature would go to that subcommittee. In so far
5 as that is a Senate measure, introduced in the Senate, which
6 ordinarily cannot become law anyway, it would have to be
7 added to an amendment to a House-passed bill to go anywhere.

8 That would not be the case. As far as I am concerned,
9 all the Senate bills -- I prefer you keep them in the subcom-
10 mittee. If it is something that has to be an amendment to
11 a House-passed bill anyway, you might decide while you have
12 the bill over there, while the House has the bill, that you
13 want to act on it because the time might be short by the
14 time the House gets the bill to us.

15 So you might want to work, as Senator Bentsen did in
16 the area of capital accumulation, we want to work out a
17 legislative proposal because we expect to add it to what
18 appropriate House-passed measure we can find. If we cannot
19 find one that is relevant, we will find one that is not
20 relevant. This would not apply.

21 The subcommittee would have the discretion to report
22 to the full Committee, or keep in the Committee, the
23 Senate measures which, under the Constitution, must originate
24 from the House, or as an amendment to a House-passed bill.

25 Then I provide further, "The Chairman may set time

1 limitations on the period of time that House-passed
2 measures will remain in a subcommittee, at which time the
3 measures will automatically be restored to the calendar of
4 the full Committee. The time period will ordinarily be set
5 at six weeks, but may be extended in the event of a recess
6 or shortened in the event that adjournment or a long recess
7 is imminent.

8 "All decisions of the Chairman are subject to approval
9 or modification by a majority vote of the Committee."

10 When a House-passed measure comes to the subcommittee,
11 ordinarily you expect to report it back to the full Committee
12 with your suggestions, or within our recommendations, within
13 six weeks. If you want to keep it, I do not believe there
14 is going to be any problem.

15 If there is something that you want more time to think
16 about, I do not think there would be more than one in a
17 hundred that we would have some difference of opinion on
18 whether you want to keep that in the subcommittee awhile
19 longer or whether the full Committee should have a chance
20 to act on it.

21 As far as I am concerned, I do not want to make any
22 decision. I do not think that the Committee would want to
23 make it. In the last analysis, it would be the Committee
24 that would make the decision if the Chairman of the Committee
25 and the subcommittee Chairman cannot agree.

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1 Senator Bentsen. Mr. Chairman, may I comment at this
2 point?

3 The Chairman. Yes.

4 Senator Bentsen. As the Chairman knows, I have long
5 felt that we should have subcommittees with some legislative
6 authority, and on that point, I differ with my good friends
7 and distinguished colleagues here.

8 I would argue with them that I wish that we could have
9 the time to go as a full Committee into each of these issues.
10 That would certainly be the best; I agree with you.

11 Unfortunately, the time constraints do not allow that.
12 What I have seen time and time again happen to us here, I
13 have seen us reacting to what the House has done, reacting
14 to it, when I think we should have had longer hearings,
15 develop more information and come up with more ideas on our
16 own side.

17 I think that what the Chairman has proposed allows us
18 to do that. Then I can see things like the private pension
19 plans, and in the state that we are in now, you have a
20 question of regulation that you want to get into, detailed
21 things, a lot of minutia.

22 I think that you have to dig into that and have the
23 subcommittees do it. I hate to see the full Committee tied
24 up on it. Then, you bring it to the full Committee for
25 their review.

1 I think that what the Chairman has proposed is a workable
2 way to accomplish this. I do not want to see the subcommittees
3 used to kill legislation. The Chairman has taken care of
4 that with the proposal that he has put in there.

5 But I do believe that this is going to give us an
6 opportunity to delve deeper into some of these issues than
7 we have been able to do in the past and be in a position of
8 coming up with innovative, original ideas and not a reaction
9 to what the House has done.

10 Senator Ribicoff. Mr. Chairman?

11 The Chairman. Yes.

12 Senator Ribicoff. I had not thought too much about this.
13 As I am listening to this discussion, the thought occurs to
14 me that this is really a unique Committee. I do not believe
15 that there is another Committee in the Senate that has more
16 basically important legislation before it than the Finance
17 Committee.

18 I think that while your proposals seem to be a compro-
19 mise, I think that what you are doing is having double
20 work, because the subcommittee is going to have to go
21 through hearings and mark up and then you are going to have
22 to come back to the full Committee to go all over it again.

23 As I review my experience -- and I have been on this
24 Committee since I have been in the Senate -- the attendance
25 on this Committee generally is superior to any other

1 Committee in the Senate. We just went through a reorganiza-
2 tion, supposedly. They tried to have fewer committees instead
3 of more committees; now we are going to have more committees
4 again, splintering the Finance Committee.

5 Almost all legislation that comes here is basic
6 legislation: it is the Tax Bill, it is the Trade Bill, it
7 is the Social Security Bill, it is a health bill, it is a
8 welfare reform bill, and I think that when you chose and
9 try to get on the Finance Committee you know that you are going
10 to be on a tough, hard-working committee. I do not think that
11 anybody thinks that serving on the Finance Committee is a
12 bowl of cherries.

13 This is a tough job here.

14 I do not know, I never recall the Chairman refusing
15 or not allowing full and timely hearings taking up important
16 matters, whether he believed in them or not expeditiously,
17 and I think that we ought to keep the unique character of
18 this Committee as it has been all of these years, not because
19 we do not want to see a change, but because I think that
20 the work of the Senate and the work of the Congress would
21 be better served by having everything on the full Committee
22 level.

23 I sort of would go along with the proposal made by
24 Senator Packwood.

25 Senator Curtis. Mr. Chariman?

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1 The Chairman. Yes?

2 Senator Curtis. It seems to me -- and I certainly
3 think that Senator Ribicoff has made some excellent points --
4 it seems to me that there is a way that we could accomodate
5 the situation raised by Senator Bentsen.

6 When a matter comes up that obviously calls for a lot of
7 detailed work, the private pension -- they have issued some
8 regulations, it is voluminous and so on, and a lot of time.

9 I have served on committees where everything was
10 referred to the full Committee, then the Committee would
11 meet and the Chairman would go down the agenda and he would
12 suggest that we send this one to a subcommittee, this one
13 we would set down for hearings ourselves.

14 It seems to me that we could accomodate the position
15 expressed over here, and Senator Ribicoff's and Senator
16 Bentsen's both, by having all matters come before the full
17 Committee and then the full Committee direct which ones
18 would be referred to a subcommittee.

19 If they found something that everybody was widely
20 interested in, it could be held by the full Committee, but
21 if there was something assigning a task to do to work on
22 other things, the chances are that the decision of the
23 Chairman would prevail, but there could be a vote anytime
24 there was disagreement.

25 Senator Haskell. Mr. Chairman?

1 The Chairman. Yes.

2 Senator Haskell. I had assumed that there was no
3 controversy over these rules on the subcommittees. I happen
4 to agree with Lloyd Bentsen. I think that Bill Hathaway was
5 the one most interested in this, and I have a letter here
6 by proxy, he is presiding on a Subcommittee on Intelligence,
7 Senator Curtis, and could not be here, so I do hope that if
8 there is going to be a discussion and a vote that we afford
9 Bill the courtesy of allowing him to be here and postpone
10 it until that time.

11 Senator Long. Well, I think we know his position.
12 If your side was going to prevail, you would not object to
13 a vote, would you?

14 Senator Haskell. I had assumed from previous discussions
15 that this was noncontroversial. I gather now that it is
16 controversial.

17 The Chairman. It is more controversial than I expected
18 it to be, but I am not the keeper of every Senator's conscience.
19 Each man has to do what he thinks he ought to do, as his
20 own conscience dictates.

21 I personally would hope very much that we could agree
22 either to this, or something. What I am suggesting here,
23 or something reasonably close to it -- let me read what I
24 had additionally in mind, here. I did not complete reading
25 the suggestion.

1 "The full Committee may, at any time by majority vote
2 of those present, discharge a subcommittee from further
3 consideration of a bill."

4 Any time the full Committee wants to vote on a bill, it
5 just could vote by majority vote to discharge to a subcom-
6 mittee.

7 Senator Roth. May I make a comment?

8 I do not think, to be perfectly candid, that this
9 answers, at least, my concern.

10 Let me put it this way. What that means, say in the
11 area of taxes I have certain proposals. To get to the full
12 Committee to even consider it, I have to get a majority
13 vote. Under your proposed rule, it would go to the
14 subcommittee and be there for a certain period.

15 The Chairman. Hold on just a minute. I have got to
16 take issue with you.

17 Senator Roth. Maybe I do not understand.

18 The Chairman. It seems to me that any time -- let us
19 take your amendment. We want to act on your tax credit.
20 Obviously we are going to have to wait until we have a
21 House-passed bill over here. Otherwise, it takes that as a
22 rider.

23 It seems to me that any revenue bill that is reported
24 by a subcommittee, even one that does not go to the subcom-
25 mittee, take this bill we are talking about, the economic

1 package that will come over here, all right?

2 You can offer that in the full Committee, just as you
3 could on the Floor of the Senate as an amendment to that
4 measure.

5 It is the right of a Senator to offer an amendment in a
6 Committee. It is really unlimited in that respect.

7 It is true that someone might say, hold on just a minute.
8 I am Chairman of that subcommittee; I am the ranking member
9 and we fellows have a right to hold a hearing, but that is
10 the same as on the Senate Floor, you have the right to say,
11 as far as I am concerned you have had enough time; sort of
12 like cops and robbers; I am coming, ready or not.

13 You can go on ahead and offer your amendment and if a
14 majority vote supports it, that is all there is to it, even
15 if the subcommittee chairman is going to be in protest that
16 he wants to hold a hearing.

17 Senator Packwood. Mr. Chairman, as the practical way
18 that any subcommittee system works, if they have mark-ups --
19 if they were to have hearings, I would not quarrel; if they
20 were to mark up a bill and you had a three-man subcommittee
21 or a five-man subcommittee and it comes to the full Committee,
22 the skeleton that you are working from is that which that
23 subcommittee sends you, the full Committee has never had
24 the benefit of the hearings.

25 I would bet you that 90 percent of the bills that come

1 out of subcommittees, if they pass at all, will pass 95
2 percent close to the way they came out of subcommittee and
3 that may or may not be wise.

4 We are not going to have the time. We will have
5 conflicting meetings. We will not go to subcommittees.
6 we are not on. The major bills that are sent to subcommittees,
7 you, can say no major bill will go, or we will hold the
8 major bills here. The inevitable drift will be that pretty
9 soon we will all fractionalize up and become specialists
10 in certain areas, and our views, rightly or wrongly -- because
11 we have a fair respect for each other -- our views would
12 become the paramount persuasive force in the full Committee
13 and the bulk of the full Committee will not have the advantage
14 of the expertise.

15 I think that is an unwise way to go.

16 Senator Roth. If I might make one comment, in essence
17 you are creating, instead of a subcommittee, you are going
18 to be creating a Super Committee, because they are going
19 to have the main thrust.

20 Taking the area of taxes, I cannot think of anything
21 more important or where there is greater difference in point
22 of view among many of us.

23 Whatever members -- the seven people who are members of
24 that Committee are going to be in effect the Tax Committee,
25 and I think that that is a step backward. I think that we have

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1 diverse points of views on this Committee on tax matters.
2 To try to limit it, it is going to make it very hard for
3 the younger members, for example, to get on that subcommittee,
4 if it becomes the key, whatever the key subcommittees are.

5 We are all among equals. I think the best way to do it
6 is to keep the full Committee working in these areas.

7 On Lloyd's point, I would assume that Pat Moynihan would
8 have some very innovative and interesting ideas in the area
9 of welfare. There is nothing to prevent these
10 hearing committees developing legislative proposals for
11 the full Committee to consider. But the mark-up of the
12 hearings should be in the full Committee rather than at the
13 lower level.

14 I do not see where we defeat what you are interested in,
15 Lloyd. I agree that some of these things are complex. They
16 require a lot of work.

17 Your hearings committees can do that, and they can try
18 to develop whatever legislation is needed, but I think that
19 when we come down to make the gut decisions of how we are
20 going to move, these matters are too important to create
21 super committees who will have a prime say.

22 Senator Ribicoff. I think, Mr. Chairman, that there
23 is one thing that bothers me. This Committee has a very
24 high esprit. I guess if you look at my overall voting
25 record and yours, they probably could not be farther apart

1 generally, being very frank with you -- or Senator Byrd's,
2 or Harry's father. But there has developed an esprit on this
3 Committee that is very important and there has been feelings
4 on different legislation, but we have been able to work
5 together as a group of gentlemen with respect for one
6 another's differences.

7 It is amazing how many times we generally come out,
8 you know, as the same man.

9 What bothers me, as I listen to your ruling, you then
10 are proposing to take something away from a subcommittee into
11 the full Committee and the subcommittee being upset about
12 it, and then you are going to have to go to the full Committee
13 vote. You are going to have conflicts between subcommittees
14 and the full' Committee, and the esprit that we have enjoyed
15 on this Committee, I think that you will find shattered and
16 this has been a very stimulating and interesting committee
17 to work on.

18 I think that also it obligates every member on this
19 committee to be around when the hearings take place and the
20 mark-ups. If you are not, that is your responsibility.

21 Keep in mind, too, that under the present rules of
22 the Senate, each one of us has been given the authority to
23 designate a member of the staff who owes an obligation to the
24 member so if the member cannot be present, you really have
25 the duty to send that member of your staff to be here to

1 monitor what is going on and report back to you if there
2 is a conflict.

3 So that I think -- I know you have been criticized. I
4 think that much of the criticism of you, Mr. Chairman, is
5 due to the fact that you win more frequently than anybody
6 else on the Floor of the Senate, but that is the Senate
7 voting after full debate. No one is giving you anything on
8 a silver platter. Your fights are pretty tough.

9 It is a question of maybe a number of elections will
10 put your position in the minority, but they are open fights,
11 they are roll call votes, and you prevailed. I do not think
12 that you are going to change that by a subcommittee.

13 Now, I would guess that being Chairman of the Trade
14 Subcommittee with legislative powers would be a very impor-
15 tant subcommittee, but as far as I am concerned, I would
16 be willing to take my chances to present my point of view
17 on that position.

18 We welcome Pat Moynihan. We remember the fantastic
19 fights we had in this Committee on his Family Assistance
20 Program. I was a pretty isolated Senator on that. I do not
21 think that I had any support.

22 Pat, you remember. You were in the Executive Branch.
23 Either from liberals or conservatives on this Committee, I
24 was a lonely man. I would have been just as lonely, I guess,
25 on the subcommittee as I would be on the full Committee. But

1 the difference is that you are fighting that out among
2 eighteen members, eighteen prestigious Senators, eighteen
3 men with eighteen different points of view who sit in a
4 full Committee hearing before the press, before visitors,
5 arguing your points of view. And I think that you would
6 diminish this Committee and this significance if you started
7 to fracture it and break it up.

8 The Chairman. Let me just respond, if I might.

9 That H.R. 1, it was introduced and given that number
10 because it was viewed as the most significant measure of
11 that Congress, and that measure would have been before the
12 full Committee anyway.

13 In other words, I would propose that we take this economic
14 package coming over from the House in the next few days, that
15 we mark that one up in the full Committee.

16 I propose that we take the so-called Tax Reform Act --
17 we do not know what the number will be; we do not know what
18 it is going to be like, but it is going to be a very signifi-
19 cant bill. That would be marked up in the full Committee.

20 We are going to have -- it may very well wind up being
21 H.R. 1 all over again by the time we get through with it.

22 We are going to have the President's suggestion about
23 welfare reform as it is being formulated in the Department
24 right now with a lot of advice from all segments of the
25 economy. That will come up here.

1 I will suspect that that one will be handled and marked
2 up the full Committee.

3 You take the big trade bill that we had which you made
4 a major contribution in the Geneva negotiations, that would
5 have been marked up in the full Committee. We had one last
6 year that took three months of our time, including six
7 weeks of the Senate's time.

8 That one would have been marked up in the full Committee.

9 So as a practical matter, most of your big controversies
10 are going to be fought out right here in the full Committee,
11 but you will have Senators in the areas of their expertise
12 generating their suggestions of what they think an answer to
13 a problem would be and I really believe that the majority
14 view in the Senate would be, I think we ought to think about
15 that.

16 In some respects it may be because they have not been
17 using the same procedure that we have been using. I have
18 no doubt that the majority view of the Senate, if we were
19 talking about we were not going to have legislative subcom-
20 mittees that they ought to require us to have them, because
21 on the other committees they are accustomed to that procedure,
22 and they think we ought to have it too.

23 Now this, I believe, would give each Senator a chance
24 to go to the subcommittees where he thinks he can make the
25 best contribution and to help generate legislative proposals

1 to be considered by the full Committee. I believe that we
2 can come to terms on these measures that would be considered
3 by the full Committee.

4 I am still suggesting here -- and those who want the
5 subcommittees are willing to agree -- that the measures by
6 which the Congress is going to be known, you might say, for
7 example, that big tax reform bill last year, or this big
8 welfare reform bill that will be considered, we will mark
9 that all up in the full Committee.

10 But the subcommittees with regard to proposals that
11 the Committee members want to generate, we can work on that.
12 They can perfect them, and they can bring them to the full
13 Committee and it can still be subject to amendment.

14 Senator Haskell. Mr. Chairman, let me give an example,
15 if I may, of the kinds of things the subcommittee can do.
16 It just occurred to me -- and I heard Senator Bentsen mention
17 it -- apparently we went overboard in tightening up some
18 of the rules in profit-sharing plans and pension plans.

19 This is a complex, technical area that I think would
20 be ideally suited for hearings in the development of legisla-
21 tion in the subcommittee. That is just one example.

22 Senator Packwood. Was that the bill that was heard first
23 by Labor and Public Welfare and sent here? That is my
24 argument; it came to us from another Committee. We relied
25 on their expertise. It was a miserable bill, and we did

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1 not look at it thoroughly enough and that is what will
2 happen when it comes out of subcommittee.

3 The Chairman. That is not what was wrong with that
4 bill. What was wrong with that bill was that two committees
5 acted on it.

6 . Senator Haskell. Something was wrong with it.

7 Senator Packwood. That is exactly the situation that
8 we are going to have here, Mr. Chairman. We will have,
9 in essence, two committees acting on it.

10 The Chairman. What was wrong with that bill was that
11 the labor fellows, they worked out what they thought they
12 ought to do and the Finance Committee fellow worked out what
13 we thought we ought to do.

14 For example, we thought that Treasury ought to write
15 the regulations. They thought that the Labor Department
16 ought to write the regulations. So what is the compromise?
17 Both departments write the regulations.

18 A man just came to see me yesterday. They are in
19 horrible shape. Treasury wrote regulations they can live
20 with. Down in the Labor Department, they proposed regulations
21 they could not live with, and meanwhile the guy, who is
22 finally beginning to recognize the problems down there
23 quits, and now they do not know what Labor is going to do
24 about the thing.

25 So he is left with one set of regulations he can live

1 with and no idea what Labor is going to decide.

2 Senator Packwood. May I make an amendment to your
3 subcommittee proposal?

4 It is in two forms: one, if it passes, I hope we would
5 cut the number of subcommittees down to a rational number
6 rather than having seven subcommittees, some of whom would
7 have three people on them.

8 The Chairman. We can have more.

9 How many people can we have?

10 Mr. Stern. In total, you can have three subcommittee
11 slots per Senator. That would be fifty-four in total.

12 Ten subcommittees, that would average five per subcom-
13 mittee. You could have some with seven, some with three,
14 or most of them would be the size of five, an average of
15 five.

16 The Chairman. If you have five members --

17 Mr. Stern. That is fifty. That gives you four additional
18 slots.

19 The Chairman. There is no rule that says you cannot
20 have a six-man subcommittee.

21 Mr. Stern. No, sir, you can have any size limitation.
22 It is the total number of subcommittee slots. The more
23 larger subcommittees you have --

24 The Chairman. I do not think we would have to go to
25 three. We could be at least four.

1 Senator Curtis. What is wrong with having everything
2 come to the full Committee, then the full Committee making
3 a decision whether or not it goes to the subcommittee?

4 Senator Roth. That is right.

5 Senator Bentsen. That is in effect what ^{happens.} I
6 have total confidence in the Chairman in that he is going
7 to be delegating these things if he thinks they should go
8 to subcommittees. If they are such as you were talking
9 about, they are going to go to the full Committee.

10 What he does is subject to review by the Committee and
11 he has stated that in his compromise.

12 Senator Packwood. That is the motion that I was going
13 to make.

14 Senator Curtis. According to this language, it would
15 automatically go to subcommittee.

16 Senator Packwood. I would like to put the presumption
17 in that the bills would automatically be referred to the
18 full Committee and only sent to subcommittees by majority
19 vote of the Committee.

20 The Chairman. Is that all right with you?

21 Senator Bentsen. Yes.

22 Senator Haskell. I would vote against that, and I would
23 vote Bill Hathaway's proxy.

24 Senator Danforth. Mr. Chairman, may I inquire on your
25 initial comment?

1 The Chairman. Frankly, my judgment is there is sort
2 of a distinction without a difference.

3 Go ahead.

4 Senator Danforth. Would you be compelled, because I
5 was not present for the debate on the Floor on S. Res. 4,
6 would you feel compelled under this kind of rule to generally
7 follow through with the proposed rule that you read?

8 Would your operating procedure be to refer a great
9 deal of matters to subcommittees?

10 The Chairman. Numerically, by far the great majority
11 of the bills in subcommittees.

12 Senator Packwood. At least, Mr. Chairman, we could
13 come to the Committee, I think that this is so important
14 that I would like to keep this in the full Committee. We
15 would have a chance to argue it out against referral.

16 The Chairman. Sure.

17 Senator Curtis. And the majority makes the decision.

18 Senator Packwood. The majority makes the decision.

19 The Chairman. Let us analyze that for a second.

20 Usually, if you have a legislative proposal, you want
21 to move along; you want to have a hearing on it, and
22 frankly, as the Chairman of the full Committee, I many times
23 have told one of the subcommittee chairmen, that is great.
24 If you will hold the hearing, by all means, go ahead and
25 hold it. If I can find time to attend, I will come sit

1 with you.

2 If you will assume the burden of holding that hearing
3 and get as many members as you can come, by all means. You
4 and I know one man can hold a hearing. He does not have
5 to have much help to hold a hearing, if he is willing to do
6 the work.

7 So after he has held his hearing, if he wants to mark
8 up a legislative proposal and calls upon the other members
9 to meet with him and seek to perfect it, he is entitled
10 to the best judgment of what they think about it, and then
11 when he gets the advice of his members and they bring to us
12 something that they think is a good legislative proposal,
13 it deserves the consideration of the Committee. It deserves
14 to be voted on.

15 You have two ways he can get it before his Committee.
16 One of them, a Senate bill introduced by a Senator which would
17 have to be added to a House-passed bill for it to move
18 anywhere.

19 On those, he is perfecting a legislative proposal with
20 his members. When you have the other type situation where
21 it is a House bill which is over here. Often times we will
22 sit around here and wait for six months to get a House bill
23 as a vehicle to move some of our suggestions along with
24 those.

25 If it is not a major bill, under this suggestion we might

1 tell the Chairman we want to move the bill. We have some
2 amendments we want to put on it. I do not think we would
3 have any difficulty cooperating under this.

4 It says, the full Committee, by majority vote, anytime
5 could take that bill from the subcommittee to use that as
6 a vehicle for a rider.

7 Senator Packwood. I think we are close to agreement here.
8 If we could vote on my motion, the majority of the Committee,
9 can do anything it wants, take it away from the subcommittee.
10 I would feel better if the initial referral was to the full
11 Committee and only to the subcommittee on majority vote.

12 Senator Ribicoff. I think, Lloyd and Floyd, that that
13 would work out, basically what you are talking about, and
14 save a lot of arguments. I know I have that in Government
15 Operations. You find the Chairman will be very pleased to
16 refer a lot of these things to the subcommittee, and I think
17 it would save an awful lot of fights and arguments within the
18 Committee itself, and the basis of the esprit thing which
19 I talked about would be eliminated.

20 You would really have legislative subcommittees.

21 The Chairman. Call the roll on that.

22 Senator Danforth. Before you call the roll on that,
23 I will vote for Senator Packwood's amendment. However, I
24 was more persuaded by his initial point of view and the
25 point of view stated by Senator Ribicoff than by the amendment.

1 I am afraid that his amendment, while better than the
2 rule as proposed here, is a distinction without a difference.
3 The practical effect will be the same as under the rule.

4 I would simply like to state my view that I would hope
5 that in making your decisions as to what does go to subcommittee
6 and what does not go to subcommittees, the less subcommittees
7 do the more I will personally like it.

8 That sentiment here has been expressed throughout the
9 discussion by some of the people.

10 Mr. Matsunaga. Mr. Chairman?

11 The Chairman. Yes.

12 Mr. Matasunaga. Of course we are here to adopt a
13 rule to fit the situation and all situations as possible.
14 In Rule 16(a) you designate there on line 7 that subject
15 to the right of the Chairman to reserve for hearings and
16 mark-ups and full Committees such House-passed measures as
17 he deems necessary.

18 Supposing we remove the word "House-passed". Then this
19 would give a broader discretion to the Chairman so that
20 it need not be a matter passed by the House, but matters of
21 jurisdiction within the Committee.

22 The Chairman. I would prefer that all Senate bills go
23 to the subcommittees.

24 Mr. Matsunaga. It would, but subject to the right of
25 the Chair to reserve the right for initial hearing in the

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1 full Committee, and mark-up.

2 The Chairman. I would think that we would have no
3 difficulty gaining consent to keep a Senate bill. Suppose
4 I say, Senator, you wanted to get the full Committee to act
5 on something. All you have to do is offer an amendment any
6 time you have the bill out here.

7 It is not even a revenue bill, but a bill that you want
8 to get before the full Committee. I do not think you would
9 have any difficulty getting consent that it be on the full
10 Committee calendar.

11 Suppose you introduce one, you have a subcommittee
12 Chairman, he wants it to go to the subcommittee and you
13 introduce one just like it and you ask that it stay in the
14 full Committee. You would not have any difficulty having one
15 of them on the calendar.

16 What I am thinking about, as a practical matter, if the
17 men on the subcommittee want to have some measure before them
18 on which they are conducting hearings, all he has to do is
19 to introduce it as a Senate bill and let it go to that subcom-
20 mittee and go ahead and hold a hearing and if they want to,
21 they could, after the hearings, meet and present the
22 legislative proposal.

23 That still reserves to the full Committee the right to
24 amend it or to do whatever he wants to do about it when that
25 is offered as an amendment in the full Committee.

1 Senator Matsunaga. I realize that, Mr. Chairman. What I
2 was trying to do was meet the objections of members across
3 the aisle, here, whom I sense feel that the full Committee
4 ought to initially reserve the right of referral rather than
5 to have the subcommittees automatically gain jurisdiction
6 over measures before the Committee.

7 I think if we have that reservation on the part of the
8 Chairman on all matters rather than just House-passed matters,
9 that might meet the objection. I do not know.

10 Senator Packwood. I think we are driving at the same
11 thing. I agree with Senator Danforth; I would rather have
12 no subcommittees. But we are going to have some.

13 I think my motion will resolve anything we want in the
14 full Committee kept there. That is what I would like.

15 For those things that the bulk of us do want here,
16 House or Senate majors, will stay here. My motion will take
17 care of that.

18 Senator Matsunaga. What is the language proposed
19 now?

20 Senator Packwood. It would read as follows; it would
21 be a substitution.

22 "All bills referred to this Committee will be held
23 in full Committee for hearing unless referred by a majority
24 vote of the Committee to the subcommittee."

25 Senator Matsunaga. Oh, majority vote.

1 Senator Curtis. Let us vote and see what happens.

2 The Chairman. All in favor of the proposal, then, will
3 vote aye.

4 Call the roll.

5 Mr. Stern. Is it the majority of members present?

6 The Chairman. On the Packwood proposal.

7 Senator Moynihan. Is it proper to ask how you are going
8 to vote, sir?

9 The Chairman. No, I have the good fortunate of voting
10 last, Senator. You have the right to ask that.

11 Senator Packwood. I know how he is going to vote. I
12 want to save him from commitments he should never make.

13 The Chairman. I want to accomodate what the majority
14 of the Committee would like to do, frankly. That is what I
15 would like to do.

16 As far as I am concerned, Senator, I am like the fellow
17 who was a teacher of geography down in Louisiana. They
18 asked him about this controversy -- some people thought the
19 earth was round, some thought it was flat.

20 He said, gentlemen, I came prepared to teach it either
21 way.

22 (General laughter)

23 The Chairman. Go ahead.

24 Mr. Stern. Is it a majority of the members present,
25 or a majority of the Committee?

1 The Chairman. Present.

2 Mr. Stern. Mr. Talmadge?

3 (No response)

4 Mr. Stern. Mr. Ribicoff?

5 Senator Ribicoff. Aye.

6 Mr. Stern. Mr. Byrd?

7 Senator Byrd. Aye.

8 Mr. Stern. Mr. Nelson?

9 (No response)

10 Mr. Stern. Mr. Gravel?

11 Senator Gravel. No.

12 Mr. Stern. Mr. Bentsen?

13 Senator Bentsen. Aye.

14 Mr. Stern. Mr. Hathaway?

15 Senator Haskell. No, by proxy.

16 Mr. Stern. Mr. Haskell?

17 Senator Haskell. No.

18 Mr. Stern. Mr. Matsunaga?

19 Senator Matsunaga. No.

20 Mr. Stern. Mr. Moynihan?

21 Senator Moynihan. Aye.

22 Mr. Stern. Mr. Curtis?

23 Senator Curtis. Aye.

24 Mr. Stern. Mr. Hansen?

25 Senator Curtis. I have his written proxy here. Aye.

Mr. Stern. Mr. Dole?

1 Senator Curtis. Aye, by proxy.

2 Mr. Stern. Mr. Packwood?

3 Senator Packwood. Aye.

4 Mr. Stern. Mr. Roth?

5 Senator Roth. Aye.

6 Mr. Stern. Mr. Laxalt?

7 Senator Curtis. Aye by proxy.

8 Mr. Stern. Mr. Danforth?

9 Senator Danforth. Aye.

10 Mr. Stern. Mr. Chairman?

11 The Chairman. No.

12 Eleven ayes, five nays, the vote carries.

13 Now, I have Senator Talmadge's proxy. I do not know
14 how he would vote, so I will not vote that.

15 Without objection, we will agree to that subcommittee
16 motion as amended.

17 Now, let's get on to the next point.

18 It has been suggested that we try to provide better
19 notice for members --

20 Mr. Stern. Mr. Chairman, the rest of the changes here
21 on subcommittees?

22 The Chairman. Why do you not read that?

23 Mr. Stern. I believe you read through -- on page
24 4, part (e): "Subcommittees may mark up Senate bills so as
25 to have specific legislative proposals ready for full

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1 Committee consideration, but since the Finance Committee
2 cannot generally act on these bills, they will not be reported
3 to the full Committee."

4 Senator Packwood. That is one where I have a question.
5 I am not sure I am opposed to it, but I do not understand
6 it.

7 Mr. Stern. You would not have an actual printed report
8 on a bill. The subcommittee would not actually report out
9 the bill, but they could do all of the work on the bill.

10 That was the point of that rule.

11 Senator Packwood. Explain it to me.

12 Mr. Stern. In the example of the pension law, if the
13 subcommittee does a lot of work and gets to the work of
14 actually having a bill drafted and ready and gets a bill
15 marked up ready for full Committee consideration, it would
16 not actually go through the process of filing a report on
17 the bill to the full Committee.

18 Senator Packwood. I wonder if we might make this
19 change because -- strike out any reference to House-passed
20 or Senate-passed -- because we said all bills will be here
21 unless referred to us by House bill.

22 Mr. Stern. The House bill is something the Finance
23 Committee and the Senate can act on, where a Senate bill is
24 not. There is not too much point in reporting out Senate
25 bills.

1 Senator Packwood. I understand that.

2 What you are talking about is sending a House bill to
3 subcommittee. They would mark it up?

4 Mr. Stern. They would mark it up and report it.

5 Senator Packwood. I understand.

6 Senator Haskell. Let me raise one question.

7 There must be some bills that the Senate can initiate
8 that would go to this committee.

9 Mr. Stern. I can recall one case where I would have
10 felt it could have been a purely Senate-type measure to make
11 the position of administrator of the Social Rehabilitation
12 Service a confirmation position by the Senate. It has no
13 revenue effect whatever.

14 Senator Curtis. We could name the Internal Revenue
15 Code in honor of our Chairman.

16 Mr. Stern. I cannot think of any other example than
17 the veterans area that the Committee has jurisdiction over.

18 Senator Haskell. I do not think it is a matter of great
19 importance.

20 The Chairman. Once in awhile we can find one of them
21 like that. Why do we not just amend it to say, if it is a
22 measure that is not a revenue measure --if it is a revenue
23 measure, the House would send it back to us with a blue slip
24 if we got it there and that would have to be proposed as
25 an amendment to a revenue bill that comes through.

1 All right. If it is not a revenue measure, then it can
2 be reported to the full Committee, but there is no point in
3 us loading the full Committee calendar down with a whole lot
4 of measures which, under the Constitution, we cannot push
5 anyway.

6 Are there any other points to be considered?

7 Mr. Stern. On page 5, rule number (f): "The Chairman
8 and ranking minority member will serve as non-voting ex
9 officio members of the subcommittees they do not serve on
10 as voting members."

11 Under Senate Resolution 4, the Chairman and ranking
12 minority member can also be voting members of three subcom-
13 mittees, but they can be ex officio members of the others.

14 The Chairman. Let me make this suggestion to all
15 subcommittee chairmen. I would hope that at any time that
16 any member of the Committee -- for that matter, if a Senator
17 is not on the Committee and wants to attend your hearings,
18 if he is very much interested in the matter and wants to ask
19 a question or two that you accord him the privilege of asking
20 a question.

21 Senator Curtis. That is covered in (g).

22 The Chairman. Fine.

23 As a practical matter, any member of the Committee may
24 become an ex officio member of any subcommittee. He may just
25 go attend. If the Chairman would not let him express himself

1 on something, he can say, if you do this, I am going to have
2 to oppose it when it gets to full Committee. I urge you
3 that you consider changing it to thus and so.

4 That way, every Senator could participate pretty fully
5 in almost anything that is being considered by the Committee
6 or the subcommittee.

7 Go ahead.

8 Mr. Stern. The next rule is really designed to get at
9 the scheduling problem that Senator Packwood mentioned.

10 "Subcommittee meeting times will be coordinated with the
11 Staff Director so that: (a) no subcommittee meetings will
12 be held when the full committee is in executive session
13 (except by unanimous consent); (b) no more than one subcom-
14 mittee will meet when the full committee is holding hearings; and
15 (c) not more than two subcommittees will meet at the same
16 time.

17 That would mean, whenever the full Committee is actually
18 marking up the bill, there would be no conflict with subcom-
19 mittee meetings and there cannot be more than two hearings
20 going on at one time.

21 Senator Packwood. I object to that. I can see what is
22 going to happen. When the full Committee is in the process
23 of hearing a bill I am interested in, the subcommittee I am
24 serving on is holding hearings some other place at the same
25 time.

1 I would either like to move to strike (b) or (c) or add
2 to each one, "except by unanimous consent."

3 The Chairman. Let me see. Of course, you can do any-
4 thing by unanimous consent. I do not care what the rule says;
5 by unanimous consent, you can waive that.

6 No more than one subcommittee will meet when the full
7 Committee is holding hearings. Sometimes if we have enough
8 members -- I can agree that in most cases we should not be
9 having a subcommittee holding a hearing when the full
10 Committee is holding a hearing, but sometimes we get under
11 pressure where we have very little choice about it.

12 You either are going to hold two hearings simultaneously
13 but somehow the Senator interested in that one matter is
14 attending that one and another Senator is attending the
15 other one, or you get yourself into an impossible time
16 situation where you have to hold some hearing at 11:00 o'clock
17 at night, or some such thing as that.

18 It seems to me as though we really -- if a hearing we
19 are holding is an average hearing and you have some Senators,
20 two or three, and then we have a subcommittee hearing to
21 bring information to the Senate, we ought to let them do it.

22 Sometimes it does not take but a single Senator to hold
23 a subcommittee hearing.

24 Senator Packwood. The objection I have, Mr. Chairman --
25 I have had this on other Committees, especially subcommittees

1 where the Chairman will hold the hearing or ask ahead of
2 time. I ask for notice; I get no notice. He schedules it
3 with conflicts with other meetings, and if I could object, I
4 would, and if I could stop it, I would but I cannot. I do
5 not want it to happen here.

6 Senator Matsunaga. This pertains only to instances when
7 full committees are holding hearings, not mark-up sessions.

8 Senator Packwood. Right, exactly right.

9 Senator Matsunaga. I see no real objections, then,
10 if there is a mark-up session, yes. I would think then that
11 no subcommittee should be meeting. Then, Mr. Chairman, if
12 it is merely a hearing, when the full Committee is holding
13 a hearing then only one subcommittee may meet.

14 I see no objection.

15 Senator Packwood. It happens to be the subcommittee that
16 is working that is on, you are also interested in the full
17 Committee hearing.

18 The Chairman. Here is what you are going to have.

19 You are going to have these situations where, let's say,
20 we have a major bill, tax reform, we are going to schedule
21 monthly hearings on it. We are meeting every day for a
22 month.

23 Meanwhile, let us assume that Senator Matsunaga is
24 trying to hold a hearing on sugar; the sugar people are
25 getting the worst of it.

1 His people say that they have a problem that will not
2 wait and they must have a hearing. They have got to come
3 and tell somebody now. As far as he is concerned, that is a
4 very urgent matter.

5 That being the case, I would hope he could go ahead
6 and hold that hearing while we are holding a hearing on the
7 tax.

8 Senator Packwood. A perfect example. I want to be at
9 the tax hearing; I have a lot of sugar beets in Oregon, not
10 cane. I do not want any sugar hearings held, because there
11 is going to be a cane versus beet argument that I am not
12 going to be able to go to.

13 The Chairman. If you are fast, the chances are that
14 you can run back and forth between the two. You can be
15 here and interrogate the witness, then go over there and
16 strike some blows. If that is the case, we will try to put
17 the sugar hearing in the adjoining room so that you can run
18 back and forth.

19 You have seen these quick-change artists in vaudeville
20 run out and play two or three roles. If they can do it, you
21 can do it.

22 Senator Roth. May I make a suggestion?

23 Would it help if, for example, when you have this
24 subcommittee meeting, it had to be approved both by the
25 Chairman and ranking member?

1 Senator Packwood. That would satisfy me.

2 The Chairman. All right, let us do that. Without
3 objection, we will do it.

4 All right.

5 Senator Packwood. Unless approved by the Chairman and
6 ranking member.

7 The Chairman. Yes.

8 Mr. Stern. I thought you were referring even to the rule
9 in (b) and (c), Senator Packwood: no subcommittee could
10 meet when the full Committee was having a meeting unless
11 approved by the Chairman and ranking member?

12 Senator Packwood. Right.

13 Mr. Stern. "(i) All nominations will be considered by
14 the full Committee.

15 "(j) The Chairman will try to schedule meetings reasonably
16 frequently so as to permit timely full committee considera-
17 tion of legislative matters reported favorably by the sub-
18 committees."

19 Senator Packwood. I have one other question, and that
20 is on the first page of the rule -- excuse me.

21 Mr. Stern: If you are done with the Subcommittee
22 rules.

23 Senator Packwood. I want to ask about the agenda on
24 page 1.

25 "After the agenda for a Committee meeting is published,

7 1 0 0 0 0 0 1 2 7

1 and distributed, no new items may be brought up unless at
2 least two-thirds of the members" -- I have some misgivings
3 about the two-thirds; I am curious about "no other items
4 brought up."

5 A broad tax reform bill, we have so-called special
6 interest amendments being brought up, all relating to tax
7 reform, but no hearings.

8 Senator Haskell. You raise the question on special
9 interest amendments.

10 Senator Packwood. I am using the term that everybody
11 else uses.

12 Senator Haskell. Maybe this is not the time. Maybe
13 we ought to have a subcommittee for that purpose, Mr.
14 Chairman.

15 The Chairman. As a practical matter, the Subcommittee
16 on Taxation is going to have those narrowly drawn bills.
17 Senator Byrd has indicated, if he had the privilege of being
18 Chairman of that Subcommittee, he has in mind a number of
19 rules which I think you would like. He proposes to initiate
20 them in that area, to see that all information that the
21 press and anybody else might appropriately request be made
22 available.

23 Senator Packwood. May I go back?

24 I am curious about the "no new items," what you mean.
25 I am reading on the start of the rules, Attachment A, page 1,

1 the middle of the page.

2 "After the agenda for a Committee meeting is published
3 and distributed, no new items may be brought up unless at
4 least two-thirds of the members present wish to do so."

5 I remember the argument Gaylord Nelson had, he wanted
6 more notice, wanted to be briefed. I have no objection to
7 that. It is the new items I am curious about.

8 A new item is something that has not been discussed,
9 or includes something that has been discussed and never been
10 heard? What are you limiting it to? Anything that is
11 relevant to the agenda item is okay. A tax bill or anything
12 where an amendment is relevant?

13 Mr. Stern. I would think that it had that broad
14 meaning you gave it, any amendment to the tax bill.

15 Senator Packwood. Fine.

16 That is not a new item.

17 Senator Curtis. A relevant amendment would not be a new
18 item.

19 Senator Packwood. Regardless of whether it ever had
20 hearings or not.

21 Senator Haskell. I think you want to be a little
22 cautious, Bob. Not only Gaylord but I was interested in this.
23 My real problem, and Gaylord's problem, often we have these
24 tariff bills and we come in here and we find some things on
25 our desk and there is a major Social Security amendment on

1 it, and the problem -- and I talked to the Chairman about
2 this -- to get maximum notice with the staff material so
3 you know what in the devil you are talking about, at least
4 you do not have an excuse for not knowing what you are
5 talking about.

6 Senator Packwood. I understand. If we change two-thirds
7 to a half, I will move that in a minute. I do not want to
8 get into a situation where we are talking about some amend-
9 ments, good faith, probably most of us would agree to, but
10 one person would say it is a new matter and we are stuck with
11 this rule.

12 We can argue about it, if it is a big enough issue that
13 we should not be taking it up, but if it is a tax bill and
14 it is a tax amendment, we would at least, under this rule,
15 we would permit it to be brought up.

16 Senator Haskell. I think that that would be the best
17 way to leave it. If we are talking about pension plans
18 and someone brings up a tariff thing, that seems to me that
19 that is something new.

20 Senator Packwood. If we are talking about tax reform
21 and somebody brings up a tax reform amendment, even if it
22 is a small one, that is relevant.

23 Senator Haskell. I would think so.

24 Senator Packwood. I would like to move to change
25 two-thirds to one-half. You are going to have a tough enough

1 time convincing half of the people to do it anyway.

2 The Chairman. A simple majority.

3 Senator Packwood. Simple majority. A simple majority
4 of the members present.

5 Again, we have a broad definition. If you can convince
6 half of the people there that you have --

7 The Chairman. After the agenda for a committee meeting
8 is published and distributed, nongermaine items will not be
9 brought up unless at least two-thirds of the members present
10 wish to do so. If it is germane, you can bring it up.

11 Senator Curtis. In the main, I think these rules are
12 good. I would like to raise a question in regards to this
13 entire matter regarding notice.

14 I concur, and certainly minority members ordinarily
15 would feel strongly that we need to know what we are supposed
16 to bring up, what is going to come up, so we can be prepared
17 for it, and that sort of thing. It is a matter of fairness.

18 I do feel that so many times, as we get near the last
19 days of the Congress, the House sends us the material. We
20 have maybe matters that have to be straightened out with
21 other committees. I think most of our trouble with the
22 Budget Committee is over, and so on.

23 I think that we should not tie our Chairman too tight
24 on this in a time of real need, because if we have the rule
25 here that delays something 48 hours and delays the whole

1 adjournment of Congress, it does not help the legislative
2 process and it creates a lot of problems.

3 It seems to me -- maybe the staff has something to
4 suggest on that, that the Chairman ought to have authority
5 to waive this 48 hour rule when we are really up against
6 it.

7 Senator Haskell. Would the Senator yield?

8 Senator Curtis. Yes.

9 Senator Haskell. The material in parentheses gives
10 you that: "(unless the Chairman determines that an emergency
11 situation requires a meeting at shorter notice)."

12 The Chairman. If it is all right with you --

13 Senator Haskell. It is all right with me.

14 The Chairman. -- we ought to have at least twenty-four
15 hours notice, even on emergency things. That, to me, is
16 fine except when you get into the kind of situation that
17 Bill Roth participated in.

18 If you recall, we got into a hassle between the President,
19 the Executive Branch and the liberal Democrats. It was not
20 my making on this Committee that created that fiasco.

21 We had agreed to adjourn. We were going to have to
22 adjourn and go home and have the people have an unintended
23 tax increase.

24 On that occasion, Senator Roth worked on it, and some of
25 the rest of us worked on it, and we finally got together and

1 proposed a compromise. I think we worked on that compromise
2 up until about 11:00 o'clock the night before the adjournment.
3 Then the Committee met on the day of the adjournment. Then
4 we had to do some further negotiating with the House people
5 back and forth, but we managed to resolve that thing right
6 there at the last day.

7 If we had had to have twenty-four hours notice, if one
8 member said no, he did not like what we were doing, let the
9 fool thing expire, we might have not been able to act. The
10 alternative would have been to try to take some measure, try
11 to by-pass the Committee.

12 I think that it is better to discuss it with the
13 Committee than to try to bypass it, because if you bypass it
14 you run into an objection on the Floor anyway.

15 The experience I have had, in the last days or the last
16 two days before adjournment, we run into some very tight
17 situations where we might need to get by on less than 24
18 hours notice. I think I could accomodate you with 24 hours
19 notice any time other than when we are right on the verge
20 of adjournment.

21 You recall how much work we got done adjournment night,
22 for example, even though some people got their nose out
23 of joint from time to time and tempers got short, we got a
24 lot of business in the last days. Sometimes that happens when
25 you are trying to adjourn.

1 That is the only problem that I see that I think might
2 be difficult.

3 Senator Roth. I happen to agree with the Chairman.

4 Senator Curtis. So that the Chairman has ample leeway
5 there to act --

6 The Chairman. There is some other matter here.

7 Mr. Stern. One last item, on page 3 it relates to the
8 question of witnesses.

9 The Chairman. Let me suggest what I think might be an
10 appropriate rule on witnesses.

11 The staff will try to balance these witnesses off so
12 that we will give both sides a fair chance to be heard and
13 we will try to limit the number of witnesses so that we
14 can hear them and give both sides a fair chance to be heard
15 and at the same time conclude the hearings in time for us to
16 act on the bill.

17 There will be Senators -- I have been one of them;
18 everybody here will at one time, you will come in and say,
19 "I have some additional witnesses that I want you to hear."

20 If that is the case, my suggestion is, if you are the
21 Senator who wants us to hear these witnesses, we will
22 schedule these additional witnesses for you, provided you
23 will make yourself available to hear them.

24 I feel kind of like the poor old soul who was convicted
25 and sentenced to a ten-year term by the judge before the judge

3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25

1 got around to sentencing him, he said, "Do you have anything
2 to say?"

3 At that point, no, but when the judge gives him the ten
4 years, he said, "Your Honor, could I have my chance to say a
5 word or two? You see, it just appears to me that you are
6 awful damn liberal with the other guy's time."

7 It is all right with me to hear those witnesses if I do
8 not have to do all the sitting. I can picture the situation
9 where the hearing goes on and on. Everybody asks a question.
10 About 8:00 o'clock at night they all drift away, and the
11 Chairman is left there to hear these witnesses.

12 I recall one time, I thought it might ingratiate me with
13 the previous Senator Byrd from Virginia when my dear friend
14 George Malone was conducting a filibuster in the hearings on
15 the Trade Bill, so I volunteered to sit there with George
16 as long as he wanted to ask questions of those witnesses.

17 He would keep me until past midnight to hear those
18 witnesses, interrogate them in depth.

19 At least he put the burden on the then-Chairman, Senator
20 Byrd, to move the bill along. I do not know whether George
21 Malone wore me out or I wore him out, staying past midnight
22 night after night. We finally got through hearing all of
23 those witnesses.

24 If you are the fellow who wants to have those witnesses
25 testify past midnight, you have to volunteer to be here and

1 hear them, if you will. I will be happy to accomodate you.
2 I might be in bed while you are interrogating those witnesses,
3 but that is all right.

4 If they are good witnesses, I know that you will see to
5 it that what they say comes to the attention of all Senators.

6 If you cannot do any better, get a copy of their statement
7 and grab these guys, put it in your pocket -- this is the
8 best statement made in the whole hearing, I want you to read
9 it. Find ways to bring it to our attention.

10 Is that what we have here, Mike?

11 Mr. Stern. Yes, sir.

12 Senator Haskell. Mr. Chairman, what is here is fine
13 provided that we add what you first said, that the hearing,
14 that early on the hearings shall attempt to be well-balanced,
15 something to that effect, so that all the proponents are
16 not at the beginning and the opponents in the end.

17 If some wording could be to that effect -- I
18 think that should be done. We all want that.

19 The Chairman. See if you can work out some language
20 on that.

21 Usually as a courtesy to the Executive Branch, the
22 President and fellow Senators, we usually let the Senators
23 come in and testify, because they are busy up here. We
24 expect the same consideration of them before their committees.

25 We let the Executive Branch come in here and testify.

1 After we have heard from them, then in picking the
2 public witnesses, we will try to balance them all.

3 Senator Haskell brings up a point. Back when I was
4 sitting in the same place he was sitting on the committee,
5 I was very concerned about the fact that I did not want them
6 to stack those witnesses when I am against something. The
7 other fellows are going to bring in all the other guys'
8 witnesses when there is a crowd there, bring in my witnesses
9 when everybody has gone home.

10 We will try to work that out that way.

11 Mr. Stern. The last item on the agenda relates to the
12 Committee staffing and expenses. I would like to recommend
13 that the Committee seek a \$30,000 resolution for routine
14 expenses as you have done in recent years. That pays for
15 hearing transcripts, for the Committee staffs, and other
16 expenses, budget.

17 You have a sheet that it is included as Attachment
18 B. It shows basically a continuation of costs for the staff
19 level would be \$405,000.

20 I would like to suggest three things for the Committee's
21 attention. One is if you are going to get into welfare
22 reform, it might be a useful thing for you to have access to
23 independent cost estimates in the same way that the Committee
24 has had for the last two years by contracting with Bob
25 Myers, the former Social Security actuary for independent

0000000037

1 estimates in Social Security. I am recommending \$30,000.

2 In addition, consultant fees, if they are not used,
3 they are not used. You do not get into legislation; you
4 would just not use it.

5 The Chairman. I think that ought to be done.

6 Senator Curtis. I think so.

7 The Chairman. The opportunity to get an independent
8 estimate -- some of the estimates have been absolutely
9 outrageous. Medicaid is costing, I think, thirty times the
10 estimate and the Social Service program wound up costing
11 over one hundred times the estimate. To have those
12 estimates that far away from reality is a disgrace.

13 As a responsible committee, we ought to have somebody
14 second guess those Departmental estimates.

15 Bob Meyers has done some good work over there, having
16 served there. He has done some good work, and to help us
17 see what we are going to run into -- I think that is fine.

18 In other words, I say this to every member of the
19 Committee, both sides of the aisle: where you have reason
20 to think that information coming to us is not good information,
21 you have a duty to try to see to it that we get the right
22 information.

23 Senator Curtis. We will get more carefully prepared
24 information if they know that we have the power to reach
25 out and get an independent view.

1 The Chairman. Bob Meyers is one of the best on the Social
2 Security aspect and the welfare aspects of it, and if those
3 people know, for example -- he was once the Chief Actuary --
4 that he is going to second-guess their estimates, that will
5 keep them honest.

6 Mr. Stern. There are two other items on budgetary
7 matters. One is, it has been suggested by a number of
8 offices of the members of the Committee that the Committee
9 budget include an allowance for each office to be supplied
10 with a Tax Service, such as CCH service or Prentiss-Hall
11 Service.

12 I am suggesting for your consideration that the budget
13 be increased. I think it would be about \$10,000 if every
14 office took that.

15 Senator Curtis. That could be done with the understanding
16 that the Senator would request it.

17 Mr. Stern. Yes, sir.

18 Senator Curtis. The expenditure would not be made if
19 he decides that he is not going to bother with that.

20 Mr. Stern. What we would do is just call around the
21 offices and ask.

22 Senator Curtis. Yes.

23 The Chairman. We are going to need some more technical
24 help because these subcommittees are going to be doing more
25 work. Have you thought about how many additional people you

1 are going to be asking for?

2 Mr. Stern. I am suggesting that you might want to ask
3 for two additional professional staff and one additional
4 professional staff for the Minority. I understand they are
5 interested in it.

6 I do not have a specific idea of what you would be using
7 the additional professional staff for, but you would fill it
8 as the need arose. I believe you would need one more person
9 in the tax area in general.

10 The Chairman. All right.

11 Senator Curtis. I think that is all right.

12 Mr. Stern. Two resolutions --

13 The Chairman. Senator Haskell has indicated that we
14 have not been able to provide him with as much help when he
15 needed it with his administrative reforms, so we ought to
16 be able to provide him with enough help where he does not
17 have to wait until they can send someone over from

18 the House or the Joint Committee to help him. He can have
19 somebody to give him priority.

20 You are going to need more help for some of these subcom-
21 mittees. I hope that everybody who knows of some additional
22 need that they are going to have for some help in this next
23 year will make that available to me, because when I go before
24 that Rules Committee, I hope Senator Curtis will go with me,
25 that they will interrogate in depth.

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1 You have a vacancy on your staff right now; why are
2 you not using him, and so forth. Last time, they gave us
3 about half of what we asked for.

4 We have one of the smallest staffs on the Hill and we
5 have the responsibility in terms of dollars, probably more
6 than any Committee up here if you look at what we have to
7 collect as our jurisdiction over expenditures.

8 I am satisfied in terms of all the work that we have
9 to handle and the responsibility, we probably spend less than
10 any other Committee. That does not mean that the Rules
11 Committee does not interrogate us in depth if we need one
12 more person, one more telephone, or anything.

13 All the information that the subcommittees can give us
14 about the fact that they need some additional help will help
15 us to support our claim.

16 I would hope that we can let the members available to
17 them, the Section 60 money, for somebody to help them with
18 their legislative duties without that person having to
19 carry the burden of the subcommittee work, so that the
20 subcommittee staff can be helped by the full Committee and
21 you can assign them the people that they need to call the
22 meetings, to serve all Senators and chairmen as well as
23 all members of the subcommittee, and help them schedule
24 the meetings and arrange the witnesses and get the printing
25 done and the information available to all the Senators and

1 whatever has to be done so whatever money is available for
2 them to hire a consultant or an advisor in their office to
3 handle their mail in relation to their responsibility could
4 do that.

5 They do not have to take the money related to their
6 office work and the Senator to spend that for the full
7 Committee and the subcommittee.

8 If we can get enough help for it, I would like to
9 provide it to you.

10 What was the next point?

11 Mr. Stern. That would mean two resolutions, one
12 routine expenditure of \$30,000 and the other -- I would have
13 to calculate it exactly, something like \$560,000 or \$570,000.

14 Senator Curtis. That is all right.

15 The Chairman. Without objection, agreed.

16 What else do you have here?

17 Mr. Stern. That is the end of the agenda, Mr. Chairman.

18 The Chairman. That is all for today.

19 Mr. Stern. I might point out to members of the
20 Committee that we put out a piece of paper called "Likely
21 Schedule for the Finance Committee." You might just want to
22 note that next week Tuesday, Wednesday and Thursday would
23 be Finance Committee consideration of the entire budget
24 within the Committee's jurisdiction for recommendation to
25 the Budget Committee.

1 The Chairman. I would like to bring up one other
2 matter, if I may.

3 If the Committee is willing to agree to this, it would
4 be self-serving for the Chairman to release the record that
5 we have of the attendance of Senators, because the Chairman,
6 he is privileged to call a meeting at a time when he can
7 be there.

8 At the same time, I believe that it would help us with
9 attendance if we started at the next meeting keeping a
10 running total and let every member have a record of how much
11 time he spent in these Committee sessions, both in the hear-
12 ings and in the mark-ups.

13 Senators can properly say they have duties elsewhere.
14 Senator Ribicoff is Chairman of the Government Operations
15 Committee. If his Committee is meeting, as Chairman, he has
16 to be there, and I would suggest that we have an arrangement
17 whereby when a Senator is attending another Committee that
18 we simply make a record that he is at the other Committee
19 so that we can count him present, or just not count the
20 time when he is at the other Committee.

21 But if we do that, I think that it would help us to
22 assure that a quorum was present.

23 Senator Haskell. I think, on behalf of Senator Hansen,
24 I could even speak more for him on this than myself.

25 This would be fine if we could coordinate this with the

00000043

1 Interior Committee. We had, last year, it seemed to me that
2 every time one Committee is meeting, both Committees were
3 meeting. I hate to keep a record. That would sort of
4 indicate that you were goofing off because you are not here,
5 you were out on the golf course someplace, when you were
6 over in Interior.

7 The Chairman. It seems to me that we could take the
8 view that when you are in the Interior Committee and we are
9 meeting here that you make it known that you are there. If
10 we have a close vote here, where we need your vote to break
11 a tie, all we need is you on record, just to come over and
12 have a quorum. Let us know that you are available to us at
13 the other Committee meeting, then we simply regard you as
14 being present for that purpose. You are available to us.

15 So the record we keep says you are present. I think
16 a Senator ought to be regarded as having 100 percent atten-
17 dance if, whenever a Committee meets, he is at one of the
18 two Committee meetings. He cannot be at two places at the
19 same time.

20 Senator Haskell. It is tough.

21 The Chairman. You cannot do it, unless they are both
22 in the same room.

23 That being the case, I would suggest that we have this
24 running total. If he has to be at another Committee meeting,
25 that he is available to us from time to time on a close vote,

1 we will call him and say, how do you want to be recorded on
2 this.

3 So he can be credited with being here, while he is at
4 the other Committee meeting, so a Senator can do justice to
5 both Committees and still have a 100 percent record as far
6 as we are concerned. At the same time, I have no doubt that
7 that will improve attendance.

8 Senator Roth. I appreciate your desire to improve
9 attendance, but frankly, it seems to me that we are sort of
10 putting a noose around our own neck.

11 Some of us are members of two Committees and three
12 committees. In contrast to the House, the Senate is in
13 business much of the time, and some people feel that their
14 first responsibility, for one reason or another, is on the
15 Senate Floor.

16 It bothers me that this is going to be public informa-
17 tion -- and it should be, if we are recorded -- but you are
18 putting a lot of people in a difficult position. How do you
19 explain to the people back home who do not understand that
20 you may be in another Committee or you may actually be
21 doing business, or being playing golf, as you said?

22 I just wonder if this is a wise move.

23 The Chairman. I will not press it now. If anybody
24 has any doubts about it, we can always discuss it later
25 on. It just occurred to me that that was a good way to get

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1 attendance.

2 Senator Gravel. Mr. Chairman, may I bring up something?

3 In the letter you sent out about the various committees
4 which I thought was very good -- I made my preferences known
5 and I noted that in two cases we have left off subject areas
6 that I presently have a very vital interest in.

7 Energy is one subcommittee that is not that all compel-
8 ling since it is quite narrow. I would like to see if it
9 would be possible if the Committee would agree to add
10 jurisdiction to that subcommittee, capital formation which
11 I have been reading up on greatly and think it is one of
12 the great problems facing our free enterprise system.

13 The Chairman. What is the other?

14 Senator Gravel. The other is Foundations. That used
15 to be chaired by Senator Hartke. That is a very narrow area
16 and a worthwhile area, and it would not take much time.

17 The Chairman. Somebody else can take a look at it.

18 Senator Gravel. If we could throw that into the
19 Energy Capital Formation and Foundations Subcommittee, it
20 might give us a little more to say grace over than the little
21 that we have. It does not impinge upon any other subcom-
22 mittee.

23 The Chairman. That would fall under the Tax Subcom-
24 mittee.

25 Senator Gravel. Which one?

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1 The Chairman. Most of the tax measures relating to
2 capital formation --

3 Senator Byrd. Capital formation would.

4 The Chairman. -- would fall under the Tax Subcommittee.
5 In fact, I think some of the most interesting provisions of
6 the Taxation Subcommittee has to do with measures to help
7 accumulate capital.

8 Maybe in the spirit of compromise --

9 Senator Gravel. I could narrow it down.

10 The Chairman. Would it be all right with you, Senator
11 Byrd, if we put foundations along with energy?

12 Senator Byrd. I think that would be all right.

13 Capital formation --

14 Senator Gravel. My interest is the two factor.

15 The Chairman. That would fall under the Pension
16 Subcommittee.

17 Mr. Stern. That is correct, private pension and
18 employee fringe benefit.

19 Senator Gravel. I will take foundation and go to
20 other committees with whatever legislation I have. I have
21 no problem with it. I did not realize it fell under
22 that.

23 Mr. Stern. Energy and foundations.

24 The Chairman. I would hope that members would make
25 known their desires on these subcommittees. We do not know

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1 what Senator Nelson wants, for example. Until we know
2 which subcommittee Senator Nelson would like to serve as
3 Chairman of, we cannot now tell the others who come further
4 down the list.

5 Can you find out from Senator Nelson today -- to have
6 him make his mind up?

7 Mr. Stern. I received a message that he wanted to
8 chair the Social Security Subcommittee.

9 The Chairman. All right.

10 Can we go down the list and see what Senators are going
11 to ask for, then?

12 I believe we know about the first four, then.

13 Mr. Stern. Senator Matasunga?

14 Senator Matasunga. I will meet with you.

15 Senator Gravel. I would like to meet with you after.

16 The Chairman. Fine.

17 Incidentally, gentlemen, I am getting out a press
18 release -- I wish Mike would give you a copy of it -- where
19 we are trying to schedule action, trying to schedule the
20 hearings, hoping that the House will act on it by this
21 time this economic package recommended by the President --
22 we are trying to go ahead and schedule it so as to meet
23 your notice suggestion, and the rest of it.

24 Senator Gravel. May I compliment you? This is very
25 helpful in our month ahead planning. If this could be done

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1 very regularly, this could be of great assistance.

2 Senator Matsunaga. One question, Mr. Chairman.

3 How closely do we adhere to the rule that this Committee
4 will meet on the second and fourth Tuesday of each month?

5 The Chairman. What we do, of course, we will meet on
6 those days when we have business that requires our attention.

7 This Committee has to wait for the House to send us bills.

8 Ordinarily, in the first part of the session, when those

9 House bills get to us, in the last part of the session we

10 will be meeting a great deal more than that, and we probably

11 will have to schedule a once a week meeting, and then we

12 will have to schedule several meetings a week.

13 Senator Matsunaga. I have the same problem as Senator

14 Haskell. I am on the Energy and Natural Resources Committee.

15 We would have to go to that Committee and set up different

16 dates.

17 The Chairman. If you will try to tell us when they are

18 meeting under this Reorganization Act, they are trying to

19 work it so that you can have two meetings a day, one meeting

20 starting early in the day and the other meeting later in the

21 day, so we will try to work it out to try to get them to

22 set their meetings early, or later than ours, to try to

23 obtain the maximum attendance possible.

24 Thank you.

25 (Whereupon, at 12:00 noon the Committee recessed to
reconvene at the call of the Chair.)

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