eral employees transferring to tribal employment under such contracts to retain earned civil service benefits to facilitate contracting.

In title II, the committee struck, at the recommendation of the Department of the Interior, four authorized Indian education programs in the area of training of Indian professionals; youth internships; educational research and development; and special educational programs. While these are very desirable programs, the committee accepted the administration's argument that they were already authorized or duplicative. We expect the Secretary to provide us with a report on his activity in these areas.

Committee amendments to the entire bill have eliminated $223,750,000 in authorization for new programs. Again, we feel that these funds and programs are vitally needed, but have relied on the statements of the Department that they either exist or are duplicative.

Mr. Speaker, as amended, this bill will go far to resolving the Indian problems and place again in their hands the control of their own future and their own development.

I urge its enactment.

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

GENERAL LEAVE

Mr. PERKINS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and include extraneous matter, on the conference report on Senate Joint Resolution 40, White House Conference on Library and Information Services, agreed to earlier today.

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

There was no objection.

CONFERENCE REPORT ON S. 356, CONSUMER PRODUCT WARRANTY AND FEDERAL TRADE COMMISSION IMPROVEMENT ACT

Mr. MOSS. Mr. Speaker, I call up the conference report on the Senate bill (S. 356) to provide disclosure standards for written consumer product warranties against defect or malfunction; to define Federal content standards for such warranties; to amend the Federal Trade Commission Act in order to improve its consumer protection activities; and for other purposes, and ask unanimous consent that the statement of the managers be read in lieu of the report.

The Clerk read the title of the Senate bill.

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

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of December 16, 1974.)

Mr. MOSS (during the reading). Mr.

Speaker, I ask unanimous consent that the statement be considered as read.

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

There was no objection.

The SPEAKER. The Chair recognizes the gentleman from California (Mr. Moss).

Mr. MOSS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I urge support of the conference report on S. 356, the Magnuson-Moss Warranty-Federal Trade Commission Improvement Act. This is one of the most important pieces of consumer legislation that will be considered by the 93d Congress. It and similar bills to make consumer product warranties meaningful and enforceable and to improve the consumer protection capabilities of the Federal Trade Commission have been pending in the last three Congresses. The legislation has had extensive comment from business groups, consumers, Government agencies, and others. It is now a balanced piece of legislation which emphasizes increased consumer protection and basic fairness to those subject to its provisions. I believe it is fair to say that S. 356 has broad support from both consumers and business.

Title I is similar to the House bill. It applies to warranties given on "consumer products" but does not require any one to give a warranty. Where a warranty is given, the bill authorizes the Federal Trade Commission to make rules insuring adequate and clear disclosure. The conference report requires that written warranties on most consumer products be designated as either "full" or "limited" warranties. In the case of "full" warranties, a seller would have to meet minimum Federal standards which include refund, repair or replacement of a defective or malfunctioning product within a reasonable time and without charge to the consumer.

Title I also prohibits the disclaimer of implied common law warranties when full or limited warranties or service contracts are given in writing. In the case of a limited warranty, however, a seller could limit the duration of implied warranties to the period of the warranty, provided the limitation was conspicuously disclosed.

Title I also gives congressional endorsement to the establishment of informal dispute settlement procedures, with the participation of independent or governmental entities. The Federal Trade Commission and the Attorney General would enforce the warranty title and would be empowered to obtain injunctive relief against any person violating its provisions or issuing deceptive warranties.

In addition, any person damaged by the failure of a supplier to comply with a warranty or service contract could bring suit in a Federal or State court giving the warrantor an opportunity to cure the breach. In order that such a suit be brought in a Federal district court, the amount in controversy would have to exceed $50,000 and each individual claim would have to exceed $25. The report authorizes class actions, provided these conditions are met and also where there are at least 100 named plaintiffs notwithstanding any restrictions on such actions which might exist under general principles of Federal law.

Title II of the legislation deals with improvement of the powers of the Federal Trade Commission.

Section 201 expands the jurisdiction of the Federal Trade Commission to matters in or affecting commerce. Both the Senate and House bills contained this provision.

Section 202 clarifies the power of the Federal Trade Commission to issue substantive trade regulation rules defining with specificity acts or practices which are unfair or deceptive to consumers and others under section 5 of the Federal Trade Commission Act. The section then establishes procedures designed to insure that Commission proceedings for the issuance of such rules will benefit from the input of all interested persons and from submission of relevant data and information. Where the Commission determines it is appropriate and necessary for a full and true disclosure of disputed issues of material fact, there may be cross-examination either by interested persons or by the Commission on behalf of such persons. Judicial review is, of course, provided for all Commission rules.

Section 202 directs bank regulatory agencies to issue regulations substantially similar to regulations of the Federal Trade Commission, unless the Federal Reserve Board makes certain findings that such regulations would conflict with monetary policy or that the acts or practices in question are not deceptive.

Section 203 clarifies that the investigative authority of the Federal Trade Commission extends to persons, partnerships, or corporations.

Section 204 clarifies certain provisions of the Alaska pipeline bill regarding representation of the Commission in court. The Commission is authorized to represent itself in actions seeking injunctive relief, relating to consumer redress, to obtain judicial review of a rule or order, and in certain other situations. In all other cases, the Commission must give the Attorney General 45-days notice—increased from 10 days under the Alaska pipeline bill—and thereafter may represent itself only if the Attornel General fails to take the action requested by the Commission. In addition, if the Attorney General declines to appeal a case where the Commission represented itself in the lower courts, the Commission is authorized to appear before the Supreme Court and to represent itself. The Attorney General may also appear on behalf of the United States.

Section 205 authorizes the Commission to bring actions for civil penalties for knowing violations of rules or orders it has issued.

Section 206 is quite significant. It authorizes the Commission to bring civil actions in order to obtain redress for consumers and others who have been injured by violations of existing Commission trade rules, or by persons violating the act, resulting in a cease-and-desist order where a reasonable man would have known under the circumstances that the acts or practices were dishonest or fraudulent.

Section 207 provides for authorization of appropriations for the Federal Trade Commission not to exceed $42 million for the fiscal year ending June 30, 1975, $46 million for the fiscal year ending June 30, 1976, and $50 million for the fiscal year ending June 30, 1977.

I would like to call the attention of the Members to one additional matter. Section 202 of the act—page H12055—provides for judicial review of trade regulation rules of the Commission. After reviewing the conference report, it was the unanimous opinion of the conferees that the standard of review set forth in section 18e(3)(A) should be clarified. The Standard for Judicial Review now found in the conference report provides that the court shall set aside any Commission rule on certain grounds specified in the Administrative Procedure Act and also if "the court finds that the Commission's findings and conclusions, with regard to disputed issues of material fact on which the rule is based, are not supported by substantial evidence in the rulemaking record taken as a whole."

At this time, Mr. Speaker, I would like to yield to the distinguished gentleman from North Carolina (Mr. BROYHILL). In so doing, Mr. Speaker, I want to say I have the strongest regard for the gentleman for his vigorous support and the very active role he has played in making it possible for this legislation to reach this floor.

Mr. Speaker, I am pleased to yield such time as he may consume to the gentleman from North Carolina (Mr. BROYHILL).

Mr. BROYHILL of North Carolina Mr. Speaker, I thank the gentleman from California for yielding.

Mr. Speaker, I rise in support of the conference agreement on S. 356, the Consumer Product Warranty and Federal Trade Commission Improvement Act. While there are some matters in the agreement which I did not support and on which I continue to have concern regarding their wisdom, I believe that on the whole we reached an agreement which I can recommend to my colleagues.

The conference agreement contains two titles as did the House bill. Title I of the conference report applies to warranties which are given on consumer products. The provisions of title I of the conference report are substantially the same as the provisions of title I as passed by the House. Summarized briefly, the provisions of title I would do the following:

First, authorize the Federal Trade Commission to issue rules requiring that the terms and conditions of written warranties be fully and conspicuously disclosed in simple and readily understood language. These provisions would apply only to warranties on consumer products actually costing more than $5.

Second, require that all written warranties be clearly designated as "full" or "limited" warranties. In order for a warranty to be designated as a "full" warranty, it must incorporate the Federal

minimum standards for warranty. If the Federal minimum standards are not incorporated in a warranty, it must be designated as a "limited" warranty.

Third, establish Federal minimum standards for "full" written warranties. These standards would:

a. Require replacement or repair of the product within a reasonable time without charge.

b. Prohibit any limitation on the duration of implied warranties.

c. May not exclude or limit consequential damages for breach of such written warranty unless such exclusion or limitation conspicuously appears on the face of the warranty, and

d. Require that if a warranted product or component part thereof is not repaired after a reasonable number of attempts (as determined by the FTC by rule), the consumer be given the choice of a refund or replacement of such product or component part thereof.

Fourth, encourage warrantors to establish procedures for settling consumer disputes through informal dispute settlement mechanisms and require that the consumer must first resort to the procedures established before commencing a civil action in a court of law.

Fifth, allow class actions in Federal courts under certain circumstances for actions for breach of warranty. There are different requirements imposed by the law before a class can be formed:

a. Individual claims must be $25 or more;

b. The total value must be $50,000 or more;

c. There must be at least 100 named plaintiffs;

d. A class of consumers may not proceed in a class action, except to the extent the court determines necessary to establish the representative capacity of the named plaintiffs, unless the warrantor is afforded a reasonable opportunity to cure the breach of warranty.

It would be my interpretation of the Eisen case that the plaintiffs must make a reasonable attempt to notify all potential members of the class.

DEFINITION OF REFUND

The term "refund" is defined in title I as "refunding the actual purchase price—less reasonable depreciation based on actual use where permitted by rules of the Commission. The intent of the conferees is that the warrantor be allowed to deduct reasonable depreciation where the consumer has enjoyed use of the product prior to obtaining a refund. Any different result could well constitute an inequity in many circumstances. For this reason, it was not intended that the Commission could prohibit deduction for reasonable depreciation by merely failing to issue rules in this regard. We expect the Commission to issue such rules in the near future and thereby inform both warrantors and consumers of the circumstances in which deduction for depreciation will be allowed.

While title I is for the most part fully operative by its own terms, I would like to make one point clear. Nothing in this act would grant to the Commission the authority to require the giving of a warranty on a consumer product, under any circumstances.

AMENDMENTS TO THE FEDERAL TRADE ACT

Title II of this legislation amends the Federal Trade Act in several respects. An extremely important aspect of this title is that it establishes a clear set of rights for persons in the new procedures the FTC is required to follow in promulgating rules defining unfair or deceptive acts or practices. These procedures, together with a provision authorizing the FTC to seek consumer redress for rule violations form the heart of the added consumer protection afforded by the bill.

The rulemaking provision embodies two important principles. First, it provides that rules promulgated by the FTC pursuant to the bill will have the force and effect of law. Second, because of the new significance of FTC rules, the bill imposes certain new standards in FTC rulemaking proceedings to assure that all premises for these rules—which will have a potentially pervasive and deep effect—are soundly based. We have taken pains, however, to introduce flexibility into both principles.

PRESENT FTC RULEMAKING AUTHORITY

For a number of years, the FTC issued rules defining acts or practices deemed unfair or deceptive to consumers. During this period, there were continuing assertions that the FTC did not possess substantive rulemaking authority, and that any rules it issued had only the effect of being a guideline to industries.

In the Octane Rating case, the court held that the Federal Trade Act did confer authority to the FTC to issue substantive rules defining both unfair methods of competition and unfair or deceptive acts or practices to consumers. Under this interpretation, the FTC has the authority to issue substantive rules which may affect an entire industry and, in some cases, a great number of industries. However, the act is silent regarding the procedural requirements to be followed in issuing these rules; therefore, those persons immediately and seriously affected by such rules have no procedural rights before the agency except the informal rulemaking procedure set by the Administrative Procedures Act. Thus, the Interstate and Foreign Commerce Committee determined that the Federal Trade Commission Act should be amended to provide adequate procedural safeguards for those affected by the Commission's rules. In our judgement, more effective, workable, and meaningful rules will be promulgated if persons affected by such rules have an opportunity, by cross-examination and rebuttal evidence, to challenge the factual assumptions on which the agency is proceeding and to show in what respect such assumptions are erroneous.

NEW FTC RULEMAKING PROCEDURES

With respect to the new procedural safeguards for factfinding, we have not turned rulemaking proceedings into adjudicatory proceedings as those terms have been traditionally understood under the Administrative Procedures Act. Rather, we have tried to develop a wholly new type of proceeding designed to balance the need to test the premises of proposed FTC rules with the obvious need to grant the FTC the power to expedite proceedings and avoid being tied up by trial-type tactics. First, there is a right to cross-examination and submission of rebuttal evidence for the proceedings, but the right is limited to disputed issues of material fact. We have provided in appropriate cases that cross-examination be conducted by a representative of a group to enable the Commission to speed up a proceeding where there is a likelihood of substantial delay. We have also—in a wholly unique provision—specifically authorized the Commission to conduct cross-examination for those persons who may not have counsel or who may not wish to ask questions themselves. Thus the right to cross-examination is far from absolute, and much less extensive than it would be in a typical adjudicatory proceeding. We are quite frankly relying in this area on two factors: the commonsense and fairness of the FTC, and, of course, the review function of the courts, which are not to affirm rules if, among other things, the FTC's handling of rebuttal evidence and cross-examination has prevented full disclosure of material issues of fact and thus prevented a fair determination of the entire proceedings.

WAIVER AUTHORITY

The provision that grants rules the force and effect of law is also not absolute. The rulemaking authority contains an exemption provision pursuant to which persons may seek waiver of a rule because in their circumstances, application of the rule would be unreasonable or unnecessary in light of the purposes of the rule. While we intend that the agency and the courts would, of course, always have authority to apply waiver doctrines where appropriate in an enforcement case, this exemption provision gives additional flexibility to the rules by permitting some persons to seek exceptions in advance.

ANTITRUST RULEMAKING AUTHORITY NOT INTENDED

The rulemaking provision, I might add, does not affect any authority the FTC might have to promulgate rules which respect to "unfair methods of competition" including, of course, antitrust prohibitions. I myself do not believe that the FTC has any such authority. I am advised that there is a passing reference in the appellate court decision in the Octane Posting case, to the effect that the FTC may have some kind of authority to issue some kind of antitrust rules. But the case, of course, did not deal with antitrust rules. Antitrust rules would obviously have a far more pervasive effect than rules defining unfair or deceptive acts or practices, and I would feel very uncomfortable giving such antitrust rules the same effect as this bill gives consumer practice rules. Accordingly, we have made clear that the new bill does not deal with the antitrust laws.

CONSUMER REDRESS

The rulemaking authority's "bite" in this new legislation derives from the consumer redress and civil penalties provi-

sions, which may come into play in appropriate cases of rule violations, as well as in other clearly defined circumstances. The consumer redress provision, as a whole, is a significant advance in consumer protection, for it, together with the carefully drafted class action provisions in title I, should provide an answer to the multifaceted and perennial problem of class actions. In part because of my objections, a similar consumer redress provision was defeated on the floor of the House. I was initially opposed to the addition of such a provision in conference because it was being added without an opportunity for hearings to permit the public to be heard and without full recognition of what we were doing to clearly spell out the authority of the FTC to seek consumer redress. However, I acceded to the provision finally adopted because it seeks to provide protections against unfairness and is aimed at making whole those consumers who actually show injury from a rule violation or knowingly dishonest and fraudulent practices.

CIVIL PENALTIES

One aspect of the civil penalties provision deserves comment because the idea involved is a relatively new one. The penalty provisions permit the FTC, after it has obtained a cease-and-desist order, to go into court to obtain civil penalties for the conduct subject to the order if it was engaged in with actual knowledge that the conduct was unfair or deceptive and in violation of section 5. Sometimes, in dealing with a joint scheme, the Commission will proceed against only some of the persons involved in the joint action. We have added a new provision which will now enable the FTC to seek civil penalties in court against the other persons involved in the scheme but not technically parties to the initial FTC proceeding and thus not technically subject to the cease-and-desist order. I might add, of course, that these persons will be entitled to their day in court before being assessed with penalties, and for that reason are granted a de novo trial on all factual issues in the penalty action.

SELF REPRESENTATION IN THE COURTS

The conference report contains one provision that gives me a good deal of concern. That provision is the one that grants to the Federal Trade Commission the authority to represent itself through its own attorneys in the Supreme Court under certain circumstances. This provision was added to the conference report despite great expressions of concern from the chief legal officers of the United States, the Attorney General, former Solicitor General Ervin Griswold, and all nine justices of the Supreme Court. What other expertise could we possibly draw from? I would like to caution my colleagues that if we allow this type erosion of the Solicitor General's authority to continue, we will fragment what has traditionally been a central authority designed to coordinate a uniform position for Federal Government litigation.

CONCLUSION

All in all, I believe the bill represents a reasonable compromise between the Senate and House versions and a responsible piece of legislation. It completes the FTC reform begun with the amendments to the Alaska pipeline bill, and these two bills together constitute an important new consumer protection measure for which we should all feel proud.

Mr. MOSS. Mr. Speaker, I yield to the gentleman from Texas (Mr. ECKHARDT) such time as he may consume.

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

Mr. ECKHARDT. Mr. Speaker, as the gentleman from North Carolina (Mr. BROYHILL) has just indicated, we are establishing a new category somewhere between the adjudicatory and the rulemaking process of the present Administrative Procedures Act, and I think it is very important that we clearly understand exactly what we are doing.

There is a provision on page 33 of the report which states that—

> If the Commission determines (1) that there are disputed issues of material fact, and (2) that it is necessary to resolve such issues, interested persons would be entitled to present such rebuttal submissions and to conduct (or have conducted by the Commission) such cross-examination of persons commenting orally as the Commission determines to be appropriate and required for a full and true disclosure with respect to such issues. The only disputed issues of material fact to be determined for resolution by the Commission are those issues characterized as issues of specific fact in contrast to legislative fact.

I point out the word "orally," and I wish to find out if the gentleman from California (Mr. Moss) feels that that language is exclusive, or merely descriptive of the section dealing with oral presentation.

Mr. MOSS. It is the intent and the understanding of the gentleman from California that the words "commenting orally" were intended to be descriptive, and not limiting. In other words, the Commission could authorize cross-examination of written submissions if it determined that it was appropriate.

Mr. ECKHARDT. For instance, if the Commission should rely, in making a rule on a written report of one of its agents and cross-examination of that agent is necessary for fair determination of the rulemaking procedure taken as a whole, the Commission should make that agent available for cross-examination. Am I correct in that?

Mr. MOSS. The gentleman is indeed correct.

Mr. BROYHILL of North Carolina. Mr. Speaker, will the gentleman yield?

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

Mr. BROYHILL of North Carolina. I thank the gentleman for yielding.

I concur in the gentleman's interpretation.

Mr. ECKHARDT. Each of us was on the conference committee, and I understand that to be in accord both with the language and with the discussions there; is that not correct?

Mr. BROYHILL of North Carolina. That is correct.

Mr. ECKHARDT. I thank the gentleman.

Mr. MOSS. Do any other members of the committee at this time seek recognition?

Mr. Speaker, I move the previous question on the conference report.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. ASHBROOK. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were refused.

So the conference report was agreed to.

A motion to reconsider was laid on the table.

APPOINTMENT OF CONFEREES ON HOUSE JOINT RESOLUTION 1180, SUPPLEMENTAL APPROPRIATIONS FOR FISCAL YEAR ENDING JUNE 30, 1975

Mr. MAHON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the House joint resolution (H.J. Res. 1180) making urgent supplemental appropriations for the fiscal year ending June 30, 1975, and for other purposes, with Senate amendments thereto, disagrees to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas? The Chair hears none and appoints the following conferees: Messrs. MAHON, WHITTEN, BOLAND, FLOOD, SLACK, CEDERBERG, MICHEL, and WYATT.

FURTHER LEGISLATIVE PROGRAM

(Mr. O'NEILL asked and was given permission to address the House for 1 minute.)

Mr. O'NEILL. Mr. Speaker, I would like to make the following announcement.

We had scheduled for today the chrome bill next. By mutual agreement of both sides on this issue, it will be eliminated from the schedule, and it will not be brought up for the remainder of the session. It will be scheduled sometime early in the 94th Congress.

AUTHORIZING A TECHNICAL CORRECTION IN THE ENROLLMENT OF S. 356

Mr. MOSS. Mr. Speaker, I call up the Senate concurrent resolution (S. Con. Res. 126) authorizing a technical correction in the enrollment of S. 356, and ask unanimous consent for its immediate consideration.

The Clerk read the Senate concurrent resolution as follows:

S. CON. RES. 126

Resolved by the Senate (the House of Representatives concurring), That the Secretary of the Senate is authorized and directed, in the enrollment of S. 356, An Act to provide disclosure standards for written consumer product warranties against defect or malfunction; to define Federal content standards for such warranties; to amend the Federal Trade Commission Act in order to improve its consumer protection activities, and for other purposes, to make the following technical correction:

Section 18(e)(3)(A), as inserted by sec-

tion 202(a) of the Conference Report on such bill, is amended to read as follows:

"(A) the court finds that the Commission's action is not supported by substantial evidence in the rulemaking record (as defined in paragraph (1) (B) of this subsection) taken as a whole, or".

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

There was no objection.

Mr. MOSS. Mr. Speaker, I indicated at the time of my statement on the conference report that I intended to offer this essential resolution in order to clarify an understanding of the conferees. We feel that the standard of review could be better expressed as follows:

The court shall hold unlawful and set aside the rule on certain grounds specified in the Administrative Procedures Act or

And now I quote from the resolution—if—

the court finds that the Commission's action is not supported by substantial evidence in the rule-making record (as defined in paragraph (1) (B) of this subsection) taken as a whole, or.

This, Mr. Speaker, is strictly to clarify and make very clear the intent of the conferees and to do it through the concurrent resolution so that there will be no possibility of error.

Mr. Speaker, I yield to the gentleman from North Carolina, Mr. BROYHILL.

Mr. BROYHILL of North Carolina. I thank the gentleman for yielding.

Mr. Speaker, it is necessary to clarify the language in the conference report, not because of any disagreement among the conferees but because of some legal interpretation of the language which was included in the conference report. We want to make crystal clear that any rules that are issued by the commission must be based upon the substantial evidence that is developed in the consideration of the rule. That is the purpose of the amendment—to clarify the provision in the Judicial Review section.

Mr. MOSS. I thank the gentleman.

Mr. Speaker, I urge adoption of the concurrent resolution.

The Senate concurrent resolution was concurred in.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. MOSS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the Senate concurrent resolution just concurred in.

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

There was no objection.

WAR CLAIMS ACT AMENDMENTS

Mr. ECKHARDT. Mr. Speaker, I call up the conference report on the Senate bill (S. 1728) to increase benefits provided to American civilian internees in Southeast Asia, and ask unanimous consent that the statement of the managers be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas

Mr. ASHBROOK. Mr. Speaker, reserving the right to object, is there a printed report?

Mr. ECKHARDT. There is.

Mr. ASHBROOK. Mr. Speaker, further reserving the right to object I take this time to ask if there is anything in the conference report that is not germane.

Mr. ECKHARDT. No, there is not.

Mr. ASHBROOK. Mr. Speaker, I withdraw my reservation of objection.

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

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of December 17, 1974.)

Mr. ECKHARDT. Mr. Speaker, on August 12, 1974 the House passed amendments to the War Claims Act of 1948 to increase benefits provided to American civilian internees in Southeast Asia and for other purposes. The House language differed from the Senate and a conference was needed. The conference report has been filed and it is a good report. It reflects the give and take that one expects in a conference between two bodies.

I will summarize briefly the recommended solution. First, both the Senate bill and the House amendment increased the authorized detention benefits for American civilians during the Vietnam conflict from $60 per month to $150 per month in order to raise the benefits for civilians to the same level presently authorized for military personnel. The conference substitute retains this provision.

Second, the House amendment would have eliminated the priority in existing law for all unpaid award holders, both individual and corporate, up to $35,000. The conference substitute retains this priority under which $11,000 has already been paid to each award holder. Therefore, $24,000 or the unpaid balance of each remaining award, whichever is less, will be paid under this priority.

Since each corporate award holder will receive up to $24,000 under this provision, the language in the House amendment providing an additional priority for payments to corporate award holders up to $50,000 was omitted from the conference substitute.

Third, the House amendment would have created a priority for all individual awards up to $500,000. The conference substitute creates a priority for individual awards up to $250,000. The conferees agreed that the equitable considerations favoring a priority for the payment of remaining individual awards would be adequately recognized by the priority adopted in the conference substitute. The balance of amounts in the war claims fund will then be used to make pro rata payments on the remaining individual and corporate awards.

While this legislation was pending in the House, the Department of Justice was requested to refrain from certifying funds for distribution to the war claims fund until this Congress completed action on S. 1728. The Department agreed to this request. It is my understanding that certain funds are now ready to be certified by the Department of Justice for distribution to the war claims fund, and it is also my hope that this transfer and any future transfers will be accomplished as soon as possible upon enactment of this legislation.

Mr. Speaker, the conference report reflects a reasonable resolution of the differences in the Senate and House measures. It will provide an equitable solution for the payment of the remaining awards from the war claims fund. I urge its adoption.

Mr. Speaker, I yield to the gentleman from North Carolina (Mr. BROYHILL).

Mr. BROYHILL of North Carolina. Mr. Speaker, I thank the gentleman for yielding.

I rise in support of the conference report.

Members will recall when the bill was before the House, the issue was, are we going to give priority to individual claimants to the war claims funds and, if so, how much that priority would be in terms of dollars?

The conference report says we are giving priority to claims of individual persons up to $250,000 and then those other claimants, including corporations, would share on a pro rata basis in the balance of the fund.

I think it is a good compromise. It is, in my opinion, a better bill than when it left the House. Although I do still disagree with the principle of giving individuals this preference, as we have done here, at least we have a better bill than when it left the House.

Mr. YOUNG of Illinois. Mr. Speaker, will the gentleman yield?

Mr. ECKHARDT. I yield to the gentleman from Illinois.

(Mr. YOUNG of Illinois asked and was given permission to revise and extend his remarks.)

Mr. YOUNG of Illinois. Mr. Speaker, I would like to associate myself with the remarks of the distinguished gentleman from North Carolina (Mr. BROYHILL).

[Mr. YOUNG of Illinois addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

Mr. ECKHARDT. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. ECKHARDT. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the conference report on S. 1782, just agreed to.

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

There was no objection.