Budget Act consistent with the Chair's ruling last week. In view of the Senate's vote on the appeal of that ruling, I now merely point out this violation, and reserve my right to reopen the issue at an appropriate time.●

● Mr. BAYH. Mr. President, as you are aware, the President's national energy plan consisted of five separate pieces: A conservation bill, a coal conversion bill, a utility reform bill, a national gas pricing proposal, and an energy tax bill. The House and Senate acted on all five of these proposals last year, and sent them on to House-Senate conferences to resolve outstanding differences between the two bodies. The conferees pretty much finished their work on the first three conference reports—the conservation bill, coal conversion bill, and utility reform measure—last year. Unfortunately, these conference reports—each designed to deal with a different facet of our energy problems—were held hostage for almost a year, because of controversy in the Congress over energy pricing and taxing proposals—which, in the form they passed the Senate last year, would have transferred billions and billions of dollars from the pockets of already hard-pressed consumers, and the U.S. Treasury, to oil and gas producers.

After a full year of dealing and trading, Mr. President, the Senate was permitted to vote on the first four of these conference reports. Now, in the waning moments of the session, we are being presented with a last minute energy tax conference report and being told we must take this legislation or have no energy tax credits.

Mr. President, it is unfortunate that this is the case. I would have preferred that we pass other energy tax legislation, such as that which passed the Senate this summer, then the conference report before us. In August, the Senate passed an amendment to H.R. 112, which contained the residential tax credits that the Senate passed in 1977 as part of the original energy tax bill. This amendment, retroactive to April 20, 1977, granted tax credits of 20 percent of the first $2,000 spent on conservation purchases by homeowners and renters with a maximum credit of up to $400. The credits were to be in effect until the end of 1985. Similiar provisions were passed by the House at the time they considered the energy package in 1977.

These credits were meant to stimulate consumers to adequately insulate their homes, buy storm windows, heat pumps, furnace replacement burners, and the like, which is critical if we want to cut consumer utility bills and save oil and natural gas used by residential customers.

Unfortunately, Mr. President, the House leadership has not seen fit to permit the House to vote on H.R. 112 during the last month and a half and will not do so tonight. Instead, once again, this bill is being held up, pending a House vote on the natural gas bill. Once again, rules and procedures are being used to try and tie these two issues together—natural gas deregulation and conservation and solar tax credits—so that House Members will have to vote for the natural gas bill to get the tax credit.

As a result of these delays, the solar energy industry, small businessmen in the home insulation business, and others, have suffered. In addition, many consumers have delayed making purchases, waiting to see what our tax policy was going to be. I cannot help but observe that it is now nearly the end of October, winter is coming upon us, and we have probably already missed the opportunity to give a signal to homeowners and renters all around this country that they will be rewarded for making their homes and apartments more energy efficient. As a result, they will be paying higher utility bills this winter, and more oil and gas will be consumed for home heating purposes than necessary.

Now that we are in the last day of the session, the game is over. We must pass these tax credits before we adjourn. Everyone agrees on this. The only question has been whether we would have them by passing this energy tax conference report, or by passing H.R. 112. It is clear now that our only choice is the conference report. Faced with this reality, Mr. President, I have decided to vote for this conference report. I would, however, like to take this opportunity to explain why I would have preferred H.R. 112 over H.R. 5263, the energy tax conference report.

The conservation and solar tax credits in H.R. 5263 are smaller and cover fewer items than those in H.R. 112, just as they are smaller than those which passed both the House and Senate last year when each body considered the President's original energy tax proposal. Normally, when the House and Senate pass identical provisions, the conferees do not change them. In this case, however, they did so by lowering the residential tax credits in the bill for individual consumers. They did this in order to include tax credits and other benefits for energy producers. Mr. President, I did not agree with the conferees' decision to include these producer tax incentives in the bill at the expense of ordinary citizens trying to conserve energy and lower their utility bills by insulating their homes.

The conservation tax credits in H.R. 5263, the conference report before us, grant a credit of up to 15 percent of the first $2,000 spent, for a maximum credit of $300. Those in H.R. 112, the alternative I preferred to this bill, granted a credit of up to 20 percent, or a maximum of $400. In addition, those in H.R. 112 covered items not included in the bill before us, such as heat pumps, woodburning stoves, replacement furnaces, evaporative cooling devices, fluorescent replacement lighting, and other items which are demonstrable energy savers.

Mr. President, I favor the residential tax credits in H.R. 112 to these narrower and less generous ones, because I believe they will more effectively lead to energy conservation and because the public has been counting on them.

Mr. President, I believe there is little we would have lost by defeating this conference report and passing H.R. 112 instead. The bulk of revenue loss that will result from passing this bill, aside from the residential tax credits, will save no energy. Instead, it will divert money from the Treasury, or other worthwhile Federal programs, and turn it over to the energy industry. In particular, it extends new depletion allowances and intangible drilling deductions to independent oil, gas, and geothermal producers and grants credits to energy producers for purchases of equipment. It will cost the Treasury billions of dollars over the next few years without leading to any increase in energy supplies.

Mr. President, I opposed most of these provisions when the Senate first considered H.R. 5263 last year. The provisions of this bill that I supported last year have either been dropped by the conferees or gutted. The only bright spot in this conference report, besides the residential tax credits, is the excise tax exemption for gasohol.

Yet, Mr. President, H.R. 5263 is the only game in town. It does provide some incentives and aid to homeowners and renters who wish to conserve energy. I will, therefore, reluctantly support the conference report, with a feeling of disappointment that we could not do better.●

The PRESIDING OFFICER. The question is on agreeing to the conference report. The yeas and nays have been ordered. The clerk will call the roll.

Mr. ROBERT C. BYRD. Mr. President, there will be other rollcall votes following this.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Alabama (Mrs. ALLEN), the Senator from Iowa (Mr. CLARK), the Senator from Mississippi (Mr. EASTLAND), the Senator from Colorado (Mr. HASKELL), the Senator from Maine (Mr. HATHAWAY), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Massachusetts (Mr. KENNEDY), the Senator from New Hampshire (Mr. MCINTYRE), the Senator from Alabama (Mr. SPARKMAN), the Senator from Mississippi (Mr. STENNIS), the Senator from Georgia (Mr. TALMADGE), and the Senator from North Carolina (Mr. MORGAN) are necessarily absent.

I further announce that, if present and voting, the Senator from New Hampshire (Mr. MCINTYRE), the Senator from Iowa (Mr. CLARK), and the Senator from Georgia (Mr. TALMADGE) would each vote "yea".

Mr. STEVENS. I announce that the Senator from Massachusetts (Mr. BROOKE), the Senator from New Jersey (Mr. CASE), the Senator from New Mexico (Mr. DOMENICI), the Senator from Arizona, (Mr. GOLDWATER), the Senator from North Carolina (Mr. HELMS), the Senator from Maryland (Mr. MATHIAS), the Senator from Idaho (Mr. MCCLURE), the Senator from Kansas (Mr. PEARSON), the Senator from Virginia (Mr. SCOTT), the Senator from Vermont (Mr. STAFFORD), and the Senator from Texas (Mr. TOWER) are necessarily absent.

I further announce that, if present and voting, the Senator from Texas (Mr. TOWER) would vote "yea".

The PRESIDING OFFICER (Mr. DE-

H.R.

CONCINI). Have all Senators in the Chamber voted?

The result was announced—yeas 60, nays 17, as follows:

[Rollcall Vote No. 515 Leg.]

YEAS—60

Anderson	Glenn	Melcher
Baker	Gravel	Moynihan
Bayh	Griffin	Muskie
Bentsen	Hart	Nunn
Biden	Hatfield, Mark O.	Packwood
Bumpers	Hatfield, Paul G.	Pell
Burdick	Hayakawa	Percy
Byrd, Harry F., Jr.	Heinz	Randolph
Byrd, Robert C.	Hodges	Ribicoff
Cannon	Hollings	Riegle
Chafee	Humphrey	Roth
Chiles	Inouye	Sarbanes
Church	Jackson	Sasser
Cranston	Javits	Schweiker
Culver	Johnston	Stevens
Curtis	Laxalt	Stevenson
Danforth	Long	Stone
DeConcini	Magnuson	Thurmond
Durkin	Matsunaga	Williams
Ford		Young
		Zorinsky

NAYS—17

Abourezk	Hansen	Nelson
Bartlett	Hatch	Proxmire
Bellmon	Leahy	Schmitt
Dole	Lugar	Wallop
Eagleton	McGovern	Weicker
Garn	Metzenbaum	

NOT VOTING—23

Allen	Hathaway	Pearson
Brooke	Helms	Scott
Case	Huddleston	Sparkman
Clark	Kennedy	Stafford
Domenici	Mathias	Stennis
Eastland	McClure	Talmadge
Goldwater	McIntyre	Tower
Haskell	Morgan	

So the conference report was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the conference report was agreed to.

Mr. BAKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from West Virginia.

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, there is a cloture motion, I believe, which the Senate has to vote on immediately, am I correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the vote on that cloture motion may be waived for 2 minutes.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I yield to the distinguished Senator from South Carolina for not to exceed 2 minutes.

PUBLIC TELECOMMUNICATIONS FINANCING ACT OF 1978—CONFERENCE REPORT

Mr. HOLLINGS. Mr. President, I submit a report of the committee of conference on H.R. 12605 and ask for its immediate consideration. It has been checked on both sides of the aisle.

Mr. BAKER. Mr. President, reserving the right to object, we have no objection to proceeding.

The PRESIDING OFFICER. Will the Senator please send the conference report to the desk?

Mr. HOLLINGS. They have it right up there, checked it earlier today, H.R. 12605.

The PRESIDING OFFICER. The report will be stated.

The legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 12605) to amend the Communications Act of 1934 to extend and improve the provisions of such Act relating to long-term financing for the Corporation for Public Broadcasting and relating to certain grant programs for public telecommunications, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by all of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report will be printed in the proceedings of the House of Representatives.)

The PRESIDING OFFICER. The Senate will come to order. The Senator will suspend. Time will not be charged against the Senator.

The Senate will come to order. Senators wishing to carry on conversations will please leave the Chamber.

The Senate will please come to order. Senators will please take their seats. Staff members will please retire to their seats. The Senate is not in order.

The Senator from South Carolina.

Mr. HOLLINGS. Mr. President, this conference report is the culmination of months of work in both Houses of Congress to strengthen public telecommunications, a process which began in earnest last April 12 when I, and my colleague LIONEL VAN DEERLIN, chairman of the House Communications Subcommittee, introduced companion bills. This report reflects a consensus of opinion on several key provisions—extension of the principle of multiyear advance authorization of public broadcasting, an expanded mission for the Department of Commerce to assist in construction of broadcast and nonbroadcast facilities to make public telecommunications services available to more Americans, increased public accountability for those receiving public funds, increased opportunity for public participation at the local level, stronger equal employment opportunity enforcement mechanisms, and reduction in duplication and waste.

The major agreements of the conference are as follows:

Statutory recognition of the growing facilities and program needs of public radio without unduly hampering the necessary discretion of the Secretary of Commerce and the Corporation for Public Broadcasting in providing support for all public telecommunications entities.

A clear statement that the conferees intend that fair and equitable distribution of facilities funds includes geographical considerations.

A limit on excessively high salaries paid to certain officers and employees within the public broadcasting community, and a prohibition against use of Federal funds for entertaining Government employees.

Reduction in the matching formula to provide greater incentives for non-Federal and private fund raising efforts.

An increased authorization level in fiscal year 1983.

An opportunity for local stations to receive additional Federal funding support for the efforts of local volunteers, but only after accounting difficulties are satisfactorily resolved.

A reaffirmation of the important role of the Corporation for Public Broadcasting in acquiring program rights on behalf of all public telecommunications entities disseminating educational programs to the public, in order to protect the public's investment in the production of those programs.

Avoidance of legislative involvement in the programing and management operations of independent public broadcasting stations.

Encouragement of CPB to profit from the expertise of outside programing experts in making funding decisions.

Retention of the provisions in existing law relating to editorializing, endorsement of political candidates, and certain recording requirements imposed on recipients of funds.

Mr. President, I am pleased to report on this good work by the committee of conference. I commend my fellow Senate conferees (Senators CANNON, MAGNUSON, GRIFFIN, and SCHMITT) and our colleagues from the House.

Mr. President, I urge that the Senate adopt this conference report.

● Mr. INOUYE. Mr. President, I urge adoption of the conference report on H.R. 12605, the Public Telecommunications Financing Act of 1978, and I wish to compliment the managers on the part of the Senate—Senators CANNON, HOLLINGS, MAGUNSON, GRIFFIN, and SCHMITT.

I am particularly pleased that the report has the effect of leaving decisions on access to the public broadcasting interconnection systems for entities other than licensees and for individuals with the Public Broadcasting Service's Transponder Allocation Committee.

According to information I have received, the satellite interconnection system, currently owned and operated by public television licensees, is a totally new system whose capacity—excess and otherwise—is being closely monitored by the PBS Board's Transponder Allocation Committee. The Hawaii and Alaska stations have pressed PBS and the committee to gain a special time zone delay in order to permit same day broadcasting. In Hawaii's case this same day telecast of public affairs programing, for example, is revolutionary. Many feel that the needs of current users should be met and that the entire satellite system should be further evaluated before provisions regarding use by others are mandated by Congress. Further, a new committee under the auspices of CPB, suggested in the House's language, would have been redundant. In sum, fear has been expressed that if the conference committee had supported the House position, satellite time given to "others" could have well led to the elimination of time zone delays in Hawaii.

I also wish to commend the managers on the part of the Senate for insisting that the provisions in the House bill

mandating community advisory boards to reflect their community composition be amended with a requirement that the stations make good faith efforts to achieve a diverse and responsive board.

I would have preferred the Senate provision which did not require stations to establish community advisory boards because the majority of stations already have them, and there is always the danger of potential confusion and frustration regarding the role of legally mandated community advisory boards relative to the stations' governing boards and existing advisory committees.

Nevertheless, I am encouraged by the Senate amendment in conference and the explanation of the managers that: "The conferees agree that this provision does not preclude the stations from establishing and maintaining other types of advisory bodies. Nor does this provision imply that stations with existing advisory boards that comply with this provision must establish new or additional advisory boards."●

● Mr. SCHMITT. Mr. President, I was privileged to be a member of the conference committee on the Public Telecommunications Financing Act of 1978. The bill resulting from conference will improve his country's public broadcasting system by providing for increased funding, more effective accountability for the funds expended by the system, additional opportunities for independent producers, an increased proportion of funds spent by the Corporation for Public Broadcasting on programing, and additional opportunity for the use of innovative technology in disseminating programing.

Mr. President, since the beginning of my involvement in this issue, I have been concerned with a trend that I perceived during the hearings on this bill—a desire on the part of some persons in public broadcasting to transform it into a fourth networth, fully competitive with the three commercial networks. They appear to envision national programing, distributed simultaneously throughout the Nation, at the taxpayers expense with the only measure of success or failure being performance in the national ratings. In my view if this trend continues it will severely damage the ability and desire of local public stations to serve the needs and interests of their local communities effectively. We must never lose sight of the fact that these local stations are the "bedrock" of our public broadcasting system. If their unique ability to serve their communities disappears, the raison d'etre of the system no longer exists, and we will have to consider eliminating the Federal role.

Mr. President, I was most gratified that the other conferees on this legislation shared my concern. As the report of managers indicates, the trend of "creeping networkism" must be stopped now before we transform the system into something Congress did not envision in 1967 with the passage of the Public Broadcasting Act. Nor does the passage of this legislation mean that we now concur with this trend. As a member of the Communications Subcommittee, I will be watching the activities of public broadcasting closely to determine if those responsible have gotten the message.

In conclusion, I would like to express my thanks to Chairman HOLLINGS and Senator GRIFFIN, the ranking minority member on the subcommitee, for their leadership on this important piece of legislation.●

Mr. HOLLINGS. Mr. President, I move the adoption of the conference report.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The conference report was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the conference report was agreed to.

Mr. HOLLINGS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the vote on the cloture motion be waived 2 additional minutes while I yield to the majority whip.

The PRESIDING OFFICER. Without objection, it is so ordered.

VETERANS' ADMINISTRATION PROGRAMS EXTENSION ACT OF 1978

Mr. CRANSTON. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on H.R. 5029.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

Resolved, That the House agree to the amendments of the Senate to the bill (H.R. 5029) entitled "An Act to amend title 38 of the United States Code in order to authorize contracts with the Republic of the Philippines for the provision of hospital care and medical services to Commonwealth Army veterans and new Philippine Scouts for service-connected disabilities; to authorize the continued maintenance of a Veterans' Administration office in the Republic of the Philippines; and for other purposes", with the following amendments:

In lieu of the matter proposed to be inserted by the amendment of the Senate to the text of the bill, insert:

That this Act may be cited as the "Veterans' Administration Programs Extension Act of 1978".

SEC. 2. Section 230(b) of title 38, United States Code, relating to the Veterans' Administration office in the Republic of the Philippines, is amended by striking out "June 30, 1978" and inserting in lieu thereof "September 30, 1981".

SEC. 3. (a) Section 624(c) of title 38, United States Code, relating to the veterans medical center in the Republic of the Philippines, is amended by striking out "Veterans Memorial Hospital" and inserting in lieu thereof "Veterans Memorial Medical Center".

(b) Section 632 of such title is amended—

(1) by striking out "Veterans Memorial Hospital" each place it appears in such section and inserting in lieu thereof in each such place "Veterans Memorial Medical Center";

(2) in the matter in subsection (a) preceding clause (1)—

(A) by striking out "a contract" and inserting in lieu thereof "contracts"; and

(B) by striking out "June 30, 1978" and inserting in lieu thereof "September 30, 1981";

(3) by striking out "July 1, 1978" in subsection (b) and inserting in lieu thereof "October 1, 1981"; and

(4) by striking out "during the five years beginning July 1, 1973, and ending June 30, 1978—" in subsection (d) and inserting in lieu thereof "occurring during the period beginning July 1, 1973, and ending September 30, 1981—".

SEC. 4. Section 6(a)(2) of the Veterans' Administration Physician and Dentist Pay Comparability Act of 1975 (Public Law 94-123; 89 Stat. 669), relating to the expiration of authority to enter into special pay agreements, is amended by striking out "September 30, 1978" and inserting in lieu thereof "September 30, 1981".

SEC. 5. Section 601(4)(C) of title 38, United States Code, relating to contract-care medical facilities, is amended by striking out "(v) hospital care" and all that follows through "December 31, 1978" and inserting in lieu thereof "(v) hospital care, or medical services that will obviate the need for hospital admission, for veterans in a State not contiguous to the forty-eight contiguous States, except that the annually determined hospital patient load and incidence of the provision of medical services to veterans hospitalized or treated at the expense of the Veterans' Administration in Government and private facilities in each such noncontiguous State shall be consistent with the patient load or incidence of the provision of medical services for veterans hospitalized or treated by the Veterans' Administration within the forty-eight contiguous States, but the authority of the Administrator under this subclause (except with respect to Alaska and Hawaii) shall expire on December 31, 1981, and until such date the Administrator may, if necessary to prevent hardship, waive the applicability to the Commonwealth of Puerto Rico and to the Virgin Islands of the restrictions in this subclause with respect to hospital patient loads and incidence of provision of medical services".

SEC. 6. (a) Section 2012(b) of title 38, United States Code, relating to veterans' employment emphasis under Federal contracts, is amended by inserting after "veterans" a comma and "or if any veteran who is entitled to disability compensation under the laws administered by the Veterans' Administration believes that any such contractor has discriminated against such veteran because such veteran is a handicapped individual within the meaning of section 7(6) of the Rehabilitation Act of 1973 (29 U.S.C. 706(6))".

(b)(1) Subsection (b) of section 2014 of such title, relating to veterans readjustment appointments within the Federal Government, is amended to read as follows:

"(b)(1) To further the policy stated in subsection (a) of this section, veterans of the Vietnam era shall be eligible, in accordance with regulations which the Civil Service Commission shall prescribe, for veterans readjustment appointments, and for subsequent career-conditional appointments, under the terms and conditions specified in Executive Order Numbered 11521 (March 26, 1970), except that—

"(A) such an appointment may be made up to and including the level GS-7 or its equivalent;

"(B) a veteran of the Vietnam era shall be eligible for such an appointment without any time limitation with respect to eligibility for such an appointment; and

"(C) a veteran of the Vietnam era who is entitled to disability compensation under the laws administered by the Veterans' Administration or whose discharge or release from active duty was for a disability incurred or aggravated in line of duty shall

be eligible for such an appointment without regard to the number of years of education completed by such veteran.

"(2) In this subsection, the term 'veteran of the Vietnam era' has the meaning given such term in section 2011(2)(A) of this title.

"(3) No veterans readjustment appointment may be made under authority of this subsection after September 30, 1981.".

(2) Subsection (d) of such section is amended (A) by striking out "thereof" in the second sentence and inserting in lieu thereof "of this section", and (B) by adding at the end of such subsection the following new sentence: "Each report under the preceding sentence shall include in the specification of the use and extent of appointments made under subsection (b) of this section the following information (shown for all veterans and separately for veterans described in subsection (b)(1)(C) of this section and other veterans):

"(1) The number of appointments made under such subsection since the last such report and the grade levels in which such appointments were made.

"(2) The number of individuals receiving appointments under such subsection whose appointments were converted to career conditional appointments, or whose employment under such an appointment has terminated, since the last such report, together with a complete listing of categories of causes of appointment terminations and the number of such individuals whose employment has terminated falling into each such category.

"(3) The number of such terminations since the last such report that were initiated by the department, agency, or instrumentality involved and the number of such terminations since the last such report that were initiated by the individual involved.

"(4) A description of the education and training programs in which individuals appointed under such subsection are participating at the time of such report.".

(3) Subsection (f) of such section is amended by inserting "subsection (a) of" after "as used in".

SEC. 7. Section 5082 of title 38, United States Code, relating to authorizations of appropriations, is amended by adding at the end thereof the following new subsection:

"(c) There is authorized to be appropriated for fiscal year 1979 to carry out the programs authorized under this chapter such sums as may be necessary (1) to make to institutions with which the Administrator has entered into agreements under subchapter I of this chapter supplemental grants for which the Administrator had, before May 1, 1978, approved applications from such institutions, and (2) to meet fully the commitments made by the Administrator before May 1, 1978, for grants and applications approved under authority of this subchapter and subchapters III and IV of this chapter, except that no funds appropriated under this subsection may be used for grants and applications approved under this subchapter and such chapters III and IV until the full amounts for which applications had been so approved have been obligated under such subchapter I.".

SEC. 8. (a) Not later than February 1, 1980, the Administrator of Veterans' Affairs shall submit a report to the Congress and to the President on the furnishing by the Veterans' Administration of hospital care and medical services in the Commonwealth of Puerto Rico and in the Virgin Islands. The Administrator shall include in such report—

(1) a comprehensive assessment of the health-care needs of veterans in the Commonwealth of Puerto Rico and in the Virgin Islands;

(2) a detailed report on the hospital care and medical services furnished or to be furnished to such veterans during fiscal years 1975 through 1981, with information in such report shown with respect to the number of veterans treated or to be treated, the facilities at which such care and services are furnished or to be furnished, and the extent to which such care and services are furnished or are to be furnished for the treatment of veterans for service-connected disabilities of any degree and of veterans with service-connected disabilities rated at 50 per centum or more; and

(3) recommendations as to how the health-care needs of such veterans can best be addressed within the existing authority of the Administrator of Veterans' Affairs and what additional authority, if any, is necessary and desirable to meet such needs.

(b) In making recommendations under subsection (a)(3), the Administrator shall take into consideration—

(1) the state of the economy in the Commonwealth of Puerto Rico and in the Virgin Islands;

(2) alternative sources of health-care services that would be available to veterans in the Commonwealth of Puerto Rico and in the Virgin Islands if the health-care services furnished by the Veterans' Administration for non-service-connected disabilities were substantially reduced;

(3) the desirability of equitable distribution of Veterans' Administration health-care resources; and

(4) the higher priority established by law for the care and treatment of service-connected disabilities.

SEC. 9. There is authorized to be appropriated for fiscal year 1979 the sum of $5,000,000 to enable the Administrator of Veterans' Affairs to implement the Veterans' and Survivors' Pension Improvement Act of 1978. Amounts appropriated pursuant to the preceding sentence shall remain available during the one-year period beginning on the date of the enactment of such Act and may be used to carry out a program of public information and advertising designed to advise fully all persons who may be affected by the provisions of such Act of the provisions of such Act, including the manner in which such Act may affect them and any rights they may have under such Act.

In lieu of the amendment of the Senate to the title of the bill, amend the title so as to read: "An Act to amend title 38, United States Code, to extend certain expiring programs of the Veterans' Administration, to extend and improve the program of veterans readjustment appointments in the Federal Government, and for other purposes.".

Mr. CRANSTON. Mr. President, I rise in support of H.R. 5029, the proposed Veterans' Administration Programs Extension Act of 1978. The bill was originally passed by the House on April 4, 1977. On May 15, 1978, the Senate Committee on Veterans' Affairs unanimously ordered the bill favorably reported with an amendment and a title amendment, and on May 26, 1978, the Senate passed the measure as so amended. The bill as it comes before the Senate today has been agreed to by the two Veterans' Affairs Committees and was passed by the House of Representatives yesterday.

SUMMARY OF PROVISIONS

Mr. President, the compromise agreement contains provisions that would:

First, extend for 3 years, until September 30, 1981, the VA's authority to maintain an office in the Philippines.

Second, extend for 3 years, until September 30, 1981, the VA's authority to provide reimbursement up to $2 million per year to the Veterans Memorial Medical Center in the Philippines for service-connected and non-service-connected health-care services for certain Filipino veterans of World War II who served with, but not in or as members of, the U.S. Armed Forces. In addition, the VA's authorities to make grants for the education and training of health service personnel at the center and for the replacement and upgrading of equipment in rehabilitating the physical plant and facilities of the center would also be extended for 3 years until September 30, 1981.

Third, extend for 3 years, until September 30, 1981, the VA's authority to enter into special-pay agreements with physicians and dentists; this is the date beyond which current law specifies that no special-pay agreements may extend.

Fourth, extend the VA's authority to provide contract hospital care for veterans with non-service-connected disabilities in Alaska, Hawaii, the territories and possessions of the United States, and the Commonwealth of Puerto Rico; and authorize the provision of contract medical outpaitent services which would obviate the need for hospital admi[illegible] for the non-service-connected disabi[illegible]s of veterans in those same places. Provision of such care and services would be conditioned on the requirement that the annually determined hospital patient load and the incidence of the provision of medical services for veterans hospitalized and treated by the VA in each such State, territory, possession, or Commonwealth be consistent with the level of such care and services provided within the 48 contiguous States. This contract authority would be extended for 3 years, until December 31, 1981, with respect to the territories, possessions, and the Commonwealth of Puerto Rico, but would be made permanent with respect to Alaska and Hawaii. In addition, the Administrator would be authorized, if necessary to prevent hardship, to waive the restriction on the amount of contract hospital care and medical services which could be furnished in Puerto Rico [illegible] the Virgin Islands.

Fifth, require the VA to conduct and submit to Congress and the President by February 1, 1980, a report assessing the health-care needs of veterans in Puerto Rico and the Virgin Islands and recommending how those needs should be addressed.

Sixth, extend for 3 years, until September 30, 1981, the authority for veterans' readjustment appointments—VRA's—excepted appointments in the Federal civil service for certain educationally disadvantaged Vietnam-era veterans. The compromise would also expand the VRA program by removing all limits regarding the debate on which the otherwise eligible veteran was discharged, raise the maximum civil service grade level to which an eligible veteran may be appointed from GS-5 to GS-7, make any veteran with a service-connected disability rated at 10 percent or more eligible for an appointment regardless of the number of years of education such veteran has completed, and expand and refine the reporting requirements concerning the operation of the VRA