

and 6391 apply to rules under CPSA, FHSA, and FFA for which notices of proposed rulemaking are issued after May 8, 1981. Finally, the House bill provided that all other sections take effect upon enactment.

Senate amendment.—The Senate amendment contained no provision.

Conference substitute.—The Conference substitute provides that the Congressional veto provisions apply to rules promulgated under CPSA, FHSA and FFA after the date of enactment. The Conference substitute also provides that the amendments to the agency's rulemaking procedures contained in sections 1202, 1203 and 1204 apply to rules under CPSA, FHSA, and FFA for which notices of proposed rulemaking are issued after August 14, 1981. The conferees have changed the effective date of these provisions so that the agency will not be required to re-publish proposed notices of rulemaking dealing with flammability standards applicable to disposable diapers and CB base station antennas. It is the understanding of the conferees that this change will affect no other regulatory effect. Finally, the Conference substitute provides that all other sections take effect upon enactment.

TITLE XII—STATEMENT OF MANAGERS

SUBTITLE B—COMMUNICATIONS

CHAPTER I—PUBLIC BROADCASTING

Public Broadcasting Amendments Act of 1981, Conference Report

(All section references are to the Public Broadcasting Act of 1967, as amended)

Section 391, Facilities

S. 720 authorized appropriations for NTIA's facilities program of \$16 million, \$11 million, and \$7 million for fiscal years 1982, 1983, and 1984, respectively. H.R. 3238 authorized appropriations of \$25 million, \$20 million, and \$15 million for fiscal year 1982-84, permitted facilities to be leased out for commercial activities, and provided that the Secretary could not assume more than 50% of the costs of any facilities planning grant under Section 392.

The conference agreement (1) authorizes appropriations for the facilities program of \$20 million, \$15 million, and \$12 million for fiscal years 1982, 1983, and 1984, respectively; (2) accepts the House amendment regarding commercial use of facilities; and (3) retains existing law regarding planning grants.

Section 396(a), Declaration of Policy

S. 720 altered the declaration of policy regarding the Corporation for Public Broadcasting by stressing the growth and development of "public audio and video programs, however delivered." H.R. 3238 left Section 396(a) unchanged.

The conference agreement accepts the House position. The conferees believe that the existing mandate is sufficient to meet the broad needs public broadcasting is to serve. The conferees, however, take note of the concerns that certain responsibilities public broadcasting does have, such as to the blind, cannot, in every instance, be met through the delivery of public telecommunications services via public television and radio stations alone, and hope that the Corporation will give continuing attention to this issue.

Section 396(c), Board of Directors

S. 720 reduced the size of the CPB Board from 15 to 9, consisting of 8 directors appointed by the President, with the advice and consent of the Senate, and the President of the Corporation, chosen by the other directors, who would also serve as the

ninth director and Chairman of the Board. S. 720 made several other modifications in the structure and operation of the Board.

H.R. 3238 maintained the current size of the Board, but provided for the placement of 2 representatives of public television stations and 2 representatives from public radio stations on the Board. The House bill also contained a procedure whereby the Board would convey to the President a list of potential nominees to fill vacancies on the Board.

The conference agreement reduces the size of the CPB Board from 15 to 11, consisting of 10 directors selected by the President, with the advice and consent of the Senate, and the president of the Corporation, chosen by the other Board. The agreement also provides for the nomination by the President, after consultation with representatives of public television and radio licensees, of 1 representative of public television stations, and 1 representative from public radio for service on the Board, with the advice and consent of the Senate. The transition to the smaller Board shall be by attrition beginning October 1, 1983. Although the President has full discretion in selecting the television and radio representatives, the conferees urge the President to give the most careful consideration to the suggestions made by the stations. The stations may wish to submit to the President a list of individuals they believe worthy of service on the Board.

The conference agreement further provides that no more than 6 members of the Board appointed by the President may be of the same political party. The conferees accepted the Senate provisions reducing terms of service from 6 to 5 years, the attendance requirement for meetings, election of the Vice Chairman, per diem compensation, officers and employees of the Corporation, and the limitation for reimbursement for Board members. The conferees are concerned over the expenses incurred by the Board, and urge the Board to consider taking steps to eliminate the payment of per diems to Board members for routine work involving little time commitment.

The provisions restricting Board meetings to Washington, D.C., as contained in S. 720, and the provisions establishing a process to submit a list of qualified individuals to the President to fill Board vacancies, as contained in H.R. 3238, are deleted. However, the conferees note that there is absolutely nothing preventing the Corporation, the stations, and others from establishing, as circumstances warrant, a blue-ribbon panel to help advise the President on outstanding potential nominees for the Board. The reductions in funding for public broadcasting contained in this bill place a premium on CPB's leadership, and all concerned about the future of public broadcasting should be working on mechanisms to strengthen it.

Section 396(g), Purposes and Activities of the Corporation

The conferees retained existing provisions of law regarding Section 396(g), including the requirement that CPB's program fund use peer review panels in reaching its decisions, and accepted the House provision deleting the study contained in Section 396(g)(5), relating to non-federal financial support.

Section 396(h), Interconnection Service

S. 720 made certain minor modifications in the language of this section. H.R. 3238 made no such amendments. The Senate receded to the House position.

Section 396(i), Report to Congress

The Senate accepted the House amendment to Section 396(i)(1), changing the date

of transmittal of the Corporation's annual report to Congress from February 15 to May 15.

Section 396(k), Financing: Open Meetings and Financial Records (1) Financing

S. 720 authorized appropriations for the Corporation for Public Broadcasting for fiscal years 1984, 1985, and 1986 of \$110 million, \$100 million, and \$100 million, respectively. The Senate bill retained the 2:1 match of federal and non-federal funds. S. 720 provided that public broadcasting stations were to receive no less than 60% of the funds appropriated to the Corporation. S. 720 required that the Corporation pay 50% of the costs of facilities and operations of interconnection. S. 720 deleted Section 396(k)(7), the so-called "50% rule," which limits the amount any station can receive from CPB to no more than 50% of its non-federal financial support. The Senate bill required community serve grants (csg's) to be used by the stations for purposes "related primarily" to programming, but further provided that csg payments to a station would be reduced by an amount equal to the amount of unrelated business income tax paid by the station because of such unrelated business activities.

H.R. 3238 authorized appropriations for CPB for fiscal years 1984, 1985, and 1986 of \$160 million, \$145 million, and \$130 million, respectively. H.R. 3238 also retained the 2:1 match. The House bill provided that CPB's funds are to be disbursed from the Treasury on an annual, rather than quarterly, basis. H.R. 3238 also established a detailed formula specifically allocating CPB's budget, while providing that the stations would assume the full costs of interconnection. The conferees agree to the following authorizations for CPB: \$130 million for each of fiscal years 1984, 1985, and 1986. The conference agreement adopts the House provision regarding the annual disbursement of funds from the Treasury to CPB. Further, the conferees accepted the allocation formula for CPB's budget proposed by the House with the following modifications:

(1) Of the funds allocated to television under paragraph (3)(A)(ii), 75% shall be available for community service grants, and 25% for CPB's national program fund.

(2) In order to ensure the ability of the Corporation to meet its fixed costs for the payment, under paragraph (3)(A)(i)(II), of capital costs of the satellite, copyright royalties, and its share of the interconnection, a new provision, paragraph (3)(A)(v), was added. It states that should CPB's fixed costs for the satellite, copyright, and interconnection exceed 60% of the funds allocated to CPB pursuant to paragraphs (3)(A)(i)(I) and (II), then the stations shall pick up the balance of such costs on a pro-rata basis through reductions in allocations under (3)(A)(ii)(I) and (3)(A)(iii)(I)—the television and radio community service grants, respectively. Three-quarters of the balance of such costs shall be met by television, and one-quarter by radio. The conferees trust that this arrangement will enable CPB to meet its obligations without fear that its costs will exceed the cap on funds allocated to it under the formula. However, the conferees state their firm intent that this "60% trigger" be used only as a last resort by the Corporation because of the substantial burden it would impose on the stations. There is nothing in this provision which would bar any other voluntary arrangement undertaken by the Corporation and public television and radio licensees to share any or all of these fixed costs on any other basis—and the conferees hope such arrangements will in fact be undertaken.

Should CPB use the trigger when its costs for the three items mentioned above reach the critical level, the conferees ask the Corporation to carefully consider using its non-federal income—interest income by virtue of the annual disbursement of funds by the Treasury, revenues from leasing the interconnection, and such other funds as may be available—to defray such costs before passing the balance on to the stations. The Corporation should consider, for example, using its revenues from leasing interconnection facilities to defray its share of operating the interconnection. Further, the Corporation is to avoid any “loading” of these three fixed costs in a way that will make use of the trigger inevitable. In sum, the conferees ask the Corporation, in consultation with the stations, to resolve this matter of CPB’s fixed costs for the satellite, copyright, and interconnection in a way that will avoid a chronic and imminent danger that the 60% trigger will be breached in the budgets established pursuant to this legislation.

The conference agreement also maintains the current commitment to independent producers.

CPB annual appropriations, fiscal year 1984-86

[In millions of dollars]

CPB—10 percent.....	130.00
Administrative expenses and contingency—no more than 5 percent (maximum).....	6.50
Interest, satellite, copyright, interconnection, research, training, education, engineering—no less than 5 percent (minimum).....	6.50
Total CPB.....	13.00
Television and radio—90 percent....	117.00
Television—75 percent.....	87.75
Community service grants—75 percent ¹	65.81
National program fund—25 percent ²	21.94
Radio—25 percent.....	29.25
Community service grants—no less than 50 percent (minimum) ¹	14.62
National programming—no more than 50 percent (maximum) ²	14.62

¹Total station support—62 percent: 80.43 million.
²Total programming support—28 percent: 35.36 million.

With respect to interconnection, the House conferees accepted the Senate amendment that the Corporation assume 50 percent of the costs of interconnection, but added an amendment to provide that CPB share with the stations 50 percent of the revenues yielded from leasing the interconnection for commercial purposes. This section is not intended to apply to stations that own their own ground terminals. In such cases, stations should retain their right to revenues derived from facilities they own, subject only to their prior contractual obligations to CPB.

The House accepted the Senate amendments deleting the so-called “50 percent rule” (Section 396(k)(7) of current law) and requiring csg’s to be used “primarily” for programming.

The House accepted the Senate amendment regarding the relationship of community service grants and taxable unrelated business income. The conferees intend that this “recapture provision” apply only to funds distributed to public telecommunications entities.

Community Advisory Boards

S 720 deleted the requirement that public television and radio stations establish community advisory boards. HR 3238 retained this requirement, and clarified their structure.

The conference agreement accepts the House provision, but limits the requirement only for so-called “community” licensees—those not owned or operated by a State, its subdivisions, or a public agency. Indeed, it is hoped that all stations recognize the value of having strong and effective boards, and will continue their existence and participation in station activities.

Section 396(1), Records and Audit

The House accepts the Senate amendments to Section 396(1), regarding shared institutional advertising and biannual audits.

Section 397, Definitions

S 720 made several minor, technical, and conforming changes to this section. HR 3238 retained current law, with the exception of a technical amendment to Section 397(15). The Senate accepted the House provisions.

Section 398, Equal Employment Opportunity

The conferees agreed to retain current law, as provided in the House bill.

Section 399, Editorials; Recordings of Certain Broadcasts

S 720 and HR 3238 were substantially similar in their amendments to Section 399. The Senate accepted the House amendments.

Section 399A, Logograms

HR 3238 authorized public television and radio stations to broadcast the logos of corporate underwriters. The Senate had no comparable provision.

The Senate accepted the House proposal with an amendment that the FCC is explicitly authorized to consider further rulemakings, consistent with the purposes of this provision, in this area.

Section 399B, Commercial Activities.

HR 3238 authorized public broadcast stations to offer certain facilities, services, and products for remuneration, but barred the broadcast of advertisements. S 720 continued no comparable provision.

The Senate accepted the House amendment.

Studies/Advertising Experiment

S. 720 contained a study by the FCC of its rule regarding on-air sponsorship identification by the stations, and related issues. HR 3238 established a Temporary Study Commission to explore and report to Congress its review of all financing alternatives, and related issues, available to public broadcasting, and provided for an 18-month experiment whereby selected stations could broadcast advertisements.

The conference agreement accepts the House amendment, with an amendment that renders optional the advertising experiment. However, if the Study Commission does decide to conduct the experiment, it shall proceed as outlined in HR 3238.

CHAPTER II—RADIO AND TELEVISION BROADCASTING

RADIO AND TELEVISION LICENSE TERMS

The Senate bill amended Section 307(d) of the Communications Act of 1934 to extend license terms for radio indefinitely from the present three year period, and to extend television license terms and from three to five years. The conference agreement accepts the Senate proposal to extend television license terms to five years. The confer-

ees, however, decided to extend radio licenses from 3 years to 7 years. Broadcast licenses presently in effect could not be extended until the time of renewal. The conferees note that the evidence demonstrates that the marketplace is more competitive in the radio industry than in the television industry—enough so to justify a longer term.

The conferees note that the extension of terms for broadcast licenses would help to reduce costs to broadcasting and the Commission costs, while at the same time allowing the Commission to do a better job reviewing broadcasters’ performance. Periodic license review occasionally brings to light certain matters with respect to a broadcaster’s performance that may otherwise have gone undetected. However, the most serious station deficiencies are generally brought to the Commission’s attention through complaints filed during the license term. Since this complaint process will continue, the public will have ample opportunity to bring such matters promptly to the Commission’s attention. Thus, an extension of the license term will not lessen the Commission’s oversight and enforcement powers necessary to protect the public.

OTHER RADIO AND TELEVISION PROVISIONS

The Senate reconciliation bill contained numerous provisions with respect to the deregulation of radio and television. The Senate receded from its position with respect to the following sections of its bill: 1) Section 444-2(a) extending radio license terms indefinitely; 2) Section 444-2(b) creating new procedures with respect to license revocation; 3) Section 444-4 prohibiting the FCC from requiring radio licensees to:

- a) provide news, public affairs, or locally produced programs;
- b) adhere to a particular programming format
- c) maintain program logs;
- d) ascertain needs and interests, of the area served;
- e) restrict the length or frequency of commercials;

4) Section 444-4 requiring the Commission to report annually to Congress on the elimination of regulation relating to radio broadcasting; 5) Section 445-3 prohibiting the Commission from considering a competing television broadcast applicant while it is considering whether to renew the existing license; 6) Section 445-3 creating a new standard for television license renewal; 7) Section 445-4 providing that a station be reassigned to states presently without any existing commercial VHF station when a channel assignment becomes available in a neighboring state;

RANDOM SELECTION OF INITIAL LICENSES

The Senate bill included amendments to Section 309 of the Communications Act which permitted the Federal Communications Commission, in its discretion, where there is more than one applicant for a radio or television broadcast frequency that becomes available, to grant the application based on a system of random selection (i.e., lottery) to be developed by the Commission. The conference agreement adds a new subsection to Section 309 directing the FCC to establish rules within 180 days of enactment of this legislation, setting forth the procedures to be followed in any Commission proceeding in which the FCC, in its discretion, decides to grant any initial license or construction permit on the basis of random selection. The conferees intend that this provision may be applied by the Commission to the grant of any license for use of the electromagnetic spectrum in which there are mutually exclusive applicants for the same license.

The legislation provides that the Commission is to determine, prior to conducting any random selection procedure, that each applicant who is to be included in the random selection meets the minimum or basic qualifications set forth in Section 308(b) of the Act. It is the firm intention of the conferees that Section 309(j)(2) requires the Commission to conduct at most a "paper" hearing in making a determination of minimum qualifications rather than a trial-type hearing. See *U.S. v. Florida East Coast Railway Co.*, 410 U.S. 224, 238-246 (1973). The conferees direct that the Commission expedite its determination of minimum qualifications in order that the random selection proceeding itself not be delayed. The Commission could, for instance, delegate authority to determine such qualifications to the appropriate Bureau Chief. The provisions of Section 409(c)(2) of the Act shall not apply to the Commission's determination of minimum qualifications.

Section 309(j)(3) is added directing the Commission to establish rules and procedures to ensure that significant preferences are given to any groups or organizations, or members of groups or organizations, which are underrepresented in the ownership of telecommunications facilities or properties. It is the firm intention of the conferees that ownership by minorities, such as blacks and hispanics, as well as by women, and ownership by other underrepresented groups, such as labor unions and community organizations, is to be encouraged through the award of significant preferences in any such random selection proceeding. These are groups which are inadequately represented in terms of nationwide telecommunications ownership, and it is the intention of the conferees in establishing a random selection process that the objective of increasing the number of media outlets owned by such persons or groups be met.

The conferees note that the current system (based on comparative proceedings) of awarding licenses where mutually exclusive applicants exist often produces substantial delays and burdensome costs on both the applicant and the Commission. It is the intention of the conferees by authorizing the Commission to conduct random selection of licenses that these costs and burdens be alleviated. By making a determination that all applicants participating in the random selection process meet the Section 308(b) basic qualifications, however, the public continues to be protected from unqualified licensees.

By the establishment of basic qualifications and the elimination of initial comparative hearings, the conferees intend that much of the present delay and expense can be eliminated with no adverse effect on the provision of services to the public.

The conferees wish to emphasize that a random selection proceeding is to be used by the Commission in its discretion, and that the conferees do not intend to discourage the use of the comparative hearing process by the Commission where, due to a sufficiently small number of applicants or for other reasons, a comparative proceeding would better serve the public interest, convenience and necessity.

The conferees note that delays and expense which are often incurred with respect to certain comparative proceedings can, in an of themselves, present a substantial barrier to entry into telecommunications markets by those who are presently unable to incur such costs. Thus, a random selection proceeding will encourage those presently discouraged by these barriers to seek a license award.

The conferees are particularly concerned with the delay that will result if compara-

tive proceedings are used to award licenses for low-power television service. The Commission has already received over 5,000 applications, most of which are, or will be, mutually exclusive with other applications. Unless alternate procedures are devised, the Commission will have geometric increase in comparative hearings and many years of delay in action on these applications. The conferees note that a matter such as this is ideally suited for the application of random selection procedures. By authorizing the Commission to apply random selection to any license application already submitted, but not yet designated for hearing, it will be possible to process low-power television applications rapidly on a random selection basis.

Section 309(j)(4) directs the Commission, after notice and opportunity for hearing, to prescribe rules establishing a system of random selection. The conferees intend that the Commission will implement this section in accordance with 5 U.S.C. 553.

FRIVOLOUS LICENSE APPLICATIONS

Section 1243 adds a new subsection 311(d) to the Communications Act of 1934. This subsection makes it unlawful, without approval of the FCC, for the applicants for a broadcasting station license to effectuate an agreement whereby one or more of the applicants withdraws their application or applications in exchange for the payment of money, or the transfer of assets or any other item of value from the remaining applicant or applicants.

Subsection 311(d) is intended to prevent a situation in which a person files a frivolous application for a station license in order to harass an incumbent which is applying for renewal of its license (or any other legitimate applicants for the same license), and offers to withdraw the frivolous applications upon payment of money or a transfer of assets by the legitimate applicant. Payment or transfer could be either to the frivolous applicant or to third parties.

Under paragraph (d)(3), the FCC may approve an agreement between or among applicants, as described in paragraph (d)(1), only if the Commission finds that the agreement is consistent with the public interest, convenience and necessity, and also that no party to the agreement filed its license application for the purpose of reaching or carrying out such an agreement.

ALLOCATION OF VHF TELEVISION STATION TO NEW JERSEY AND DELAWARE

The House conferees wish to note that they argued strongly for an amended version of a provision in the Senate bill which would have provided that a VHF television license be reassigned, if technically feasible, from a neighboring state to New Jersey or Delaware if such license was revoked or denied by the Commission. The Senate would not accept any provision dealing with this issue in the context of the legislation agreed to in this conference. However, the Senate conferees were sympathetic to the situation in New Jersey and Delaware.

CHAPTER III—REGULATORY AGENCIES

SUBCHAPTER A—FEDERAL COMMUNICATIONS COMMISSION AUTHORIZATION OF APPROPRIATIONS

The Senate bill included section 441-1(a) authorizing expenditures for the Federal Communications Commission (FCC). The House bill had no such provision, but had passed similar legislation, H.R. 3239, on June 9, 1981. The conferees agreed to the Senate's provision authorizing the FCC at a level of \$76,900,000 with the following changes: the term of the authorization was changed from three to two years; sec.

441-1(b) establishing charges for services performed by the FCC was deleted.

In adopting this provision the conferees believe that Congress is exercising its appropriate role to ensure that the American people benefit from competition and deregulation. It is appropriate, therefore, that Congress be given the opportunity for regular and systematic oversight of the FCC's implementation of Congressional policy. A two-year authorization instead of the prior permanent authorization for the FCC will provide that opportunity.

Regular and systematic oversight will increase Commission accountability for the implementation of Congressional policy. Congress will benefit from greater exposure to the Commission's expertise on the policy implications presented by the new telecommunications services made possible by rapidly changing technologies. The Commission, in turn, will have a better appreciation of Congressional intent.

Section 1252 requires the FCC to appoint a Managing Director and to report its goals and priorities to Congress annually. The Commission now has an Executive Director who has responsibility for various administrative functions such as procurement, personnel management, and budget preparation, but who has no authority to direct the activities of the bureaus and offices. Consequently, no one individual functions as the chief operating officer at the Commission, and the Commission's bureaus and offices have operated independently of one another with resultant problems in coordination, communications, and direction. The conferees believe that a central locus of management authority—a Managing Director—is needed. We emphasize the importance of a strong Managing Director in improving overall Commission management. This position is now required.

Section 1253 requires that the FCC complete its rulemaking on a new Uniform System of Accounts as soon as practicable. The conferees concur with the General Accounting Office's criticism of the resources and staff to revise the USOA (Docket 78-196). The conferees expect the Commission to respond to the clearly demonstrated need for a revised USOA by establishing a schedule, together with the necessary staff and resources, that will ensure completion of this proceeding within two years.

SUBCHAPTER B—NATIONAL TELECOMMUNICATIONS AND INFORMATION AGENCY AUTHORIZATION OF APPROPRIATIONS

The Senate bill included section 442-1 authorizing expenditures of \$16,500,000 in Fiscal Year 1981 for the National Telecommunications and Information Agency (NTIA). There was no similar provision in the House bill, but the House passed H.R. 3240 on June 9, 1981 authorizing \$16,467,000 for NTIA.

Section 1255 authorizes appropriations of \$16,483,500 for the National Telecommunications and Information Agency (NTIA) for Fiscal Year 1982. NTIA is in the Department of Commerce, and now has an indeterminate or permanent authorization.

At the present time, NTIA has two functions. First, it (through delegation from the Secretary of Commerce) discharges the President's statutory responsibilities to manage the federal government's use of the radio frequency spectrum. Second, it is the primary agency responsible for the formulation of telecommunications and information policy and is the spokesman for the executive branch on these issues.

In view of NTIA's important responsibilities, and because they directly relate to matters before the FCC, the conferees be-

lieve it appropriate to strengthen Congressional review of NTIA activities through the process of an annual authorization.

TITLE XIII—FOREIGN AFFAIRS AND INTERNATIONAL ACTIVITIES

Foreign Assistance and Foreign Affairs Agencies

The House bill contains language setting forth the instructions to the House Foreign Affairs Committee under the First Concurrent Resolution on the Budget for Fiscal Year 1982 regarding reconciliation.

The Senate amendment contains no comparable provision.

The Conference substitute is the same as the Senate position.

The House bill establishes the following ceilings on the amounts authorized to be appropriated for the following programs for fiscal years 1982, 1983 and 1984:

[In thousands of dollars]	
Fiscal year 1982:	
1. American schools and hospitals abroad.....	\$20,000
2. International organizations and programs (voluntary contributions).....	225,650
3. International narcotics control.....	37,700
4. International disaster assistance.....	27,000
5. Inter-American Foundation.....	12,000
6. Peace Corps.....	105,000
7. International organizations and conferences (assessed contributions).....	494,591
8. International communication agency-salaries and expenses.....	452,187
9. Arms Control and Disarmament Agency.....	18,268
10. Board of International Broadcasting.....	98,317
11. African Development Foundation.....	2,000
Fiscal year 1983:	
1. American schools and hospitals abroad.....	20,000
2. International organizations and programs (voluntary contributions).....	278,403
3. International narcotics control.....	41,055
4. International disaster assistance.....	27,000
5. African Development Foundation.....	2,178
6. Peace Corps.....	114,345
7. International organizations and conferences (assessed contributions).....	491,159
8. Board of International Broadcasting.....	115,031
9. Arms Control and Disarmament Agency.....	19,894
Fiscal year 1984:	
1. American schools and hospitals abroad.....	20,000
2. International organizations and programs (voluntary contributions).....	295,831
3. International narcotics control.....	43,625
4. International disaster assistance.....	27,000
5. African Development Foundation.....	2,314
6. Peace Corps.....	121,507
7. International organizations and conferences (assessed contributions).....	493,100
8. Board for International Broadcasting.....	122,232

The Senate amendment provided fiscal year 1982 authorizations for the same programs which were contained in the House bill, except for the African Development Foundation, and International Communication Agency-Salaries and Expenses. The Senate amendment also set the FY 1982 authorizations at the same levels as the House FY 1982 ceilings except for the following:

1. American Schools and Hospitals Abroad.....	12,000
2. International Organizations and Programs (Voluntary).....	229,050
3. International Organizations (Assessed).....	454,491

The Senate amendment provided fiscal year 1983 authorizations only for the following:

1. International Organizations (Assessed).....	451,159
2. Board of International Broadcasting.....	98,317

The Senate amendment provided no fiscal year 1984 authorizations.

The Conference substitute establishes ceilings on the amounts authorized to be appropriated for the following programs for Fiscal Year 1982 only:

1. American schools and hospitals abroad.....	20,000
2. International organizations and programs voluntary contributions.....	255,650
3. International narcotics control.....	37,700
4. International disaster assistance.....	27,000
5. Inter-American Foundation.....	12,000
6. Peace Corps.....	105,000
7. International organizations and conferences (assessed contributions).....	454,591
8. International communication agency-salaries and expenses.....	452,187
9. Arms Control and Disarmament Agency.....	18,268
10. Board of International Broadcasting.....	98,317

The Senate amendment provides an effective date of October 1, 1981.

The House bill contains no comparable provision.

The Conference substitute is the same as the House position.

PUBLIC LAW 480

Public Law 480 interest rates and appropriation limits

(a) The Senate amendment increases the minimum interest rates on Public Law 480 title I loans from the present 2 per annum during the grace period and 3 percent thereafter, to 4 percent and 6 percent respectively (but not for any repayments that may be required under a title III agreement). The Senate amendment also makes certain conforming changes in Public Law 480 consistent with an interest rate increase.

The House bill contains no comparable provision.

The Conference substitute deletes the Senate provision.

Adoption of the Conference substitute, allows time for additional review of the entire Public Law 480 issue, including the issue of interest rate levels. The House Foreign Affairs Committee has requested an Executive Branch study on Public Law 480 by December 31, 1981, including the potential for using terms and interest rates on title I loans as incentives for developmental use of Public Law 480. House and Senate committees have expressed their intention to hold hearings on the subject. The Conference action will thus allow for careful review of these important matters without prejudice to eventual congressional action.

(b) The House bill in title I limits authorizations of appropriations and outlays for Public Law 480 as follows: for fiscal year 1982, appropriations of \$1,304,836,000 and outlays of \$1,311,557,000; for fiscal year 1983, appropriations of \$1,354,844,000 and outlays of \$1,355,966,000; and for fiscal year 1984, appropriations of \$1,424,982,000 and outlays of \$1,415,849,000.

The House bill in title VII places ceilings on the total Public Law 480 program of \$1,856,400,000 in fiscal year 1982, \$1,949,000,000 in fiscal year 1983, and \$2,071,600,000 in fiscal year 1984, the program ceiling covers Public Law 480 funding both from appropriations, and from loan reflows and carryover from prior years.

The Senate amendment places ceilings on appropriations for Public Law 480 of \$1,362,000,000 in fiscal year 1982, \$1,193,000,000 in fiscal year 1983, and \$1,252,000,000 in fiscal year 1984.

The Conference substitute places ceilings on appropriations for Public Law 480 of \$1,304,836,000 for fiscal year 1982, \$1,320,292,000 for fiscal year 1983, and \$1,402,278,000 for fiscal year 1984.

SUBTITLE B—INTERNATIONAL DEVELOPMENT BANKS

Summary

The House bill contained authorizations and annual ceilings for multilateral development bank programs and provisions addressed to United States policy toward multilateral development banks. The Senate version contained no references to multilateral development banks, because the Foreign Relations Committee did not make reductions in the President's request for multilateral development banks in the programs within its legislative jurisdiction in order to conform to the instructions contained in the First Concurrent Budget Resolution (H. Con. Res. 115).

The Senate and House conferees agreed to retain authorizations and annual ceilings for multilateral development bank programs in the final bill, but to insert the appropriate figures to provide for United States participation in the multilateral development banks in accordance with the President's program and the action taken earlier by the Senate on authorizing legislation (the Senate passed S. 786 containing authorizations for the International Development Association and African Development Bank on April 29, 1981, and S. 1195 containing authorizations for the International Bank for Reconstruction and Development, the Inter-American Development Bank and Asian Development Bank on June 16, 1981). The Senate and House conferees also agreed at the insistence of the Senate conferees, to delete most of the policy provisions contained in the House bill. The conferees retained only three such provisions: repeal of certain reporting requirements, a requirement for consultations with Congress before financial commitments are made to any multilateral development bank by the Executive Branch in the future, and a provision directing the Secretary of the Treasury to consult with representatives of other member countries of multilateral development banks in order to establish guidelines specifying the proportion of lending by each bank which ought to benefit needy people. The Senate conferees receded to the House conferees on retaining the latter provision primarily because a nearly identical provision had already passed the Senate in S. 1195.

The disposition of specific provisions of the House bill are as follows: