

## Congressional Calendar

### Congress pushing synthetic fuels

The June 29 passage of a modified version of President Carter's "windfall profits" tax bill in the House of Representatives brought with it another potential vehicle for the establishment of a synthetic fuels industry in the U.S. Title III of the legislation creates an "Energy Security Fund" made up of the revenues of the "windfall profits" tax and estimated at about \$30 billion. Title III does not contain specific implementation language, so the House Ways and Means Committee has scheduled hearings at the end of July to discuss precisely how the \$30 billion is to be used. Vice President Mondale hinted on July 1 that the administration will propose usage of the fund for the development of synthetic fuels from coal.

A committee source confirmed that synthetic fuels development was the most likely candidate for the Energy Security Fund's revenues. Asked how this would cohere with the numerous other pieces of fuel development legislation currently pending in the House and Senate, the source suggested that the Energy Security Fund, since it is already legislated, might simply absorb some of the other programs. "Maybe Tip O'Neill might just put his foot down, decide to make order out of the chaos of bills, and lump most of them under the Energy Security Fund," he said.

A glance at the congressional line-up on synthetic fuel lends credence to that prognosis.

- On June 28, Senators Don Riegle (D-Mich) and Jake Javits (R-NY) introduced the Senate complement of the "Moorehead Amendment" to the Defense Pro-

duction Act of 1950 which guarantees the government purchase of 500,000 barrels of synthetic fuel a day by 1984. The legislation, already passed in the House, includes provisions for loan guarantees to the industry and carries a price tag of \$3 billion.

- HR4514 has been introduced by Rep. Carl Perkins (D-Ky), establishing \$200 billion in loans, granting purchasing authority, and bonding authority for the creation of a synthetic fuels industry. The bill has passed the House Education and Labor Committee, and is modeled on the so-called Cutler-Ignatius-Zuckert plan for a reconstruction corporation to finance development of the synthetic fuels. This "New Deal" scheme has been named for three prominent Washington D.C. lawyers who devised it.

- A bill introduced by Sen. Pete Dominici (R-NM), would create a \$75 billion energy development corporation for the development of synthetic fuels from coal, oil shale and tar sands. It is modeled on the Energy Independence proposal of Nelson Rockefeller, with hearings for the legislation scheduled before the Senate Banking, Energy, and Governmental Affairs Committees for the end of July

- The Jackson bill would provide \$3 billion for speeding up existing projects and establishing new pilot projects for the development of primarily synthetic fuels. Hearings are currently taking place in the Senate Energy Committee.

On July 11, the Senate Finance Committee opens hearings on the "windfall profits" tax legislation and the Energy Security Fund. Unlike the House, which will have to pass a second bill to implement the Energy Security Fund, the Senate will in all likelihood pass a single

piece of legislation. Finance Committee Chairman Russell Long (D-La) has previously shown sympathy for using oil tax revenues for the creation of a trust fund which can provide loan guarantees, grants and the authority to float bonds in the private market for developing synthetic fuels.

Much of the legislation now pending in both houses, with the exception of the defense-oriented Moorehead and Riegle-Javits bills, may well end up consolidated under the final version of the Energy Security Fund, with an initial capitalization of \$30 billion.

### Administration coordinating youth labor legislation

A spate of "youth employment" bills has been recently introduced into Congress in the context of a major review of all youth manpower programs in the country being undertaken at the White House under the direction of Vice President Mondale. The vice president's Task Force on Youth Employment, established as an interagency group in March, is already circulating its first proposal, called the Equal Chance Plan. The task force is also slated to propose a full legislative packet for the administration by October.

While the Equal Chance Plan's emphasis is said to be on occupational training for "hard-to-employ" youth, the Task Force's Associate Director Kathy Garmezy confirmed that the group is looking favorably at a number of proposals designed to give young people jobs at less than minimum wage, as well as a plan to create national "youth service." Garmezy favors a "military type approach" to solving

youth employment problems. The task force's job, according to Garmezy, is to coordinate all of the proposals, some of them already introduced as legislation, currently in circulation. On Thursday, July 5, the Task Force is scheduled to announce its initial findings when the group will be given more official status within the administration.

### **Youth impressment legislation under consideration**

The concept of a universal nation service wherein American youth would be drafted into compulsory service in such areas as coal or iron mining, road building, and heavy construction was first called for by parapsychology proponent Prof. William James in an essay titled "The Moral Equivalent of War" in 1906. Now the quack professor's scheme is being revived by Rep. Paul McCloskey (R-Cal) whose strategy is to have a concept of a national service mandated for study through three amendments he introduced to HR4040, the Defense Procurement Authorization bill.

The amendments would do the following: 1) require registration of all men and women for military service; 2) advance the effective date of resuming the Selective Service Registration to Jan. 1, 1980; and 3) direct the study of selective service reform authorized in the bill to be expanded to include study of the National Youth Service "alternative."

McCloskey's more comprehensive bill HR2205 is expected to be acted on several weeks after the Defense Authorization bill is voted on later this month. Already it has been cosponsored by 14 other representatives.

The legislation would give 18-year old youth, both men and women without exception, four critical choices:

- "a) Volunteer for two years of military service, with a guarantee of four years of educational and training benefits;
- b) Volunteer for six months of military service, followed by five and one-half years of reserve obligation;
- c) Volunteer for one year's civilian service in a community or environmental capacity, including forestry conservation or work with the retarded, aged or handicapped; or
- d) Be placed in a lottery pool, subject to being inducted for either regular forces or the ready reserves for two years...."

### **Jobs program outside minimum wage guidelines pending**

Two senators from seemingly opposite ends of the political spectrum, S.I. Hayakawa (R-Cal) and Adlai Stevenson (D-Ill), have joined forces to sponsor legislation to allow all youth between the ages of 16 and 20 to work for wages below the minimum wage level. S1107 would give employers the ability to hire youth at 85 percent of the minimum wage, an option which now applies only to full-time students. The bill is now in committee and hearings are not yet set.

### **CETA to be revamped**

Two major bills, HR4465 and S1129 introduced by Rep. Augustus Hawkins (D-Cal) and Sen. Ted Kennedy (D-Mass) into the House and Senate, respectively, are writ-

ten as amendments to Titles IV and VII of the CETA (Comprehensive Employment Training Act) legislation. Both are geared toward limiting CETA programs almost entirely to youth.

The Hawkins bill additionally would do the following: expand into an interagency Committee for Youth the forced work program WIN (Welfare Incentive) which trains welfare recipients to take skilled and semiskilled jobs at below the going rates. It would include representatives of the Departments of Agriculture, Defense, Labor, Interior, and Health, Education and Welfare as well as the Justice Department, Action, the Community Services Administration, and the Office of Management and Budget. Further, HR4465 would mandate apprenticeship programs in specified occupations, and would require that businesses with government contracts employ a set ratio of youth apprentices.

As drafted, the bill would easily serve as a means of displacing older, skilled workers from their jobs.

Rep. Perkins (D-Ky) has also authored amendments to CETA legislation which would create low-skilled, labor-intensive jobs through the establishment of a synthetic fuel corporation. An aide to Perkins said when questioned on how unemployed youth concentrated in the nations' cities could work in rural regions where synthetic fuel plants would supposedly be located: "We've moved workers around before, in the 1930s."

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