

## Congressional Calendar

### **S**enate Finance Committee finishes off Carter energy plan

The Senate Finance Committee took another decisive jab at Jimmy Carter's \$142 billion energy program this week by chipping away at the proceeds expected by the Federal government from its controversial windfall profits tax. As of Sept. 26, the Finance Committee had reduced the windfall profits income from the \$104 billion which the House wanted for the next decade to \$86 billion, and in the same stroke approved measures for a \$63 billion tax credit to promote energy conservation; the net is a mere \$23 billion.

Revenues from the windfall profits tax—which is designed to tap part of the profits the oil companies will make from decontrolled domestic oil production—were slated by the White House to be the prime source for funding of a synthetic crude program.

As a result of the complex of proposals and voting this week by the Finance Committee, there is no funding left for Carter's proposed Energy Security Corporation, which was to manage Carter's massive synthetic crude energy plan.

In a gratuitous move to rescue the shards of Carter's plan Senator Ribicoff called for a \$.25 levy on all domestic and imported oil. But that plan would only yield \$1.5 billion and according to informed sources would alienate foreign suppliers.

On other fronts the Finance Committee has approved amendments to exempt "new oil"—oil discovered since 1978—from windfall profits taxation, as well as de-

controlling heavy oil. These moves by the committee are widely read as backing for the major U.S. oil companies to launch a major exploration campaign within the U.S. using conventional extraction as opposed to the exotic tar sands, shale oil and synthetic crude schemes. The decontrol of new oil would act as a significant financial incentive to the companies to begin a major exploration drive.

In this context, the Finance Committee this week also passed a proposal to allow for a \$1 billion increase in taxation on old oil, a move which will hurt many smaller independent oil companies within the U.S. lacking the capital to invest in expensive "new oil."

### **H**ouse committee campaigns against pro-drug Carter decisions

When House Select Narcotics Committee chairman Lester Wolfe (D-NY) attacked the Carter administration for its cut-off of aid to Mexico and Colombia for their use of paraquat to destroy marijuana and opium crops, he was reflecting widespread support for the anti-drug efforts of those Latin American nations within the select committee. Wolfe delivered his attack on the administration, and especially former HEW Secretary Joe Califano, during Senate hearings the second week in September.

Georgia Democrat Billy Lee Evans, a committee member, now plans to hold hearings under the aegis of the Narcotics Committee on the paraquat decision—unless the administration voluntarily re-

verses its position. Behind-the-scenes negotiations are underway between the House Committee and the administration over the Califano decision. If those negotiations do not result in a resumption of U.S. aid to Colombia and Mexico for their paraquat programs, Evans promises to "turn up the heat" by holding public hearings.

Another member of the House Select Committee on Narcotics, John LaFalce (D-N.Y.) inserted a statement in the Congressional record on "Colombia's Marijuana Dilemma." LaFalce reported on an early spring trip to Colombia by himself and other committee members. He noted that some business and political leaders in Colombia, such as Ernesto Samper, President of the National Association of Financial Institutions (ANIF), support the legalization of marijuana in both Colombia and the United States. Speaking to the Bogota Chamber of Commerce, LaFalce attacked Samper's proposal, saying that support for legalizing drugs was minimal in the U.S., contrary to the impression Samper had communicated.

LaFalce said, "With active controls, the battle against marijuana smuggling is a difficult struggle, at best. With legalization of Colombian marijuana, we would be inundated."

LaFalce recently introduced legislation which would put certain illegal currency transactions under the investigative control of the Customs Department, thereby giving the Federal authorities a needed new weapon in the battle against "laundering" of dirty money, a key

by the United States in the early aspect of international narcotics trafficking.

### **M**McCormack reports fusion panel results

Mike McCormack (D-Wash.) has declared that an energy-producing fusion reaction could be produced 1980s, and an electricity generating fusion power plant can go on-line by 1995. McCormack, Chairman of the House Subcommittee on Energy Research and Production of the House Science and Technology Committee, was reporting the results of the committee's Fusion Advisory Panel report, issued Sept. 13. McCormack's committee set up the panel in order to offset the Department of Energy's misrepresentation and debridement of U.S. fusion research programs.

The panel findings stress three points:

"First, the Tokamak magnetic fusion research program has been highly successful in accomplishing its goals. On time, within costs.

"Second, present experimental data indicate that a demonstration of an energy producing fusion reaction in the early 1980s is almost assured, and

"Third, it is not to soon for the Department of Energy to plan a comprehensive strategy for bringing a Tokamak fusion electric demonstration plant on line by 1995."

McCormack has asked acting Department of Energy undersecretary, Dr. John Deutch to prepare a detailed program-plan to accomplish the recommended goals.

### **F**TC held hostage by anti-environmentalists

The Federal Trade Commission (FTC), headed by a leading environmentalist, Mike Pertschuk, is in deep trouble on Capitol Hill, leaving it temporarily without funds to operate. Last May the House Commerce Committee inserted a provision in the FTC authorization bill that would allow the Congress to review any rules made by the Commission and veto them if they felt it necessary. The FTC has functioned to limit and roll back industrial expansion by its rulings.

Senator Harrison Schmitt (R-N.M.), who has been a strong advocate of the Congressional veto power over the FTC, declared that the FTC "legislates" much like Congress, but has not "had to worry about the wishes of the American people."

President Carter has warned that such a veto power over the FTC would infringe upon his own powers, and the environmentalist lobby in Congress is refusing to bring the authorization bill to the floor of the House. Similarly in the Senate, Senator Wendell Ford (D-Ky) is stalling the FTC authorization.

These backers of the FTC want to have money appropriated for the FTC, but bypassing the authorization bill with its veto provisions. However, the appropriations committee has refused to do this, leaving the FTC without any money to operate. Last week the House passed a continuing resolution for funding the FTC for 45 days, while

asking that the authorization bill actually be brought to the floor.

### **T**rucking deregulation hot issue in Congress

The deregulation of the trucking industry is still a hot issue in Congress, although legislation is not expected out of committee until early next year. The Senate Commerce Committee, since returning from the summer recess, has held two days of hearings on the issue. Further hearings are expected. On Oct. 2 Transportation Secretary Goldschmidt will testify, and is expected to argue that deregulation of the industry will not severely hurt small communities, as studies show that it will. The Committee plans to start hearings in different regions of the country in October.

The Committee is focusing more immediate attention on the issue of railroad deregulation, which they hope to have out of committee this year. Senators Long (D-La) and Cannon (D-Nev) have commissioned the committee staff to prepare a road deregulation bill, using the material that was provided in hearings held last was severe criticism of the administration's proposed railroad deregulation bill, Cannon and Long want the staff to devise a new version by mid-October. The House Interstate and Foreign Commerce Committee held regional hearings on this issue in August and plans similar hearings soon in Georgia, Pennsylvania and other areas.

—Barbara Dreyfuss and  
Susan Kokinda