

THE WHITE HOUSE
WASHINGTON

January 29, 1974

Dear Hugh:

My conversations with you and other members of the Senate since the beginning of the Second Session have convinced me that the people have made their elected representatives very much aware of the real concern over the energy shortage. It would be most unfortunate if, through an understandable but misdirected response to this concern, the Senate approved the conference version of S. 2589, the pending Emergency Energy Act.

The time and opportunity now exist for refining this legislation which was so hastily put together during the closing days of the last Session. We have been able to make do without emergency legislation thus far, and I urge you and your colleagues to take the additional time required for developing a truly responsible product.

You have already been furnished with a listing of thirteen sections of the bill which present difficulties. Some of these provisions have no place in this bill and should be deleted, while others can be modified through the use of reasonable alternatives.

We do not need the Federal Energy Emergency Administration proposed in this bill -- the Congress itself is close to providing us with a far better organization through separate legislation.

The subject of windfall profits should be addressed through a rational tax scheme using the normal legislative process. I am confident the Congress will quickly complete the work on a windfall profits tax.

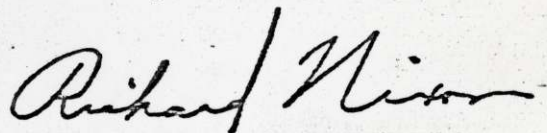
Unemployment cannot be effectively dealt with by a system that seeks to find a tenuous connection with the energy crisis. Rather, it should be identified and treated swiftly for its own sake. We have an alternative for accomplishing this through a system which would respond in terms of the labor market conditions where the affected individuals work, regardless of the cause of unemployment.

I am already committed to a proposal which will provide both Government and the public with needed information from the oil industry -- without the indiscriminate burden of work and the flood of unwieldy data which this bill would produce.

The pending Emergency Energy Act can provide useful authorities in helping resolve the energy emergency now before us, but not without further efforts from you and your colleagues.

I understand there will be a motion to recommit the conference report, and I strongly support such action. Should recommitment take place I pledge the full support and cooperation of the Administration in working with the Congress to produce the result we all desire.

Sincerely,

A handwritten signature in dark ink, appearing to read "Richard Nixon". The signature is fluid and cursive, with a large, sweeping "N" and a distinct "X" at the end.

The Honorable Hugh Scott
United States Senate
Washington, D. C. 20510