

have no reaction," he said. "I wish I could say I was disappointed, but I'm not." Ting even claimed that he hasn't had time to read Schwitters' memo. Asked if the dispute over the management structure was within his power to resolve, Ting laughed and said, "The problem is not with me, the problem is the foreigners perceiving that they're not welcomed in the management structure by the laboratory."

Some U.S. physicists are praising Schwit-

ters' courage in canceling L*. "This was absolutely the most difficult decision Schwitters had to make," says Michael Marx of the State University of New York at Stony Brook. George Trilling, leader of the approved Solenoidal Detector Collaboration, admitted to mixed feelings about the decision: "I don't want to say we didn't want L*...but we were worried that we might not have enough money to do the things we want to do" if L*'s cost estimates proved optimistic.

Schwitters is now hoping to draw the remnants of L* together with other interested physicists into a new collaboration. Since each major detector must count on no more than \$225 million in U.S. support for its initial design, one of the biggest challenges facing the laboratory and the new collaboration is to attract sufficient foreign backing to make a new detector possible. Given the ill feelings over what happened to L*, that's a tall order. ■ DAVID P. HAMILTON

Proposals to Limit Indirect Costs Emerge in Congress

The first solid indication of how Congress might try to fix what is widely perceived on Capitol Hill as the spreading scandal of indirect costs emerged last week. Two proposals to cap portions of the overhead that universities add to research grants began moving through key House subcommittees.

Indirect costs have so far been the flavor-of-the-year on Capitol Hill, ever since Representative John D. Dingell's (D-MI) oversight and investigation subcommittee began uncovering accounting abuses at Stanford University. Congress has launched a multipronged attack on the issue: Dingell continues to lead the way in digging up dirt, and at a hearing last week auditors revealed a new laundry list of questionable charges. On the legislative front, the unlikely team of liberal Henry A. Waxman (D-CA) and conservative William E. Dannemeyer (R-CA) have set the pace with a bill that cleared the health and environment subcommittee last week. It would cap administrative costs (roughly half of all indirect costs) at 26% of modified total direct costs for grants from the National Institutes of Health. Making a run on the outside is Rick Boucher (D-VA), chairman of the House science subcommittee, who is proposing a 45% fixed rate for all indirect costs except depreciation of facilities. Boucher's proposal would apply to all federal grants to universities. And waiting in the warm-up circle are the appropriations committees, with their own ideas about how to reform the indirect cost system.

Everyone, it seems, agrees that reforms are needed. Dingell certainly has no doubts: "For too long, federal research funds have been treated as a cash cow for the universities," he said as he opened a new round of hearings by his subcommittee last week. Federal auditors testified that they have so far found questionable charges at 21 universities. Included in the latest batch: \$20,490 for chauffeuring the president of Dartmouth and his wife, a \$4,655 contribution to the Museum of Fine Arts by MIT, and \$1,000 worth of Steuben Glass wine goblets at Cornell University. Dingell was particularly incensed that Cornell asked for \$25,000 to charter aircraft because Cornell president Frank Rhodes was too tall to sit comfortably on commercial airplanes. Dingell, who is 6' 3" himself, did not find this a convincing argument.

Dingell will shortly be doing more on indirect costs than exposing possible abuses. The Waxman/Dannemeyer bill is expected to be taken up by the full Energy and Commerce Committee, which Dingell chairs, sometime later this month. Although a spokesman says Dingell would prefer to hold off on legislation until his investigations determine the size of the problem, public pressure for Congress to take action may force him to move the legislation through his committee. The pro-

posed 26% cap would set a maximum indirect cost rate for administrative costs at what is now the arithmetic average for those costs, so approximately half the universities in the country—mostly private ones—would lose money. Institutions falling below the cap would not receive a windfall: they would still have to justify any higher indirect cost rates than they are charging now. The bill also has a provision that should make scientists smile: If a university is found to be overcharging the government on indirect costs, any money the government recovers, plus interest, would go to "supporting projects of biomedical or behavioral research," in particular by young scientists who have never before served as principal investigators.

Boucher's solution to the indirect cost problem is more sweeping than the Waxman/Dannemeyer proposal and it uses a different approach to curbing abuses. Boucher would set a fixed rate for all universities of 45% of modified total direct costs to cover not only administrative costs but also student services, library expenses, and operation and maintenance. This is also close to the present arithmetic mean for all universities, so approximately half the institutions in the country would suddenly be getting more money from the government, while the rest would get less. The only category exempted from the fixed rate would be building and equipment depreciation; universities would have to justify charges for these items separately. Universities could apply for a 1-year waiver if they felt the 45% figure was too low. Boucher's proposal has not yet been written into legislation, and he is currently looking for cosponsors.

And finally there are the appropriations committees, which are now working on agency budgets for the 1992 fiscal year and are considering their own caps. The agriculture appropriations subcommittees have already demonstrated a willingness to go that route: Last year they applied caps on indirect costs for competitive grants from the Department of Agriculture.

Universities are not thrilled with any of these proposals. "There is no such thing as a legislative solution that's a good idea," complains Carol Scheman of the Association of American Universities (AAU), which represents most of the major research schools. The AAU's fear is that Congress will change the rules on indirect cost every year, which would cause financial chaos in higher education. A better approach, if reforms are indeed needed, says Scheman, would be for the White House Office of Management and Budget (OMB) to draft a new set of regulations so that institutions will know where they stand financially.

OMB is reportedly planning revisions in Circular A-21, the document that sets out indirect cost recovery rules. Those could be out within a month, and that could put OMB back in the lead in the scramble to "fix" the system. ■ JOSEPH PALCA