LOAD LINES—COAST GUARD

HEARING

BEFORE THE

MERCHANT MARINE AND FISHERIES SUBCOMMITTEE

OF THE

COMMITTEE ON COMMERCE

UNITED STATES SENATE

EIGHTY-SEVENTH CONGRESS

SECOND SESSION

ON

S. 3016

TO AMEND THE ACT OF MARCH 2, 1929, AND THE ACT OF AUGUST 27, 1935, RELATING TO LOAD LINES FOR OCEAN-GOING AND COASTWISE VESSELS, TO ESTABLISH LIABILITY FOR SURVEYS, TO INCREASE PENALTIES, TO PERMIT DEEPER LOADING IN COASTWISE TRADE, AND FOR OTHER PURPOSES

AND

H.R. 4783

TO GRANT CONSTRUCTIVE SERVICE TO MEMBERS OF THE COAST GUARD WOMEN'S RESERVE FOR THE PERIOD FROM JULY 25, 1947, TO NOVEMBER 1, 1949

AND

S. 2107

TO AMEND TITLE 14, UNITED STATES CODE, ENTITLED "COAST GUARD," TO EXTEND THE APPLICATION OF CERTAIN LAWS RELATING TO THE MILITARY SERVICES TO THE COAST GUARD FOR PURPOSES OF UNIFORMITY

APRIL 19, 1962

WASHINGTON, D.C.

Printed for the use of the Committee on Commerce

U.S. GOVERNMENT PRINTING OFFICE

83873 WASHINGTON : 1962

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THURSDAY, APRIL 19, 1962

U.S. SENATE,
COMMITTEE ON COMMERCE,
SUBCOMMITTEE ON MERCHANT MARINE AND FISHERIES,
Washington, D.C.

The subcommittee met, pursuant to notice, at 10:50 a.m., in room 357, Old Senate Office Building, Hon. Gale W. McGee presiding.

Senator MCGEE. The Subcommittee on Merchant Marine and Fisheries will come to order.

I am not on this subcommittee officially myself. The coastline in Wyoming isn't the longest coastline available on this type of problem, but because of the sudden shorthandedness of the committee I am filling in in order to get into the record the remarks that are available here today on these matters that I understand are noncontroversial. I didn't know there were any such matters any more. They are reasonably noncontroversial; I stand corrected.

I left a meeting of woolgrowers—there is a lot of wool in Wyoming—in order to keep this hearing proper, and so I would appreciate it very much if witnesses could file the statements, the testimony on these bills, so that we do have the record both official and clear on these questions. The statements will be filed intact with the privilege of appending them or adding to them.

Is there anyone who for any reason can't fit into that pattern here this morning? Is there anyone who is so gifted that he doesn't need to prepare statements, for example—who would have to state their thoughts orally?

(There was no response.)

If each of you would file your statements, all the reports will be filed with the clerk of the committee for the record. I think this would be the most expeditious way of proceeding on these three measures.

Is there anything else?

Mr. BAYNTON. No.

Senator MCGEE. I have been advised that inasmuch as the hearing is officially open if anyone with testimony has any explaining to do, or any additions to submit orally, it is perfectly proper to do so in the presence of the counsel and clerk of the committee.

At this point in the record we will insert the bills that are before us this morning.

NOTE.—Staff member assigned to this hearing: August J. Bourbon.

(The bills are as follows:)

[S. 3016, 87th Cong., 2d sess.]

A BILL To amend the Act of March 2, 1929, and the Act of August 27, 1935, relating to load lines for oceangoing and coastwise vessels, to establish liability for surveys, to increase penalties, to permit deeper loading in coastwise trade, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act entitled "An Act to establish load lines for American vessels, and for other purposes", approved March 2, 1929, as amended (46 U.S.C. 85–85g), is amended as follows:

(1) Section 7 (46 U.S.C. 85f) is amended—

(A) by adding the words "or Coast Guard district commander" following the words "collector of customs";

(B) by adding the words "or Coast Guard district commander" following the word "collector" wherever it appears; and

(C) by adding the following sentence at the end thereof: "The owner and agent of a vessel surveyed and found in violation of this Act or regulations established thereunder shall bear the costs of the survey in addition to any penalty or fine imposed."

(2) Section 8 (46 U.S.C. 85g) is amended—

(A) by amending subsection (a) to read as follows:

"(a) The owner and master of any vessel subject to this Act and the regulations established thereunder shall each be liable to the United States in a penalty not to exceed $1,000 whenever the vessel is found operating, navigating, or otherwise in use upon the navigable waters of the United States, or whenever the vessel, if a vessel of the United States, is found operating, navigating, or otherwise in use upon the high seas, in violation of the provisions of this Act or the regulations established thereunder. Each day a vessel is in violation of the provisions of this Act shall constitute a separate offense. The Secretary of the department in which the Coast Guard is operating may assess, collect, remit, and mitigate any penalty imposed under this Act."

(B) by amending subsection (b)—

(1) by striking out the figure "$100" and inserting the figure "$500" in place thereof; and

(2) by striking out the last sentence thereof;

(C) by amending subsection (c)—

(1) by striking out the figure "$500" and inserting the following words and figures in place thereof, "$1,000 plus a sum computed at the rate of $500 per inch of draft in excess of the vessel's applicable load line"; and

(2) by striking out the last sentence thereof;

(D) by striking out the figure "$500" in subsection (d) and inserting the figure "$1,000" in place thereof;

(E) by striking out the figure "$1,000" in subsection (e) and inserting the figure "$2,000" in place thereof.

SEC. 2. The Act entitled "An Act to provide for the establishment of load lines for American vessels in the coastwise trade, and for other purposes", approved August 27, 1935, as amended (46 U.S.C. 88–88i), is amended as follows:

(1) Section 2 (46 U.S.C. 88a) is amended to read as follows:

"SEC. 2. The Secretary of the department in which the Coast Guard is operating is hereby authorized and directed in respect of the vessels defined above to establish by regulations from time to time the load water lines and marks thereof indicating the maximum depth to which such vessels may safely be loaded. Such regulations shall have the force of law. In establishing such load lines due consideration shall be given to, and differentials made for, the various types and character of vessels and the trades in which they are engaged. In establishing load water lines on passenger vessels due consideration shall be given to, and differentials shall be made for, the age and condition of the vessel, its subdivision and efficacy thereof, and the probable stability of the vessel if damaged: *Provided*, That the load-line provisions of this Act shall apply to the Great Lakes: *Provided further*, That no load line shall be established or marked on any vessel, which load line in the judgment of the Secretary is above the actual line of safety."

(2) Section 7 (46 U.S.C. 88f) is amended—

(A) by adding the words "or Coast Guard district commander" following the words "collector of customs";

(B) by adding the words "or Coast Guard district commander" following the word "collector" wherever it appears; and

(C) by adding the following sentence at the end thereof: "The owner and agent of a vessel surveyed and found in violation of this Act or regulations established thereunder shall bear the costs of the survey in addition to any penalty or fine imposed."

(3) Section 8 (46 U.S.C. 88g) is amended—

(A) by amending subsection (a) to read as follows:

"(a) The owner and master of any vessel subject to this Act and the regulations established thereunder shall each be liable to the United States in a penalty not to exceed $1,000 whenever the vessel is found operating, navigating, or otherwise in use upon the navigable waters of the United States, or whenever the vessel, if a vessel of the United States, is found operating, navigating, or otherwise in use upon the high seas, in violation of the provisions of this Act or the regulations established thereunder. Each day a vessel is in violation of the provisions of this Act shall constitute a separate offense. The Secretary of the Department in which the Coast Guard is operating may assess, collect, remit, and mitigate any penalty imposed under this Act."

(B) by amending subsection (b)—

(1) by striking out the figure "$100" and inserting the figure "$500" in place thereof; and

(2) by striking out the last sentence thereof;

(C) by amending subsection (c)—

(1) by striking out the figure "500" and inserting the following words and figures in place thereof, "$1,000 plus a sum computed at the rate of $500 per inch of draft in excess of the vessel's applicable load line"; and

(2) by striking out the last sentence thereof;

(D) by striking out the figure "$500" in subsection (d) and inserting the figure "$1,000" in place thereof;

(E) by striking out the figure "$1,000" in subsection (e) and inserting the figure "$2,000" in place thereof.

[H.R. 4783, 87th Cong., 2d sess.]

AN ACT To grant construction service to members of the Coast Guard Women's Reserve for the period from July 25, 1947, to November 1, 1949

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That any person who was a member of the Coast Guard Women's Reserve and who served on active duty therein for at least one year prior to July 25, 1947; who was separated therefrom under honorable conditions; and who also had membership therein for any period between November 1, 1949, and July 1, 1956, shall be deemed to have served on inactive duty with the Coast Guard Women's Reserve from July 25, 1947, to November 1, 1949, in the grade or rating satisfactorily held on active duty prior to July 25, 1947.

SEC. 2. Creditable constructive service for a person qualified under section 1 hereof shall be applied when providing retirement benefits under the Army and Air Force Vitalization and Retirement Equalization Act of 1948, as amended, or any other Act under which the individual may be entitled to retirement from the Armed Forces.

SEC. 3. Additional pay accruing to any person by virtue of increased creditable service resulting from the inclusion of constructive service creditable by application of section 1 hereof shall not be made for active or inactive duty for which pay is authorized by competent authority which is performed prior to the first day of the calendar quarter next succeeding the calendar quarter in which this Act became effective.

Passed the House of Representatives April 2, 1962.

Attest:

RALPH R. ROBERTS,
Clerk.

[S. 2107, 87th Cong., 1st sess.]

A BILL To amend title 14, United States Code, entitled "Coast Guard", to extend the application of certain laws relating to the military services to the Coast Guard for purposes of uniformity

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That title 14, United States Code, is amended as follows:

(1) Section 461 is amended—

(A) By amending the heading to read as follows:

"§ 461. Pay and allowances; pay of officers indebted to the United States; remission of indebtedness of enlisted members"

(B) By adding at the end thereof the following new subsection:

"(c) If he considers it in the best interest of the United States, the Secretary of the Treasury may have remitted or canceled any part of an enlisted member's indebtedness to the United States or any of its instrumentalities remaining unpaid before, or at the time of, that member's honorable discharge."

(2) The analysis of chapter 13 is amended by striking out the following item:

"461. Pay and allowances; pay of officers indebted to United States."

and inserting the following item in place thereof:

"461. Pay and allowances; pay of officers indebted to the United States; remission of indebtedness of enlisted members."

(3) Section 495 is repealed.

(4) The analysis of chapter 13 is amended by striking out the following item:

"495. Additional pay for holders of medals."

(5) Section 496 is amended to read as follows:

"§ 496. Time limit on award; report concerning deed

"(a) No medal of honor, distinguished service medal, distinguished flying cross, Coast Guard medal, or bar, emblem, or insignia in lieu thereof may be awarded to a person unless—

"(1) the award is made within five years after the date of the deed or service justifying the award;

"(2) a statement setting forth the deed or distinguished service and recommending official recognition of it was made by his superior through official channels within three years from the date of that deed or termination of the service.

"(b) If the Secretary determines that—

"(1) a statement setting forth the deed or distinguished service and recommending official recognition of it was made by the person's superior through official channels within three years from the date of that deed or termination of the service and was supported by sufficient evidence within that time; and

"(2) no award was made, because the statement was lost or through inadvertence the recommendation was not acted upon; a medal of honor, distinguished service medal, distinguished flying cross, Coast Guard medal, or bar, emblem, or insignia in lieu thereof, as the case may be, may be awarded to the person within two years after the date of that determination."

(6) Chapter 17 is amended by adding the following new section after section 654:

"§ 655. Arms and ammunition; immunity from taxation

"No tax on the sale or transfer of firearms, pistols, revolvers, shells, or cartridges may be imposed on such articles when bought with funds appropriated for the United States Coast Guard."

(7) The analysis of chapter 17 is amended by adding the following new item thereto:

"655. Arms and ammunition; immunity from taxation."

Senator McGEE. Does anyone have any point that you would like to raise in terms of a question here about procedure?

(There was no response.)

All right, then, it will be proper, if the staff has any questions they would like to raise of those who are appearing, that is perfectly in order, too. I am very sorry to have to rush out this way. This was not my duty to begin with, but I'm glad in a small way we can at least get the machinery of the Government turning.

Mr. CARLTON. Mr. Chairman, I want to say on behalf of all of us here we appreciate very much your coming over.

Senator MCGEE. We need an identification for the record because I may want to use that statement in Wyoming.

Mr. CARLTON. I will be glad to say it out there.

Senator MCGEE. Thank you very much.

The statements of Adm. E. J. Roland, Alvin Shapiro, John T. Carlton and Dorothy J. Gleason with reference to the several bills will be placed in the record, together with the official reports of the Government departments and agencies. Also for insertion in the record are letters from the Pacific American Steamship Association and the American Institute of Marine Underwriters, in support of S. 3016, and a request from the Lake Carriers Association, of Cleveland, for permission to file a statement on this bill, and the record will be held open therefor. There is also a statement from Congressman Charles E. Chamberlain, of Michigan, on H.R. 4783.

STATEMENT OF VICE ADM. EDWIN J. ROLAND, ASSISTANT COMMANDANT OF THE COAST GUARD, ON S. 3016

Mr. Chairman, members of the committee, I am Vice Adm. Edwin J. Roland, Assistant Commandant of the Coast Guard. I appreciate this opportunity to give you the views of the Coast Guard and the Treasury Department on S. 3016, a bill to amend the load line laws of the United States. As you may know, the Coast Guard initiated this bill. The Coast Guard regards effective load line laws as one of the cornerstones of marine safety.

The United States was one of the leaders in recognizing the need for road line legislation. In 1929 it enacted an effective load line governing merchant vessels of over 150 gross tons departing on foreign voyages. In 1930 it was a party to the International Load Line Convention. In 1935 it extended load line requirements to vessels on coastwise voyages within the United States and her possessions. This load line legislation proved highly beneficial to marine safety.

Over the years, however, certain weaknesses have gradually developed in our load line laws. Penalties which were adequate in the 1930's are no longer a significant deterrant to violations. Certain restrictive interpretations have limited the scope and effectiveness of the load line acts. Some confusion and uncertainty has developed in connection with the enforcement of these laws. In addition it is desirable to remove a restriction which applies international standards to a domestic operation.

This bill seeks to strengthen and update existing load line laws in five particulars. Although the proposed changes were explained in some detail in the Treasury Department letter which forwarded the bill, I would like to briefly summarize them here. They are as follows:

First: The penalties provided in the acts as presently written apply only to vessels departing a port or place of loading. They should apply to U.S. merchant vessels at all times and to foreign vessels when in U.S. territorial waters. This bill would extend the acts to cover these situations. Plugging this loophole is considered necessary for safety and effective enforcement.

Second: The acts as presently written authorize any collector of customs to detain a vessel suspected of being overloaded and thereafter to require the vessel to be surveyed and examined prior to permitting it to proceed to sea. Since Coast Guard officers by law are "Officers of the Customs," it has been construed that Coast Guard district commanders have this same authority. The Coast Guard, in fact, is the agency most likely to undertake such detention action, since it has enforcement facilities more readily available than customs. It is difficult, however, to convince owners and masters of vessels that this authority does prop-

erly vest in Coast Guard. In order to make such authority clearly apparent, this bill would amend existing load line acts to specify Coast Guard district commanders (in addition to collectors of customs) as officials empowered to detain vessels for survey.

Third: The load line acts are silent as to who pays the costs of the load line survey which follows upon detention of a vessel suspected of being overloaded. At present-day prices these surveys can cost several hundred dollars. This bill would amend the load line acts so as to assess survey costs upon the vessel owners as an added deterrent whenever the survey discloses actual violations of the load line laws.

Fourth: The present monetary fines and penalties of the load line acts range from $100 for failure to log a vessel's draft to $1,000 for knowingly permitting or causing a change in a vessel's assigned load line markings. These fines and penalties are presently unrealistic when compared with the monetary gains to be realized by overloading. This bill would increase the penalties from $100 to $500 for failure to make correct log entries; from $500 to $1,000 for permitting a vessel to proceed to sea in violation of an order of detention; from $500 to $1,000, plus an additional $500 for each inch of draft in overloading; and from $1,000 to $2,000 for knowingly permitting or causing a change in load line markings. It is believed that these increased penalties will discourage deliberate violations and promote greater safety of vessels at sea.

Fifth: The present Coastwise Load Line Act permits departure from the standards of the 1930 International Load Line Convention only for vessels operating on the Great Lakes and in certain limited special services for coastwise voyages. It is proposed to eliminate mandatory use of international standards in order to take advantage of limited increases in draft which were proven to be acceptable from a safety point of view during wartime experience. It is intended with this modification to permit coastwise tank ships to load to drafts similar to those permitted during World War II.

This completes the list of proposed changes which are incorporated into the bill. We feel that they are eminently desirable and necessary in the interests of proper and efficient load line enforcement, and we recommend them for your serious consideration.

There is one minor technical change which I would like to recommend that the committee make to the bill. As previously noted, it was intended that the amended penalty provision of this bill would apply to foreign vessels of over 150 gross tons which arrive within the jurisdiction of the United States as well as those which depart from a port or place within the United States. Our drafters now have some question as to whether they accomplished this intent. We believe this possible loophole should be plugged by adding the following additional provision to the bill:

Section 1 (46 U.S.C. 85(a)) is amended by changing the period at the end to a comma and adding the words "or arriving within the jurisdiction of the United States or its possessions from a foreign voyage by sea, the Great Lakes excepted."

This concludes my statement on this bill and I will be happy to answer any questions you may have.

STATEMENT OF THE AMERICAN MERCHANT MARINE INSTITUTE, INC., ON S. 3016 WHICH WOULD AMEND THE LOAD LINE ACTS OF 1929 AND 1935, AS AMENDED

My name is Alvin Shapiro. I am vice president of the American Merchant Marine Institute, Inc., a national trade association composed of U.S. steamship companies operating a substantial majority of U.S.-flag vessels in the foreign and domestic trades of the United States.

We are grateful for the opportunity afforded us to appear at this hearing and present our views and recommendation with respect to S. 3016, entitled "A bill to amend the act of March 2, 1929, and the act of August 27, 1935, relating to load lines for oceangoing and coastwise vessels, to establish liability for surveys, to increase penalties, to permit deeper loading in coastwise trade, and for other purposes." As you know, the introduction of this bill was requested by the Honorable Douglas Dillon, Secretary of the Treasury, upon the recommendation of the U.S. Coast Guard.

The institute is primarily interested in section 2 of S. 3016. This section would amend section 2 of the Coastwise Load Line Act of August 27, 1935, as amended, by deleting the provision which prohibits the Commandant of the Coast Guard from prescribing a load line for any vessel engaged in the coast-

wise trade which "gives a lesser freeboard and less buoyance than the load line established by the International Treaty on Loadlines of 1930." It is our understanding that in view of the definition of the term "coastwise voyage by sea" appearing in section 1 of the 1935 act, the Commandant of the Coast Guard would have authority under the proposed amendment of section 2 of such act to prescribe load lines for vessels engaged in the intercoastal trade, which proceed directly from one U.S. port to another, that would enable such vessels to load deeper than the limits prescribed by the International Load Line Convention of 1930. Our understanding in this respect has been confirmed by the Coast Guard. As proposed to be amended, section 2 of the 1935 act would provide that "no load line shall be established or marked on any vessel which load line in the judgment of the Secretary [of the Treasury] is above the actual line of safety."

The institute in a letter dated February 28, 1961, addressed to Adm. A. C. Richmond, Commandant of the Coast Guard, strongly urged the above amendment of section 2 of the 1935 act. The following historical summary will reveal the reason for our request to the Coast Guard:

In 1951 the American Merchant Marine Institute, Inc., and the Pacific American Steamship Association submitted to the Shipping Coordinating Committee of the State Department for consideration five proposed amendments of the International Load Line Convention of 1930 with the recommendations that they be approved and sent by the State Department to the British Government with the request that the amendments be forwarded to the contracting or signatory nations to the convention for approval. These proposed amendments were desired by member companies of the AMMI and PASSA. The 1930 convention provides that the Government of the United Kingdom shall act as secretariat for the purpose of communicating proposals for modifications of the convention to the signatory nations. Article 20 of the convention provides that when such proposals are circulated they must be approved by all the signatory nations in order to be incorporated in the Convention.

The Shipping Coordinating Committee approved our five proposed amendments early in 1952 and recommended that they be presented to the Secretary of State for transmittal to the British Government for circularization to the signatory nations as the proposals of the U.S. Government. The British Government, however, took the position that "it is not worth circulating new proposals at the present time" and that the amendments should be reserved for consideration at an international load line conference, the function of which would be to prepare a new load line convention. The State Department concurred in this view and so informed the institute in the latter part of 1952. No further action was taken in this matter until early in 1956 when at the request of its board of directors the institute addressed a communication to the State Department pointing out that the position taken by the British Government was contrary to and in violation of the provisions of article 20 of the convention which provides that proposals for modificfiations of the convention "shall be communicated" by the British Government "to all the other contracting governments." We therefore requested the State Department to send the five proposed amendments to the British Government with the request that they be forwarded to all the signatory nations for approval. A similar request was also made by the PASSA. The State Department agreed to do this subject to review of the proposed amendments by U.S. Government agencies concerned and interested segments of the maritime industry.

Early in 1957 we were informed by the State Department that the proposed amendments were either supported or not objected to by the interested government and industry groups, and that they had been sent to the British Government as the proposals of the U.S. Government with the request that they be forwarded to the signatory nations for approval. Unfortunately, the proposed amendments were not forwarded by the British Government to the signatory nations until November 1957.

In the latter part of 1958 the institute was informed by the State Department that the five proposed amendments had been accepted without qualification by 27 signatory nations to the 1930 convention, but that some other nations had either raised questions, entered objections or submitted counterproposals with respect to certain of the U.S. proposed amendments.

You will recall that in 1958 the British Government decided to call an international conference in London in 1960 to consider revisions that should be made in the International Convention for Safety of Life at Sea, 1948, and the International Load Line Convention of 1930. The State Department designated

the Coast Guard as the coordinating agency to develop and recommend the position that should be taken by the U.S. Government with respect to revisions that should be made in the foregoing conventions for presentation by the U.S. delegation at the international conference. The Commandant of the Coast Guard thereupon established and appointed several main committees to advise and assist the Coast Guard in the preparation of U.S. Government proposals for presentation at the 1960 conference. One of these committees was the U.S. Load Line Committee, which is still in existence. The chairman of this committee is Mr. David P. Brown, president of the American Bureau of Shipping. The following Government agencies and industry organizations are represented on the U.S. Load Line Committee by experts in load line matters and related subjects: Coast Guard, Maritime Administration, Military Sea Transportation Service, Bureau of Customs, American Bureau of Shipping, American Merchant Marine Institute, Inc., Pacific American Steamship Association, Pacific American Tankship Association, Lake Carriers' Association, Shipbuilders Council of America, American Institute of Marine Underwriters, National Cargo Bureau, Society of Naval Architects and Marine Engineers, and some others. The function of the U.S. Load Line Committee, which is divided into specialized subcommittees, is to consider and recommend to the Coast Guard revisions that should be made in the 1930 convention with a view to having such changes adopted as the proposals of the U.S. Government.

Lat in 1958 the State Department and the Coast Guard decided that because of objections raised and counterproposals made by certain countries to some of the five U.S.-proposed amendments, there was little or no possibility of having these amendments accepted by all signatory nations of the convention prior to the 1960 international load line conference and that therefore further efforts to have the amendments approved by the signatory nations should be discontinued.

The five proposed amendments were then submitted by the institute to the U.S. Load Line Committee with the request that they be approved and recommended to the Coast Guard for adoption as the official proposals of the U.S. Government for presentation at the international load line conference in 1960.

One of these amendments, which was approved by 27 signatory nations to the Load Line Convention, would extend the summer zone from latitude 36° N. around Cape Cod to Harpswell, Maine, for the entire year. Under the present convention the summer zone is applicable to the foregoing area only from April 1 to October 31; the winter zone being applicable from November 1 to March 31. The incorporation of this amendment in the International Load Line Convention would permit ships to be loaded to their summer marks during the latter period and thereby carry more cargo. This amendment was approved by the U.S. Load Line Committee in December 1959 after considering surface ocean weather and sea condition data based on over 50 years of observations in the area and the successful experience of the U.S. Government in permitting vessels in the coastwise trade to be loaded during World War II and the Suez crisis to a draft one mark deeper than permitted under the Load Line Convention.

The U.S. Load Line Committee, after thorough study of supporting data furnished by government agencies and the shipping industry, also approved and recommended to the Coast Guard for adoption as a proposal of the U.S. Government a new amendment sponsored by the PASSA. This amendment would extend the seasonal tropical zone northward along the California coast to Point Reyes to include ports within the San Francisco area, for the periods from March 1 to June 30 and from November 1 to November 30.

The U.S. Load Line Committee also approved another new proposed amendment which would revise the freeboard table for tankers in rule CVI, annex I of part VI of the 1930 Convention to provide for an increase in summer freeboard draft 2½ percent which is equivalent to an increase of one-quarter inch per foot of summer freeboard draft, and extend the tanker freeboard values to cover ships from 600 to 1,000 feet in length. This proposed revision was approved by the U.S. Load Line Committee only after very thorough consideration of supporting data and primarily on the basis of conclusive evidence submitted to the Committee by tanker operating companies confirming the safe operation of their vessels at the above deeper draft under load line waivers issued by the U.S. Government during World War II from July 1941 to the middle of October 1945 and during the Suez crisis from December 1956 to May 1957.

The Coast Guard formally approved the above three amendments subject to two minor modifications and they have been adopted by the State Department as the proposals of the U.S. Government.

Because of the fact that the British Government recognized the Government of Communist China as a contracting government to the International Load Line Convention of 1930, our State Department notified the British Government that because the U.S. Government does not recognize Communist China, the United States would not be able to participate in any international conference attended by the government of that country. The British Government thereupon postponed the International Load Line Conference indefinitely.

The institute in the latter part of 1960 then urged the Secretary of State to arrange to have the U.S. Government request the Intergovernmental Maritime Consultative Organization to assume jurisdiction over the International Load Line Convention of 1930 and call a conference of IMCO member nations for the purpose of drafting a new load line convention for ratification by such nations. A resolution embodying the foregoing proposal was presented by the U.S. delegation at the meeting of the IMCO Council held in January 1960. This resolution was defeated by one vote. At the IMCO Council meeting held in February of this year a similar resoltion sponsored by the U.S. Government was approved by a substantial majority of the nations represented at the meeting. Under the terms of this resolution IMCO will, subject to approval by the assembly, assume jurisdiction of the 1930 Convention and call an international conference for the purpose of preparing a new load line convention for ratification by the member nations of IMCO. Because of preparations involved, this conference may not be held until the later part of 1963 or 1964.

We wish to call your attention to the fact that the deeper loadings that would be permitted under the above three amendments, one of which was approved by the Shipping Coordinating Committee of the State Department in 1952 and all of which were approved by the U.S. Load Line Committee in 1959 and then by the Coast Guard, could not be authorized by the Coast Guard for U.S.-flag vessels engaged in our own coastwise trade because of the provisions in section 2 of the Load Line Act of 1935, which prohibits the Coast Guard from prescribing a load line for any vessel in the coastwise trade which would give less freeboard than the load line established by the International Load Line Convention of 1930. As indicated heretofore the adoption of these amendments internationally through the medium of an international conference has been unduly delayed, not because of the nature of the amendments themselves, but on account of the international political situation over which the shipowners, of course, have no control, but which nevertheless has been most detrimental to their interests.

As we have stated these three amendments which would (1) extend the North Atlantic summer zone to Maine; (2) extend the seasonal tropical zone along the California coast to Point Reyes from March 1 to June 30 and from November 1 to November 30; and (3) provide for a reduction of the freeboard values for tankers, have, after the most thorough study of all data and factors involved, been approved by the U.S. Load Line Committee, composed of Government-industry load line experts, and the U.S. Coast Guard itself. We therefore cannot see any valid or logical reason why the implementation of these amendments with respect to ships engaged in the U.S. coastwise trade should be delayed any further to the disadvantage of U.S. shipowners and operators.

The institute firmly believes that in the interest of national defense and economy of the United States, the U.S. Government should reserve to itself the right to deviate from the load line requirements of the 1930 convention with respect to U.S.-flag vessels engaged in our own coastwise trade. This could be accomplished by the proposed amendment of section 2 of the act of August 27, 1935, contained in S. 3016.

Secretary Dillon stated as follows in his letter of March 9, 1962, addressed to the President of the Senate, transmitting the proposed legislation for introduction: "Other maritime countries sanction such departures from the standards of the convention for their domestic trade vessels. Modification of convention standards is not feasible in the foreseeable future due to current international complications. A revision in the Coastwise Load Line Act as proposed would permit the accomplishment of the change desired." Secretary Dillon further stated that the proposed amendment of section 2 of the 1935 act would authorize the Coast Guard to permit increases in drafts by changes in its load line regulations "but such increases could not exceed the actual line of safety for a vessel." In other words no vessel navigating in the coastwise trade would be permitted by the Coast Guard to take advantage of the deeper loadings contemplated by the three proposed revisions of the 1930 convention referred to above if such deeper loading would jeopardize the safety of the vessel.

Accordingly, the American Merchant Marine Institute, Inc., strongly recommends the prompt enactment of the revision of section 2 of the Coastwise Load Line Act of 1935 contained in section 2 of S. 3016.

We wish to call attention to the fact that the bill would amend section 8(a) of the 1935 act to provide that the owner and master of a vessel found in violation of the provisions of the act or regulations established thereunder shall "each" be liable for a fine not exceeding $1,000. We believe that the insertion of the word "each" which does not appear in the present section 8(a) might subject this subsection to the interpretation that the owner and the master of the vessel shall each be liable for payment of a $1,000 fine or a total fine of $2,000.

The institute would, of course, be strongly opposed to such an interpretation of this revised subsection. While we do not believe that such an interpretation is intended, we recommend that either the word "each" be deleted from the amended section 8(a) in S. 3016 or a statement of legislative intent be inserted in the Senate Committee Report on the bill to make clear that this subsection shall be interpreted to mean that the owner and master of a vessel found in violation of the act or regulations thereunder shall each be liable for only one fine not to exceed $1,000, and not two separate fines. The institute has no comment to make on their provisions of S. 3016.

The favorable consideration of our views and recommendations will be most helpful and appreciated.

STATEMENT BY VICE ADM. EDWIN J. ROLAND, USCG, ON H.R. 4783

Mr. Chairman, and members of the Committee on Commerce, the opportunity to appear before you today and testify concerning H.R. 4783 is appreciated.

I shall briefly recount the history of the Women's Reserve of the U.S. Coast Guard. The Women's Reserve was originally established in November 1942 (56 Stat. 1020) for the purpose of releasing male officers and enlisted men for duty at sea. Subsequent to that date, approximately 11,000 SPARS were enlisted or appointed and served faithfully and honorably during World War II.

By June 1946, the service of all except approximately 700 members had been terminated. The 700 remaining members were continued on under 3-year appointments which they accepted upon release from World War II active duty. The Women's Reserve was continued as a branch of the Coast Guard Reserve until the basic statute authorizing a Women's Reserve was repealed inadvertently by an omnibus bill which repealed certain wartime and emergency legislation. This was known as the act of July 25, 1947. On the date of the repeal there were approximately 700 SPARS in an active status and serving under 3-year appointments. There was the understanding that such appointments would be renewed and that they would remain in the Inactive Reserve until such time as the needs of the service required their recall to active service. Immediate steps were taken by the Coast Guard, the first being in October 1947, to reestablish the Women's Reserve as a permanent part of the Coast Guard Reserve. The necessary legislation was enacted finally as section 762, title 14, United States Code, and the effective date was November 1, 1949.

Since reestablishment in November 1949, reappointment of officers with previous date of rank has been made. It should be noted that during the hiatus period the male members of the Coast Guard Reserve were not required to participate in any Reserve activities since the Coast Guard Reserve program was not established until 1950 when the first congressional appropriation was made for that purpose. Nevertheless, since the male members were in the Reserve in an active status, all of this time counted for purposes of longevity and retirement under title III of Public Law 810. It would seem to be no more than fair to the faithful SPARS who came back into the Reserve to grant this constructive service to them. These comments are made subject to the report of the General Counsel's Office of the Treasury Department which suggested an amendment that the terminal date for service subsequent to the hiatus period be changed from July 1, 1956, to July 1, 1952. The Treasury Department has been advised by the Bureau of the Budget that there is no objection from the standpoint of the administration's program to the above-stated position. The Bureau of the Budget added that it does not believe that there is adequate justification for this legislation and further that it considers the bill would establish an undesirable precedent.

Mr. Chairman, this concludes my prepared formal statement and I will be happy to answer any questions you might have.

STATEMENT OF COL. JOHN T. CARLTON, EXECUTIVE DIRECTOR, RESERVE OFFICERS ASSOCIATION OF THE UNITED STATES, REGARDING H.R. 4783

Mr. Chairman and members of the committee, we of the Reserve Officers Association appreciate the opportunity of presenting our views on H.R. 4783.

The Women's Reserve of the Coast Guard was originally established in November 1942 (56 Stat. 1020). Subsequent to that date, approximately 11,000 SPARS were enlisted or appointed and served faithfully and honorably during World War II.

By June 1946, the service of all except approximately 700 members had been terminated. The 700 remaining members were continued on under 3-year appointments which they accepted upon release from World War II active duty. The Women's Reserve was continued as a branch of the Coast Guard Reserve until the basic statute authorizing a Women's Reserve was repealed inadvertently by an omnibus bill which repealed certain wartime and emergency legislation. This was known as the act of July 25, 1947.

The net result of that act was to place the Women's Reserve of the U.S. Coast Guard in a position of being deprived of service under commissions which both they and the Coast Guard believed to be valid. As I am sure you have been informed, the reestablishment of the Women's Reserve of the U.S. Coast Guard under title 14 of the United States Code effective November 1, 1959, restored their status, and the Coast Guard has used every administrative means to ameliorate the injustice that resulted from legislative misunderstanding. Nevertheless, for the period between July 25, 1947, to November 1, 1949, there was no Women's Reserve in the Coast Guard and during the period the women who were later reinstated received no credit for retirement purposes or for longevity purposes.

While they were eventually restored to active status and lost no precedence for promotional opportunities, they were nevertheless deprived of credits for retirement and longevity which women of the other services and the males of all services received under the provisions of Public Law 810.

The proposed legislation would correct this injustice. We understand that the Secretary of the Treasury and the Commandant of the Coast Guard both recommend the passage of this bill.

Mr. Chairman, the cost of this legislation is insignificant; the number of women officers affected is small. Nevertheless, to these dedicated women who served through that period and who have remained active in their participation since the reestablishment of the Reserve program, the matter is one of great importance, and we urge that the discrimination unintentionally made against them be erased by the passage of this legislation. We urge that as a genuine matter of equity and justice the committee act favorably upon this bill.

STATEMENT OF DOROTHY J. GLEASON, LIEUTENANT COMMANDER, COAST GUARD READY RESERVE

I am Lt. Comdr. Dorothy J. Gleason, a member of the Ready Reserve of the Coast Guard, in an inactive duty status, assigned to an organized Reserve unit. I requested permission to appear before this committee on behalf of the 164 women in the Coast Guard Reserve (SPARS) whom this bill would benefit. We are seeking this legislation because we feel we have been penalized unjustly through action that has been repeatedly acknowledged as an administrative oversight.

When the Women's Reserve of the Coast Guard was established in November 1942, 15 officers and 153 enlisted women were transferred from the Navy (WAVES) to the Coast Guard (SPARS) to start the program. At this time these women were assured that they would still be serving under the same laws and regulations as the Coast Guard was under the Navy; that the transfer meant only a slight deviation in uniform insignia, a change of corps designation, and assignment to Coast Guard installations for duty. This same information was given to Navy recruiters throughout the country in enlisting women in the Coast Guard Reserve. Some 5 years later these women learned rather abruptly that there was a great deal of difference whether you were in the Navy or Coast Guard Women's Reserve. Women who entered the service later as a result of Coast Guard recruitment also are victims of this lapse in creditable service.

It has been stated that we were under no obligation from July 1947 until November 1949, and to grant us constructive service for this time would set an undesirable precedent. We do not consider this a sound argument as, to our knowledge, there is no other group in a like situation. Upon release to inactive duty in 1946, we were offered reappointments of our commissions in the Coast Guard Reserve. The terms of this reappointment clearly stated it was for a 3-year period and that by its acceptance we were expected to be available for duty whenever directed by competent authority. This obligation could only be terminated by a letter of resignation. Yet, approximately 1 year later these reappointments were withdrawn. The Commandant of the Coast Guard sent letters to all SPARS notifying them of the termination of their commissions. In the same letter he expressed the Coast Guard's intent to submit new legislation and that new commissions would be offered. We accepted this in good faith and considered ourselves morally obligated during this period. We demonstrated this obligation by refusing to join other branches of the Armed Forces and by accepting new commissions as soon as they were offered.

During the period in question male officers of the Coast Guard were not required to participate in any Reserve activities since our first program was established in 1950. Yet these male officers received credit for this period of time. We ask no more than to be given the same consideration.

We hope you will recognize the injustice and enact proper legislation to correct it.

STATEMENT ON H.R. 4783 BY REPRESENTATIVE CHARLES E. CHAMBERLAIN, OF MICHIGAN

Mr. Chairman and members of the committee, it was gratifying indeed that the House earlier this month passed the bill which is before you today to grant constructive service to members of the Coast Guard Women's Reserve for the period July 25, 1947, to November 1, 1949.

The legislation which established the Coast Guard Reserve was embodied in the Reserve and Auxiliary Act of 1939. This act continued in force and provided the basis for the Coast Guard Reserve that served so ably during World War II. On November 23, 1942, legislative authority was enacted to establish a Women's Reserve in the U.S. Coast Guard paralleling the establishment of a similar Reserve in the U.S. Navy. This legislation was a part of the emergency legislation established during World War II.

On July 25, 1947, Joint Resolution 122 was passed by the Congress, eliminating the Women's Reserve of the Coast Guard. This elimination was an inadvertent one and from information available, it appears that the Coast Guard was of the opinion that the Women's Reserve could be maintained through the authority contained in the Reserve and Auxiliary Act of 1939. Women officer's commissions were not canceled and the officers holding them believed that they were valid.

The Coast Guard later discovered that no legislative authority existed for the maintenance of a Women's Reserve and requested legislation for its reestablishment. The Women's Reserve of the U.S. Coast Guard was reestablished by law under title 14 of the United States Code effective November 1, 1949. At that time all of the women in the Coast Guard were discharged from the commissions they had previously held and were issued new and valid commissions effective from that date.

Thus, for the period between July 25, 1947, to November 1, 1949, there was no Women's Reserve in the Coast Guard. During this time, for a period of 2 years, 3 months and 6 days, the members of the Women's Reserve of the U.S. Coast Guard received no credit for retirement or pay for longevity purposes even though they held commissions which the Coast Guard and they themselves believed to be valid. Upon passage of the act reestablishing the Coast Guard Women's Reserve on November 1, 1949, administrative provisions were made by the Coast Guard to restore promotional precedence held by the women Reserve officers to that which they held during the tenure of their prior commissions. The net result of this hiatus was that while women of the Coast Guard Reserve were restored to active status and lost no precedence or promotional opportunity, they were deprived of credits for retirement and longevity which women of the other services and males of all services received under the provisions of Public Law 810. Full credit was allowed members of the Reserve components, both male and female, in the Navy, Army, and Air Force and male officers of the

Coast Guard during the same period even though their members were inactive. This legislation proposes to restore equity and justice to the women of the Coast Guard component.

The proposed bill specifically provides that retroactive pay shall not accrue to any person because of the increased creditable service. No members of the Women's Reserve would be paid for the approximate 2 years in question. They will receive credit for approximately 2 years of service toward retirement and a similar amount for longevity purposes.

Increased longevity would slightly increase the cost. However, the number of those on active duty is so small as to make the cost negligible. The only effect on the Reserve on inactive duty would relate to drill pay and active duty for training pay and here again the cost is relatively insignificant. A fair estimate of the overall cost would approximate $13,000.

In view of the treatment accorded male and female officers of other services, the insignificant cost, and the very real matter of equity and justice, I urge the committee to act favorably on this legislation.

Thank you.

STATEMENT OF VICE ADM. EDWIN J. ROLAND, ASSISTANT COMMANDANT OF THE COAST GUARD, ON S. 2107

Mr. Chairman, members of the committee, I am Vice Adm. Edwin J. Roland, Assistant Commandant of the Coast Guard. I appreciate this opportunity to give the views of the Treasury Department and the Coast Guard on S. 2107, a bill which would bring the Coast Guard within the application of certain laws relating to the other military services.

This bill would amend the laws relating to the Coast Guard in four particulars to make them uniform with similar provisions applicable to other Armed Forces. These four particulars are as follows:

First: It would provide the Secretary of the Treasury with the same authority to remit indebtedness of enlisted members of the Coast Guard upon discharge as the Secretaries of the Army, Navy, and Air Force now possess.

Second: It would repeal the provision of title 14, United States Code, which authorize payment of $2 per month to certain medalholders thereby conforming the Coast Guard to the other services in this respect.

Third: It would put the Coast Guard on the same basis as the Navy with respect to time limitations applicable to certain medal awards.

Fourth: It would exempt small arms and ammunition purchased by the Coast Guard from taxation, thereby placing the Coast Guard on the same basis as the military departments in this regard.

I believe that the only item which may need elaboration is the first—the one giving the Secretary of the Treasury the same authority to waive indebtedness as that presently held by other service Secretaries. The Secretaries of the Army and Air Force have had this authority for many years. It was granted to the Secretary of the Navy in 1960. The relevant provisions of law are now codified as sections 4837, 6161, and 9837 of title 10. The proposed amendment to title 14 follows verbatim the wording of these title 10 provisions.

This waiver authority is limited to indebedtedness of enlisted members to the United States remaining unpaid before or at the time of their honorable discharge. It is exercised on an individual case basis in situations where the Secretary concerned deems that enforcement of collection would work an injustice, create a hardship, or adversely affect morale. The member's value to the service is considered in connection with the decision. Waiver may be partial or total.

There are two bills presently pending in Congress which would grant the Comptroller General a somewhat analogous authority to remit indebtedness on a much broader basis. It might be thought that these bills would obviate any necessity for granting this limited authority to the Secretary of the Treasury. Those other bills, however, are intended to extend additional relief; they specifically exclude cases where recovery of indebtedness may be waived under the cited provisions of title 10. (See H.R. 4131, H.R. 10179, and H. Rept. 832 at p. 6.) Thus the pendency of these related bills should not require deferral of action upon the proposal to give the Secretary of the Treasury the same limited waiver authority as that presently possessed by the Secretaries of the military departments.

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In conclusion, I'm happy to report that the provision which would exempt from taxation small arms and ammunition purchased by the Coast Guard would save the Coast Guard approximately $6,000 per year. Unfortunately this does not represent a net savings to the Government. Our gain will be the tax collector's loss.

This concludes my brief statement on this bill. I will be happy to try to answer my questions you may have.

(The committee staff then proceeded to question the witnesses with regard to various provisions of the bills under consideration.)

Mr. BOURBON. Now, let us turn to S. 3016, on load lines, Admiral Roland.

Admiral, will you identify for the record the officers accompanying you?

Admiral ROLAND. On my left is Capt. Charles Murphy who is the Assistant Chief of Merchant Marine Safety at Coast Guard Headquarters, and on my right Capt. William Earle who is one of our legal staff.

Mr. BOURBON. Now, Admiral, there are several points that need to be cleared up in this bill. For instance, on page 2, line 13, the bill provides that the owner and master of any vessel subject to this act and the regulations established thereunder shall each be liable to the United States, and a penalty, etc., and then on page 5 you use that same wording to the effect that the owner and master of any vessel shall each be liable to the United States.

Does that mean that each one of them can be fined in case of a violation?

Admiral ROLAND. I would say, yes, if there is responsibility on the part of each one. I think it's an unlikely situation. The wording of this act before was "or," and I don't think it makes any difference whether it says and/or. If each has the responsibility I think that he is liable to the fine.

The usual thing, of course, is that only one is responsible.

Mr. BOURBON. There is another point with regard to the exemption from the international regulations of the coastal vessels. Are we to understand that all coastal vessels are rendered exempt under terms of the bill and will be excluded from the international regulations but that only the tankers will be given a different and more favorable load line?

Admiral ROLAND. Well, the intention with relation to tankers is to give them a deeper load line.

In the case of other vessels, what we intend at this time is to widen the area in which they can travel on their seasonal marks. I think Captain Murphy can probably answer this question better in that particular than I can.

Captain MURPHY. There are three things essentially planned to take place, in this legislation if it is passed. Fundamentally, the legislation only removes the present restriction which binds the regulations to the standards of the International Load Line Convention. Once that is removed we would have freedom with respect to domestic operations, to change both the zones in which the vessels operate and the standards which would be applied, which result in a certain amount of freeboard being required.

The present intention is based on satisfactory experience back during the war and other factors which have been considered. We would plan at this time to make changes on the east coast which would extend the summer zone farther north, and permit vessels to come north in the wintertime with a load line equal to the summer one. On the west coast it would extend the tropical zone farther north to let vessels come up to San Francisco; they are now restricted to Los Angeles on their tropical load line. This in effect would let them load deeper in the winter seasons, and these parts would apply both to dry-cargo ships and tankers. Beyond this we would also propose to change the freeboard standard which would only apply to tankers at the present time.

Mr. BOURBON. And you would allow them what, 7½ more inches than they are allowed at the present time under the international rules?

Captain MURPHY. Their mark would actually be moved so they could load in some cases 7½ inches deeper, but the other change wouldn't affect the marks on the ship but would permit them to use a different mark when the zone permitted it, see; it would broaden their use of the summer or tropical load line mark.

Mr. BOURBON. Now, Admiral, we understand that when the bill was prepared by the Coast Guard people there was an omission which you wish to correct. Would you explain that?

Admiral ROLAND. It was intended that the amended penalty provision of this bill would apply to foreign vessels of over 150 gross tons which arrive within the jurisdiction of the United States as well as those which depart from a port or place within the United States.

At present the application is only to vessels which depart. Our drafters now have some question as to whether they accomplish this intent. We believe this possible loophole should be plugged by adding the following additional provision to the bill: Section 1, 46 U.S.C. 85(a), is amended by changing the period at the end of a comma and adding the words:

* * * or arriving within the jurisdiction of the United States or its possessions from a foreign voyage by sea, the Great Lakes excepted.

Mr. BOURBON. That will apply to, of course, Alaska and Hawaii? Will that apply to the Virgin Islands, for instance, and Guam?

Admiral ROLAND. You mean—I don't understand it.

Mr. BOURBON. Would the arrival of foreign ships to those ports be covered by this?

Admiral ROLAND. Yes.

Mr. BOURBON. Now, the bill refers to all ships operating in the rivers of the United States, I believe it is?

Page 5 of the bill says:

(a) The owner and master of any vessel subject to this Act and the regulations established thereunder shall each be liable to the United States in a penalty not to exceed $1,000 whenever the vessel is found operating, navigating, or otherwise in use upon the navigable waters of the United States, or whenever the vessel, if a vessel of the United States, is found operating, navigating, or otherwise in use upon the high seas, in violation of the provisions of this Act or the regulations established thereunder.

In other words, we are covering all of the U.S.-flag vessels at any time on the high seas as well as arriving and departing; is that correct?

Admiral ROLAND. Yes, sir.

Mr. BOURBON. But the foreign vessels we are covering only when they are arriving or departing or in the navigable waters of the United States or the territorial waters of the United States. What area would that cover?

Admiral ROLAND. We can't cover them, the foreign vessels, when they are outside of U.S. waters. But we can cover U.S. vessels anywhere. That is the intent of this wording.

Mr. BOURBON. Now, with respect to a vessel arriving at New York, what would "outside waters" mean?

Admiral ROLAND. Three-mile limit.

Mr. BOURBON. And that applies generally?

Admiral ROLAND. Yes, sir.

Mr. BOURBON. That's all I have.

Admiral, turning now to H.R. 4783, the bill to grant constructive service to certain members of the Coast Guard Women's Reserve. The bill provides that any officer who has been reappointed before 1956 would be covered. The Navy questions why there should have to be such a long period, why a 3-year period to 1952 wouldn't be sufficient, and I understand that your statement says that 1952 would be a satisfactory date.

Admiral ROLAND. Yes, sir; we think that 3-year period would be a sufficient period to allow for getting back in.

Mr. BOURBON. I guess we will have to ask one of the other witnesses, then, their justification for their wanting a longer period.

On S. 2107, is there anything special about that that you would like to mention? Of course, it's mostly technical, with regard to the remission of moneys owed to the United States, et cetera, but have you anything to say about that in view of the other bills now before the Congress—specifically, H.R. 6136 and H.R. 4131?

Admiral ROLAND. I might say that they are intended to cover wider fields, and this is intended to cover individual cases, principally, where the Comptroller General is not even in the picture at the time. They do cover different areas and there is no duplication in our amendment to title 14. There's no duplication there of matters that are covered in the other two bills.

Mr. BOURBON. So that if H.R. 4131 which is now pending before the Senate Judiciary Committee were enacted you would not have any authority to remit beyond what the Army and the Navy would have if the new bill were enacted?

Admiral ROLAND. No, sir; we would have the same authority.

Mr. BOURBON. You would still have the same authority?

Admiral ROLAND. We would have the same if this were enacted.

Mr. BOURBON. That's all I have, Admiral.

Captain EARLE. Excuse me, Mr. Bourbon. I think there was a slight inaccuracy in the last. You were talking about H.R. 4131.

Mr. BOURBON. Yes, sir.

Captain EARLE. Well, H.R. 4131, if that were enacted into law and our present bill were not enacted into law, we would not have the same authority as the other services have to remit indebtedness.

Mr. BOURBON. If it were enacted and this bill is enacted you would still have the same authority as the other military services?

Captain EARLE. Yes, sir; but the bill will put us on a par with the other services no matter what happens to H.R. 4131.

Mr. BOURBON. Now, Admiral, Mr. Kenney would like to ask a question or two.

Mr. KENNEY. Is my understanding correct that similar legislation has been enacted for other women's reserve groups?

Admiral ROLAND. Well, there isn't any exact similarity in the other things that have been done. What has been done is in the case of the WAC. They were organized originally not as a military organization but as a civilian organization, and then legislation gave them constructive service for that time in which they were not serving in military.

The same thing was true of some people who served as physiotherapists and in that sort of occupation for the Army and the Navy; when they were taken into a military status there was legislation which gave them constructive service for that time.

The difference is, of course, that they were serving at that time, but not in a military capacity.

In this case the SPARS did not serve, but it was through no fault of their own. It was because of inadvertence that the legislation that founded the SPARS was taken off the books. The few who were on active duty at the time worked almost a month before we even knew that it had happened and they were paid by other means for that time, not out of appropriated money.

Mr. KENNEY. How many persons would this bill affect?

Admiral ROLAND. About 160, I think is the total.

Mr. KENNEY. Would the difference between 1952 and 1956 affect that number?

Admiral ROLAND. It would to a very minor extent. There would be a few more if it went to 1956, but it would be a very small number. I think it might even be one. I think it may just be one.

Mr. KENNEY. Thank you very much.

Mr. BOURBON. That's all, Admiral. Thank you very much.

Mr. Carlton, is there anything you would like to add to your statement or any part of your statement you would like to discuss?

Mr. CARLTON. Mr. Chairman, for the record I would like to introduce Lt. Comdr. Dorothy Jeanne Gleason, who is representing the SPARS, and also to identify her as the first president in ROA of her sex. She is the president of the District of Columbia ROA Department which includes a number of chapters and services. She has filed a statement and I have filed a statement.

Might I comment very briefly just for the record about this prior service.

Congressman Rivers in the House sponsored this bill, as he sponsored the WAVE bill and the WAC bill and the Army Nurse Corps bill. There's a technical difference but actually there is no real difference in the service rendered by the Coast Guard Women Reserve officers because they were available for service. They thought they were available for service and the Coast Guard thought they were available; the only thing that makes it different is a technicality.

Congressman Rivers and Congressman Chamberlain, I believe, have filed statements with the committee and both of them have asked me to tell our various people in any of these hearings that they feel very strongly that this is rounding out an equalization of the recognition of postwar service in the reserve and they think it is very important.

Mr. KENNEY. In other words, Colonel, if I may interrupt, you feel that these bills in principle are comparable to the situation with respect to the WAC and certainly——

Mr. CARLTON. Precisely the same principle, Mr. Kenney; yes, sir.

I would like also for the record to identify sitting on my left the ROA director of Naval Affairs, Rear Adm. Alexander Jackson, Jr., who is on the ROA staff, and, of course, handles the Coast Guard, Marine and Naval matters on the ROA staff.

Mr. BOURBON. I might say that Congressman Rivers has not yet submitted a statement, but if he intends to, I think the record could be held open for that.

Mr. CARLTON. I believe Congressman Chamberlain did.

Mr. BOURBON. Yes.

Mr. CARLTON. This was known as the Rivers bill in the House committee, and Mr. Rivers was chairman of the House committee and handled the WAC and the Nurse bill. I will pass on to him the suggestion that he ought to get on the record here.

Mr. BOURBON. Commander Gleason, do you have anything further?

Comdr. GLEASON. I have nothing further than my statement.

Mr. BAYNTON. Colonel, what about this 1952–56 business?

Mr. CARLTON. Mr. Baynton, I understand there is one person who came into the service after 1952 who would be affected. Except for this one person I don't believe it would make any difference whether you had 1952 or 1956; it wouldn't make very much different to the Government.

Mr. BAYNTON. If you only had one person.

Mr. CARLTON. I say except to that one person. We wouldn't want to make a fight to hold up the bill or to seek to maintain this position on this point——

Mr. KENNEY. Do you think there is any particular rationale for either date?

Mr. CARLTON. I think it was because the first hearings on this were held in 1956; I really think that was it.

Mr. BOURBON. Colonel, would you like to comment on the Budget's opposition to the bill?

Mr. CARLTON. Bureau of the Budget?

Mr. BOURBON. Yes.

Mr. CARLTON. They are a very busy organization over there [laughter] and I don't think they had all the facts about this. I think also they are inclined to rely a little bit too much on a technicality.

Suppose, in the case of the nurses, suppose one of the nurses before they had been commissioned officers was killed, they would be just as dead in the service of her country, and I think that's a very slender reed on which to base any opposition. I don't know whether they actually oppose the bill or not, but they supported it, I believe they supported it in the House.

Mr. BOURBON. Budget suggested it would cost about $4,000 a year. I presume that is for the retirement benefits and the things like that.

Mr. CARLTON. Well, 164 people, I believe, are involved in this. If all of them live to a ripe old age and all of them live to draw retirement pay it could possibly amount to that much. They project things on the assumption, I think, sometimes that nobody is ever going to die or drop out or lose out for any reason. That's not very much money considering the fact that these people served just as the WACS and nurses, the Army Reserve officers, the Air Force Reserve officers, the Coast Guard male officers, all of them. This was a little mistake that the Congress made and they didn't even know they made it, the Coast Guard didn't know they made it, they didn't discover it for a month.

Mr. BOURBON. In other words, it would give them the same treatment as the men's reserve in the Coast Guard?

Mr. CARLTON. Yes, sir; they were retained.

Mr. BOURBON. They were retained and the women were not?

Mr. KENNEY. Colonel, the Bureau of the Budget also indicates they fear this may set a precedent. Are you aware of any other group for which this might constitute a precedent? Are there other people in somewhat similar circumstances?

Mr. CARLTON. There's not any other military service involved. The other four services are taken care of and the women officers in the other four services. Actually I don't think this is a precedent. I think the WAC and the nurse bill set a precedent for the principle, and the very minor difference is technical, I don't think this is an overriding consideration at all. So, I don't think this is a precedent, I think the precedent was set in the WAC and nurse bill.

Mr. BAYNTON. This merely brings it into line with the precedent?

Mr. CARLTON. Yes, sir. Incidentally, I'm an Army Reserve officer, as you know. The Army did the same thing in principle, because after Public Law 810 the Reserve retirement bill was passed in 1948, it took about 2 years before the Army could get into operation its administrative system for qualifying officers for good years or bad years for retirement purposes. So in 1948 and 1949 every officer whose name was on the list, as these girls' names are on the list, were given credit for those 2 years, 1948 and 1949, although the law said that they had to perform certain duty and qualify for them, but nevertheless administratively they just assumed that everybody had served.

Mr. KENNEY. Thank you. I think your testimony is helpful in view of your experience in this field, sir.

Mr. CARLTON. Thank you very much.

Mr. BOURBON. Thank you.

Now, is Admiral Roland still here?

(There was no response.)

Mr. BOURBON. Unfortunately one point has been overlooked with regard to the load line bill. I would like to ask one of the captains if he is aware of the fact that former Admiral Hirshfield who now heads the Great Lakes Carriers Association had talked to Admiral Roland about some particular problem they have up in the Great Lakes with regard to loading of their ore ships.

Captain WHALEN. I am Captain M. A. Whalen, Chief, Liaison Division of Coast Guard Headquarters.

Mr. BOURBON. Captain, could you just tell us what Admiral Hirshfield's problem is?

Captain WHALEN. Well, as I understand it, sir, the problem is, in the loading of the ore vessels a possible difficulty in adhering right to the established load line is there. Now, this information I have relayed to me as a result of the conversation between Admiral Hirshfield and Admiral Roland. I didn't directly enter into the conversation.

Mr. BOURBON. Admiral Hirshfield has been given permission to file a statement. That statement will be referred to Admiral Roland for comment before the record is closed and will be included in the record along with his comments.

Captain WHALEN. I understand.

(See pp. 24–25 for the letters in question.)

Mr. KENNEY. Captain Whalen, if I may, this leads me to another question. Will this bill introduce any differences between United States and Canadian law with respect to the Great Lakes? Are there going to be problems if a Canadian ship strays across the line and is found to be overloaded or an American ship strays through the Canadian line and is overloaded?

Captain EARLE. I think I can answer that.

Canada is signatory to the International Load Line Convention, I understand, and so long as they are in compliance with their own load line laws and those load line laws have been certified by the Commandant of the Coast Guard as the equivalent of our own, then they are perfectly clear.

Mr. KENNEY. In other words, this bill isn't going to introduce any disparity that will work to the disadvantage of either country with respect to traffic on the lakes?

Captain EARLE. No, sir; it will not.

Mr. KENNEY. Fine. Thank you.

Mr. BOURBON. It would cover the Canadian vessels in a way that they haven't been covered up to this time, in the question of arriving at an American port?

Captain EARLE. I believe the present provision of the International Load Line Act, that's the 1929 act, exempts the Great Lakes, "excepts the Great Lakes," that's 14 U.S.C. 85(a). Yes I refer the committee to 14 U.S.C. 85(a), the Load Line Act of 1929. It establishes load lines for merchant vessels of 150 gross tons or over, loading at or proceeding to sea from any port or place within the United States or its possessions for a foreign voyage by sea, the Great Lakes excepted.

Of course, that Canadian vessel coming to the U.S. port, I believe, would still be under the remarks I made earlier. They are signatory to the International Load Line Convention of 1930.

Mr. BOURBON. Wouldn't United Kingdom vessels and other foreign vessels from Europe, for instance, be signatory to that same convention and yet, according to this bill they certainly would be covered when they came into the New York Harbor?

Captain EARLE. Yes, they are covered. They are covered so long as they are in compliance with their own load line laws which are up to the standards of the international convention. I'm not sure I see the problem.

Mr. BOURBON. In other words, if their own laws permitted them to load deeper than our regulations do now, would they be able, then, to come into the port of New York loaded deeper than our regulations would permit them to be?

Captain EARLE. The only way that they could come in loaded deeper than our own regulations would provide is if their own load line laws authorized such deeper loading and their own load line laws were certified by the Commandant of the Coast Guard as the equivalent of ours. If they materially diverge from ours, I doubt if he would certificate that they were the equivalent of ours. So, I don't think that probably would arise.

Mr. BOURBON. That's all I have.

Mr. BAYNTON. Thank you, Captain.

Mr. Shapiro, do you have anything to add to this?

Mr. SHAPIRO. We have submitted a statement and in that statement we do call attention to the minor modification, and this deals with the question Mr. Bourbon raised—that owner and master be liable. We fail to see how each can be considered liable. It's the responsibility of either one or the other, and we suggest that the wording revert to the fashion that it is now in the law, that is the owner or master, so that you would have the one responsible party being penalized.

Mr. BAYNTON. There was a suggestion, Mr. Shapiro, that to leave both in might make everybody happy—and/or.

Mr. SHAPIRO. As now written it implies, there's no question in terms of meaning, at least to me, that they both are responsible. The and/or would certainly give the leeway that the Coast Guard says its wants for enforcing and which we are sure they would enforce it by.

Mr. BAYNTON. Thank you very much. If there are no other witnesses and no other submissions the hearing is adjourned.

(Thereupon, at 11:25 a.m., the subcommittee was adjourned.)

(The reports of the Government departments and agencies, and other communications regarding the bills, including a letter, dated November 21, 1947, written by the then Commandant of the Coast Guard, in respect to H.R. 4783, and submitted for inclusion in the record, follow:)

S. 3016—RELATING TO LOAD LINES

THE SECRETARY OF THE TREASURY,
Washington, March 9, 1962.

Hon. LYNDON B. JOHNSON,
President of the Senate, Washington, D.C.

DEAR MR. PRESIDENT: There is transmitted herewith a draft of a proposed bill, "To amend the act of March 2, 1929, and the act of August 27, 1935, relating to load lines for oceangoing and coastwise vessels, to establish liability for surveys, to increase penalties, to permit deeper loading in coastwise trade, and for other purposes."

The purpose of this proposal is to amend the laws governing load lines of U.S. vessels engaged in the oceangoing and coastwise trade to incorporate certain changes found to be necessary from the application of these laws over the past two decades.

Since the load line laws governing oceangoing vessels are so similar to the load line laws governing coastwise vessels the changes proposed to each are nearly identical.

Present law prohibits only the departure of an overloaded vessel from a port or place of loading. It does not prohibit the overloading of U.S. merchant vessels at all times when upon the navigable waters of the United States or the high seas or prohibit the overloading of foreign vessels when in U.S. territorial waters. The bill would plug this loophole in the law which permits vessels to operate in dangerous overloaded condition without fear of penalty so long as they are not departing a loading port or place. Since the purpose of the law is to improve and promote safety, it logically should apply to a vessel at all times, inasmuch as the dangers of overloading are always present and not solely when departing a port.

The law currently authorizes any collector of customs to detain a vessel suspected of being overloaded and to require the vessel to be surveyed and examined prior to permitting such vessel to proceed to sea. Although Coast Guard officers are deemed to be officers of the customs (14 U.S.C. 143), this fact is not apparent on the face of the law. When Coast Guard officers initiate action in such cases, it is often necessary for them to explain to vessel owners the basis of their authority. In order to make such authority clearly apparent, the bill would specify Coast Guard district commanders as officials empowered to act under the statutes. Such a change would appear logical since appeals under the law are to the Commandant of the Coast Guard.

These load line surveys are for the purpose of confirming or refuting the original finding of a violation and for determining suitable corrective action if the vessel is found to be overloaded. Costs of such surveys may run as high as several hundred dollars in a typical case. Existing law does not clearly specify who should pay these costs. With the enactment of the present proposal to apply the load line laws to arriving vessels in addition to departing ones it is expected that there will be a considerable increase in the occasions for such surveys. The Government should not be required to bear the costs of load line surveys where the original finding of a violation is confirmed by the survey. Instead such costs should be borne by the vessel owners. This indirect penalty would tend to discourage violations and would intensify enforcement of the law. Consequently, the bill would authorize the collection of costs of surveys from vessel owners where the survey shows the vessel to be in violation of the law.

The present monetary fines and penalties incurred for violations of the law range from $100 for failure to log a vessel's drafts and applicable load line markings to $1,000 for knowingly permitting or causing a change in a vessel's load line markings. These fines and penalties are not realistic when they are compared to the monetary gains to be realized through overloading. U.S. penalties are also more lenient than those of other leading maritime nations. The bill would increase the penalties from $100 to $500 for failure to make correct log entries, from $500 to $1,000 for permitting a vessel to proceed to sea overloaded, from $500 to $1,000 plus an additional $500 for each inch of draft in overloading, and from $1,000 to $2,000 for knowingly permitting or causing a change in load line markings. The increased penalties would enhance enforcement of these laws, discourage deliberate violations, and promote greater safety of vessels at sea.

Vessels engaged in the coastwise trade must by reason of existing law adhere to certain standards in loading prescribed in the International Load Line Convention, 1930. The bill would strike from the Coastwise Load Line Act reference to these standards. With this change, increases in draft could be prescribed by regulations, but such increases could not exceed the actual line of safety for a vessel. Increased drafts for vessels in this trade have been urged by shipping interests repeatedly. Such increases were found satisfactory during World War II. Other maritime countries sanction such departures from the standards of the convention for their domestic trade vessels. Modification of convention standards is not feasible in the foreseeable future due to current international complications. A revision in the Coastwise Load Line Act as proposed would permit the accomplishment of the change desired.

It would be appreciated if you would lay the proposed bill before the Senate. A similar proposed bill has been transmitted to the Speaker of the House of Representatives.

The Department has been advised by the Bureau of the Budget that there is no objection from the standpoint of the administration's program to the submission of this proposed legislation to the Congress.

Sincerely yours,

DOUGLAS DILLON.

THE SECRETARY OF COMMERCE,
Washington, D.C., April 19, 1962.

Hon. WARREN G. MAGNUSON,
Chairman, Committee on Commerce,
U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: This is in further reply to your request for the views of this Department with respect to S. 3016, a bill to amend the act of March 2, 1929, and the act of August 27, 1935, relating to load lines for oceangoing and coastwise vessels, to establish liability for surveys, to increase penalties, to permit deeper loading in coastwise trade, and for other purposes.

We recommend favorable consideration of the bill.

Existing law prohibits the departure of a vessel in an overloaded condition from a port or place of loading; authorizes any collector of customs to detain a vessel suspected of being overloaded and to require a survey and examination of such vessel prior to permitting it to proceed to sea (but it does not clearly specify who should pay the cost of the survey); and provides fines and penalties for violations. Vessels engaged in the coastwise trade are required to meet the standards of loading prescribed in the International Load Line Convention, 1930.

The bill would amend existing law by prohibiting the operation, navigation, or use of a vessel upon the navigable waters of the United States in an overloaded condition (rather than only prohibiting its departure from a place of loading) and if the vessel is a vessel of the United States, it would similarly prohibit such activities on the high seas. It would specify that Coast Guard district commanders, as well as collectors of customs, are authorized to survey and examine vessels with respect to their loading; and would provide that the costs of the survey shall be borne by the owner and agent if the vessel is found to be in violation of the act. The bill would increase the monetary penalties from $100 to $500 for failure to make correct log entries; from $500 for overloading to $1,000 for overloading plus an additional penalty of $500 for each inch of draft in overloading, and from $1,000 to $2,000 for knowingly permitting or causing a change in load line markings in violation of the load line statutes. The bill would strike from the Coastwise Load Line Act the reference to the International Load Line Convention, 1930, and would thus permit deeper loadings in the coastwise trade than those permitted by the convention so long as the increases do not exceed the actual line of safety for the vessel.

The increase in the coverage of the load line laws to navigation, operation, and use of the vessels in an overloaded condition is in accordance with the basic purpose of all load line laws. It makes the load line laws applicable to incoming ships as well as departing ships. We endorse this proposed change in the law.

Experience with the operation of tankships under load line waivers during World War II clearly indicates that the maximum draft of tanker vessels can safely be increased, within certain limits, without impairing the inherent safety of these ships. Under existing law, in order to translate this wartime experience into relaxation of regulatory standards for tanker vessels, it would be necessary to modify the International Load Line Convention, 1930, and then proceed with the modifications of the regulations under the Coastwise Load Line Act.

The shipping interests of all major maritime countries have had under study proposals for modifications of the International Load Line Convention, 1930, but so far, due to current international complications, it has not been possible to convene a conference to modify this convention. The U.S. shipping interests, in cooperation with pertinent Government agencies and regulatory bodies, have prepared a U.S. position for this conference recommending modifications which would benefit the operation of U.S. vessels without impairing safety.

Since there is general agreement on this position, it does not seem logical to deprive the coastwise operators of the benefits which might accrue to them merely because the mechanism for modifying the International Load Line Convention is not available at this time. Therefore, we endorse the provisions of the bill that would disengage the Coastwise Load Line Act from the standards of the International Load Line Convention, 1930.

The provisions of the bill which would increase the penalties for violation of the statutes and specify that Coast Guard district commanders, as well as collectors of customs are authorized to survey and examine vessels with respect to their loading would facilitate administration of the coastwise laws.

We recommend favorable consideration of the bill.

The Bureau of the Budget advises there is no objection to the submission of this report from the standpoint of the administration's program.

Sincerely yours,

EDWARD GUDEMAN,
Under Secretary of Commerce.

COMPTROLLER GENERAL OF THE UNITED STATES,
Washington, March 27, 1962.

Hon. WARREN G. MAGNUSON,
Chairman, Committee on Commerce,
U.S. Senate.

DEAR MR. CHAIRMAN: Further reference is made to your letter of March 19, 1962, acknowledged on March 20, requesting the comments of the General Accounting Office concerning S. 3016, 87th Congress, 2d session, entitled "A bill to amend the act of March 2, 1929, and the act of August 27, 1935, relating to load lines for oceangoing and coastwise vessels, to establish liability for surveys, to increase penalties, to permit deeper loading in coastwise trade, and for other purposes."

We have no special information or knowledge as to the desirability of or need for the proposed legislation and, therefore, we make no recommendations with respect to its enactment.

Sincerely yours,

JOSEPH CAMPBELL,
Comptroller General of the United States.

AMERICAN INSTITUTE OF MARINE UNDERWRITERS,
New York, N.Y., April 16, 1962.

Re S. 3016.

Hon. W. G. MAGNUSON,
Chairman, Committee on Commerce,
Senate Office Building, Washington, D.C.

DEAR SENATOR MAGNUSON: This institute, representing 125 insurance companies which are authorized to write ocean marine insurance in one or more States, wishes to record with your committee its support of S. 3016.

The institute feels that the clarifying amendments which would be made by this bill will eliminate some existing confusion as to the proper interpretation of the load line acts. We also believe that S. 3016 will lead to greater safety at sea, which is, of course, in the best interest of all concerned.

It will be appreciated if these views are incorporated in the record of hearings on the bill.

Your sincerely,

CARL E. MCDOWELL,
Executive Vice President.

LAKE CARRIERS' ASSOCIATION,
Cleveland, Ohio, April 17, 1962.

Senator E. L. BARTLETT,
Senate Committee on Commerce,
New Senate Office Building, Washington, D.C.

DEAR SENATOR BARTLETT: Inasmuch as it has only yesterday come to our attention that you are planning on holding hearings Thursday, April 19, on S. 3016, there is not sufficient time for this association to present a brief statement on one facet of the bill.

We would like your indulgence to submit a brief statement, within the next few days and would request that the record be held open until our letter reaches you.

Sincerely yours,

J. A. HIRSHFIELD,
Vice Admiral, U.S. Coast Guard (Retired), President.

LAKE CARRIERS' ASSOCIATION,
Cleveland, Ohio, April 20, 1962.

Re S. 3016.

Senator E. L. BARTLETT,
Senate Committee on Commerce,
New Senate Office Building,
Washington, D.C.

DEAR SENATOR BARTLETT: This association has given careful consideration to S. 3016, on which your subcommittee is now holding hearings. While we do not oppose the bill, we would like to point out a particular feature of this legislation which does cause us some concern. It is proposed that paragraph (c) of section 8 of the act of August 27, 1935 (46 U.S.C.A. sec. 88g(c)) be amended to provide a basic penalty of $1,000 plus an additional $500 for each inch of draft in excess of the vessel's applicable load line.

It appears to this association that the exacting of an additional penalty on the basis of each inch of excessive draft requires the observance of tolerances which, in the practical everyday operation of Great Lakes bulk cargo vessels, cannot always be met. In other words, this legislation would seem to require absolute accuracy in the loading of bulk cargoes if a vessel is to carry her maximum permissible cargo. While we recognize that load line regulations must be enforced in the interests of safety, there are practical considerations in the loading of Great Lakes cargo vessel which must be considered.

Because of their extreme length and relatively shallow depth, Great Lakes bulk cargo vessels are exceedingly limber. If such a vessel is loaded in hot weather on the sunny side of a dock she becomes quite warm and is subject to hogging. Proceeding down the lakes where temperature changes of 40° or more are not uncommon, the vessel develops a tendency to sag. This is particularly true of isherwood-type vessels with longitudinal framing. Consequently it is not easy to determine a vessel's exact draft at all times during the course of a Great Lakes voyage.

Equally important is the fact that at most Great Lakes bulk cargo loading docks, particularly those on the upper lakes, which are more exposed to the vagaries of wind and current, vessels are subjected to considerable surging and wave action. This, of course, makes the accurate reading of draft marks extremely difficult and when penalties are imposed on the basis of each inch of overdraft it requires an evaluation by the master or the mate in charge of loading which defies the "seaman's eye."

For your information, too, in the case of iron ore, which constitutes the largest segment of Great Lakes commerce, the ore is usually loaded from pockets on docks, which hold the contents of five or six railroad cars, weighing from 50 to 75 tons per car. This ore is gravity fed into the vessel through a system of gates and spouts. If, then, the equivalent of two cars is required to complete a cargo loading, it is necessary to close the gate before a pocket is entirely emptied. Frequently it happens that a gate will come down on a large lump of ore requiring that the gate be again opened and the closure procedure repeated. Tests performed on No. 1 dock at Two Harbors, Minn., proved that a six-car pocket of dry raw ores and sintered ores will discharge into the hold of a vessel in less than 30 seconds. Whenever a vessel under the circumstances cited above does overload, however, it is more than rare that its load line is immersed more than an inch or two.

Certainly, the competitive nature of the industry requires that vessels be permitted to load at all times to their maximum safe permissible draft. Nevertheless, in view of the precise accuracy proposed in S. 3016; that is, an additional penalty for each inch of overdraft, many instances will occur when masters will be compelled to lightload their vessels. Particularly is this true because of the lack of facilities at many loading ports to discharge a vessel should she inadvertently be overloaded.

We are confident that this proposed legislation was not inspired by violations of load line regulations by Great Lakes bulk cargo vessels. We are equally confident that the Coast Guard, in its administration of these regulations, as they apply to Great Lakes bulk cargo vessels, is fully aware of the practical problems involved in the loading of bulk cargoes. Because such problems do exist, however, we believe it is unrealistic to impose a penalty on the basis of each additional inch of overdraft and for that reason urge that, insofar as Great Lakes bulk cargo vessels are concerned, such provisions be ameliorated so as to

reflect the fact that such penalty is to apply only in instances of flagrant, deliberate, or excessive violations.

We respectfully request that this letter may be made a part of the record of the hearings on the above-captioned bill.

Respectfully submitted.

J. A. HIRSHFIELD,
Vice Admiral, USCG (Retired), President.

U.S. COAST GUARD,
Washington, D.C.

Hon. E. L. BARTLETT,
Senate Committee on Commerce,
New Senate Office Building, Washington, D.C.

DEAR SENATOR BARTLETT: Mr. Bourbon has kindly furnished us with a copy of Admiral Hirshfield's letter of April 20, 1962, expressing the concern of the Lake Carriers' Association with respect to the application of the penalty provisions of S. 3016, load lines.

The problem which they cite with reference to the difficulty of accurately reading the load line marks under adverse circumstances of wind, current, sea, and night loading, applies to all vessels to a greater or lesser degree. It is believed that on the average, it is probably not more severe for lake vessels than it is for vessels in ocean trade.

It is believed that the load line must be regarded as a limit if it is to be effective. If this were not so and if, for instance, it were established that the Coast Guard would accept up to 2 inches over the assigned load line marks, the effective load line would then, in practice, be 2 inches deeper than that shown by the marks. The argument might then be advanced, on the same basis, that on account of the difficulty of holding to this effective deeper load line, another 2-inch tolerance ought to be permitted, etc.

Although the Coast Guard is of the opinion that the load line must be regarded as representing a limiting condition for loading, it recognizes the special problem inherent in the changing deflection of these vessels. It also recognizes that precise control of loading at the ore docks is somewhat limited and certainly intends to take these factors into consideration and to be fair and reasonable in its enforcement procedures.

Sincerely yours,

A. C. RICHMOND,
Admiral, U.S. Coast Guard, Commandant.

PACIFIC AMERICAN STEAMSHIP ASSOCIATION,
Washington, D.C., April 19, 1962.

Subject: S. 3016, to amend the act of March 2, 1929, and the act of August 27, 1936, relating to load lines, etc.

Hon. WARREN G. MAGNUSON,
Chairman, Committee on Commerce,
U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: Pacific American Steamship Association, representing the principal American-flag steamship lines in both foreign and domestic trades on the Pacific coast, takes this opportunity to support S. 3016, a bill to amend our load line statutes.

Our principal interest in this matter stems from the provision in the bill for permissive adjustments by the Coast Guard of load lines for vessels engaged in the coastwise and intercoastal trades. For the past 8 years, we have sought revisions in the International Load Line Convention but, to date, have been unsuccessful due to the fact that the International Convention to adjust load lines has not been convened. A study of the surface ocean weather and sea conditions to the north Pacific Ocean, based on data obtained from any years of observation, indicates that adjustments in load line requirements in this area are feasible while retaining all possible margins of safety.

It is to be noted that other nations have already sanctioned departures from the international standards for their own domestic trade vessels. S. 3016 would authorize simular latitude on the part of the U.S. Coast Guard for American-flag vessels in our domestic trade.

It is our considered view that S. 3016 provides long-overdue authority for the Coast Guard and will not diminish the margin of safety inherent to our load line statutes.

It is our understanding that, under the present interpretation of the law, the U.S. Coast Guard considers the terms, "coastwise voyage by sea," appearing in section 1 of the Load Line Act of 1935, to include vessels on intercoastal voyages when such vessels proceed directly from one U.S. continental port to another as vessels operating in the coastwise trade.

It is respectfully requested that this letter be made an official part of the record of the hearings.

Yours very truly,

JOHN N. THURMAN, *Vice President.*

H.R. 4783—COAST GUARD WOMEN'S RESERVE

THE GENERAL COUNSEL OF THE TREASURY,
Washington, April 19, 1962.

Hon. WARREN G. MAGNUSON,
Chairman, Committee on Commerce,
U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: Reference is made to the request of your committee for the views of this Department on H.R. 4783, to grant constructive service to members of the Coast Guard Women's Reserve for the period from July 25, 1947, to November 1, 1949.

The purpose of the bill is to grant constructive service to certain qualified members of the Coast Guard Women's Reserve for the period from July 25, 1947, to November 1, 1949. To be eligible a member of the Women's Reserve must have been separated under honorable conditions after having served on active duty for at least 1 year during the period from November 23, 1942, to July 25, 1947, and must have had membership therein for any period of time between November 1, 1949, to July 1, 1956. The constructive service would not give rise to an entitlement to back pay.

The statute originally establishing the Coast Guard Women's Reserve (56 Stat. 1020) in 1942 was repealed after demobilization by the act of July 25, 1947. A hiatus ensued during which membership in the Women's Reserve was not legally possible until reestablishment of the Reserve on November 1, 1949 (14 U.S.C. 762). Many of the Reserve's former members were reappointed at once but a forced break in service occurred by operation of law. This break in service has resulted in certain detriments to these members whereas similar detriments were not suffered by the men of the Reserve. In all fairness, the women should be given credit for service during the hiatus since they were ready, willing, and able to serve during this period but could not legally do so. Administrative delay in reestablishment of this body has penalized them.

The Department favors enactment of the bill but suggests that the terminal date for service subsequent to the hiatus period be changed from July 1, 1956, to July 1, 1952. In view of the efforts made by the Coast Guard to afford the affected members the opportunity to reenter the service as soon as they could do so, a period of 3 years from the date of reestablishment of the Women's Reserve is considered ample.

The estimated annual cost to the service if the bill is enacted would be approximately $4,000.

The Department has been advised by the Bureau of the Budget that there is no objection from the standpoint of the administration's program to the submission of this report to your committee. However, the Bureau of the Budget does not believe that there is adequate justification for legislation authorizing constructive service credit for women members of the Coast Guard Reserve for a period during which such members neither performed any duties nor bore any liability for recall to active duty in the event of an emergency. The Bureau of the Budget considers that the bill would establish an undesirable precedent and would tend to create inequities with respect to other reservists.

Sincerely yours,

ROBERT H. KNIGHT, *General Counsel.*

DEPARTMENT OF THE NAVY,
OFFICE OF THE SECRETARY,
Washington, D.C., April 11, 1962.

Hon. WARREN G. MAGNUSON,
Chairman, Committee on Commerce,
U.S. Senate, Washington, D.C.

MY DEAR MR. CHAIRMAN: Your request for comment on the act, H.R. 4783, to grant constructive service to members of the Coast Guard Women's Reserve for the period July 25, 1947, to November 1, 1949, has been assigned to this Department by the Secretary of Defense for the preparation of a report thereon expressing the views of the Department of Defense.

This act would give constructive service credit for the period July 25, 1947, to November 1, 1949, to members of the Coast Guard Women's Reserve who served therein on active duty for at least 1 year before July 25, 1947; were separated under honorable conditions; and were members of the Coast Guard Women's Reserve for any period between November 1, 1949, and July 1, 1956. No retroactive pay would accrue because of this constructive service credit. The constructive service credit, however, would apply for retirement benefits under the Army and Air Force Vitalization and Retirement Equalization Act of 1948 or any other act authorizing retirement from the Armed Forces.

The Women's Reserve of the Coast Guard Reserve was originally established by the act of November 23, 1942 (56 Stat. 1020). That act was repealed by the act of July 25, 1947 (61 Stat. 450), and a permanent Women's Reserve of the Coast Guard was not established until November 1, 1949. Male personnel of the Coast Guard Reserve were given an opportunity to continue in the Reserve after July 1947, but there was no such provision made for the women of the Coast Guard until after more than 2 years had elapsed. The purpose of the act is to give to the women of the Coast Guard Reserve the same benefits that male reservists received.

The Department of Defense would interpose no objection to the enactment of H.R. 4783.

This report has been coordinated within the Department of Defense in accordance with procedures prescribed by the Secretary of Defense.

The Bureau of the Budget advises that, from the standpoint of the administration's program, there is no objection to the presentation of this report for the consideration of the committee. However, the Bureau of the Budget has advised that it does not believe that there is adequate justification for legislation authorizing constructive service credit for women members of the Coast Guard Reserve for a period during which such members neither performed any duties nor bore any liability for recall to active duty in the event of an emergency. The Bureau of the Budget considers that H.R. 4783 would establish an undesirable precedent and would tend to create inequities with respect to other reservists.

Sincerely yours,

W. S. SAMPSON,
Captain, U.S. Navy, Deputy Chief
(For the Secretary of the Navy).

COMPTROLLER GENERAL
OF THE UNITED STATES,
Washington, April 18, 1962.

Hon. WARREN G. MAGNUSON,
Chairman, Committee on Commerce,
U.S. Senate.

DEAR MR. CHAIRMAN: Your letter of April 4, 1962, acknowledged April 5, requests our views on H.R. 4783 to grant constructive service to members of the Coast Guard Women's Reserve for the period from July 25, 1947, to November 1, 1949.

The bill would give constructive service credit for the period July 25, 1947, to November 1, 1949, to members of the Coast Guard Women's Reserve who served therein on active duty for at least 1 year before July 25, 1947, and who were separated under honorable conditions and were members of the Coast Guard Women's Reserve for any period between November 1, 1949, and July 1, 1956. The constructive service credit would apply for retirement benefits under the

Army and Air Force Vitalization and Retirement Equalization Act of 1948, as amended, or any other act authorizing retirement from the Armed Forces. Also, such constructive service would be creditable prospectively for active or inactive duty pay purposes from a time fixed in the bill.

The Coast Guard Women's Reserve was established by the act of November 23, 1942 (56 Stat. 1020), and that act was repealed by the act of July 25, 1947 (61 Stat. 449, 450). A permanent Women's Reserve of the Coast Guard was not established until November 1, 1949, as provided in 14 U.S.C. 762.

We have no special information as to the need for this legislation. We note from House of Representatives Report No. 1448 on this bill, however, that its purpose is to place members of the Coast Guard Women's Reserve on a parity with male reservists of the Coast Guard for the purpose of enhancing retirement benefits for those individuals. A hiatus existed during the period July 25, 1947, to November 1, 1949, when membership in the Women's Reserve was not legally possible. Male personnel of the Coast Guard Reserve were given an opportunity to continue in the Reserve after July 1947. The House report contains favorable recommendations on the bill from the General Counsel of the Treasury and from the Department of the Navy, on behalf of the Department of Defense. The Bureau of the Budget, however, takes the position that there is no adequate justification for the bill because the individuals concerned neither performed any duties nor bore any liability for recall to active duty in the event of an emergency.

In line with position taken by the Bureau of the Budget, it is our view that the bill would grant a pure gratuity to a particular class of reservists and the advisability of its enactment is doubtful because it could establish an undesirable precedent. We recognize, however, that the matter of granting constructive service credit to members of the uniformed services for active duty and retired pay purposes involves questions of policy for Congress to determine in the light of the personnel problems of the department concerned.

Sincerely yours,

JOSEPH CAMPBELL,
Comptroller General of the United States.

U.S. COAST GUARD,
Washington, D.C., November 21, 1947.

From: Commandant
To: Katherine M. Gannon, New York, N.Y.
Subject: Termination of appointment.

1. During the last days of the recent session of the 80th Congress, a joint resolution was introduced which was enacted as Public Law 239. This law, which became effective on July 25, 1947, provided for the repeal of certain emergency and wartime legislation deemed to be no longer necessary for peacetime operation of the various Government agencies. Among the legislation repealed was the act of November 23, 1942, as amended, which was the Women's Reserve Act, and which was incorporated in the Reserve and Auxiliary Act as title IV. With the repeal of this title, the authority for the Women's Reserve of the Coast Guard was revoked and all appointments under that authority were automatically terminated.

2. Past experience with the Women's Reserve has more than demonstrated its value as a part of the Coast Guard. It has been and is, the intention of the Coast Guard to establish the Women's Reserve as a permanent organization which may be utilized in times of national emergency. It was expected that this could be accomplished during the 6 months' period following the termination of the present emergency. However, the fact that the Women's Reserve Act was repealed immediately upon enactment of the joint resolution did not give the Coast Guard an opportunity to replace this temporary legislation with permanent authority.

3. It is regrettable that this situation has been created. However, new legislation to reestablish the Women's Reserve has been drafted and will be presented via channels to the Congress when that body reconvenes in regular session. Should the necessary authority be obtained you will be so notified and in all probability be offered a commission in the grade and with the relative seniority you held on July 25, 1947.

4. Your discharge certificate indicating the termination of honorable service in the Coast Guard will be mailed to you in the near future.

J. F. FARLEY,
Admiral, U.S. Coast Guard.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON ARMED SERVICES,
Washington, D.C. May 7, 1962.

Hon. WARREN MAGNUSON,
Chairman, Commerce Committee,
U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: I regret that I was unable to appear in person at the hearings, by your committee on April 19, on H.R. 4783 granting credit to the U.S. Coast Guard Women Reserves for a period when through a freak of the law they were unknowingly not acutally on the military rolls.

During the past several years we have sought to provide, through legislation, a program of equalization for all military services in both Regular and Reserve components. We have felt strongly that every person should be given like incentives to service and like recognition for proportionate service. We accomplished this in legislation giving credit for the Woman's Army Corps (WAC) and to military Nurse Corps and others similarly affected.

In offering H.R. 4783 in the House it was my purpose to seek equal recognition for the Women Coast Guard reservists. They are the newest Reserve group and it was because they were new that they were, through an oversight, legislated out of existence. As quickly as this was discovered the Congress enacted in another law the provision required to give them official status.

Meanwhile, they had continued on the roll and were available for military service, had they been needed, just as the reservists from any other service were available. As a matter of fact some of these "SPARS" continued on active duty with the Coast Guard for some weeks during the hiatus when actually there was no provision of law under which they could have served.

H.R. 4783 which I had the privilege of sponsoring has already passed the House of Representatives. In my view, and in the view of the House, it is thoroughly sound legislation and is deserving of enactment. Your earnest consideration of this will be appreciated.

Sincerely,

L. MENDEL RIVERS, *Member of Congress.*

S. 2107—APPLICATION OF CERTAIN LAWS TO U.S. COAST GUARD

THE SECRETARY OF THE TREASURY,
Washington, D.C., June 14, 1961.

Hon. LYNDON B. JOHNSON,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: There is transmitted herewith a draft of a proposed bill, "To amend title 14, United States Code, entitled 'Coast Guard,' to extend the application of certain laws relating to the military services to the Coast Guard for purposes of uniformity."

The purpose of the proposed legislation is to amend the laws relating to the Coast Guard in four particulars to make them uniform with similar provisions applicable to the other Armed Forces. An explanation of the four changes is set forth in the following discussion.

The Secretaries of the Army, Navy, and Air Force possess authority at the present time to remit or cancel any part of an enlisted member's indebtedness to the United States at the time of his honorable discharge if they consider such remission or cancellation in the best interests of the United States (10 U.S.C. 4837(d), 6161, 9837(d)). The Coast Guard is thus the only branch of the Armed Forces without such remission or cancellation authority. In order to provide uniformity in that regard, the proposed bill would grant the Coast Guard the same authority already possessed by the other branches of the Armed Forces.

Prior to the enactment of the Career Compensation Act of 1949, enlisted members of the Army and Navy who had been awarded certain medals, such as the Medal of Honor or the Distinguished Service Medal, were entitled to additional pay at the rate of $2 per month (10 U.S.C., 1946 ed., 696; 34 U.S.C., 1946 ed., 357, 364)). These provisions for additional pay were repealed in 1949 by section 531(b) (20), (22), and (23) of the Career Compensation Act (63 Stat. 838). However, similar authority with respect to enlisted members of the Coast Guard was inadvertently not repealed at that time due to the fact that the enactment

of both the codification of title 14 containing the provision and the enactment of the Career Compensation Act occurred within a relatively short period of time. Thus, enlisted members of the Coast Guard appear to be at least technically entitled to such additional pay. The proposed bill would correct this situation by specifically repealing the Coast Guard authority in the matter.

With respect to the time limit on the award of medals, existing law applicable to the Navy Department provides that a recommendation for a medal must be made by a superior officer within 3 years of the act justifying the award (10 U.S.C. 6248). A comparable provision applicable to the Coast Guard provides for a limit of 1 year, which has proven too short (14 U.S.C. 496). Also, a provision was recently added to the Navy Department authority to cover a situation where a recommendation for a medal was lost or not acted on through inadvertence (Public Law 86–582; 74 Stat. 320). No comparable provision exists with respect to the Coast Guard. The proposed bill would make the Coast Guard authority in regard to the award of medals conform to that of the Navy Department.

Under existing law, firearms, and ammunition bought with funds appropriated for a military department are exempt from sales or transfer taxes (10 U.S.C. 2385). No similar exemption is provided for the Coast Guard and it expends approximately $6,400 per annum in payment of such taxes. Inasmuch as the Coast Guard is by statute a branch of the Armed Forces (14 U.S.C. 1), there would appear to be no justification for this discriminatory treatment and the proposed bill would grant the Coast Guard the same exemption presently accorded the military departments.

It would be appreciated if you would lay the proposed bill before the Senate. A similar proposed bill has been transmitted to the Speaker of the House of Representatives.

The Department has been advised by the Bureau of the Budget that there is no objection from the standpoint of the administration's program to the submission of this proposed legislation to the Congress.

Sincerely yours,

DOUGLAS DILLON.

COMPARATIVE TYPE SHOWING CHANGES IN EXISTING LAW BY THE PROPOSED BILL

(Matter proposed to be omitted enclosed in black brackets; new matter in italic)

SECTION 461, TITLE 14, UNITED STATES CODE (1958 EDITION)

§ 461. Pay and allowances; pay of officers indebted to *the* United States[.] *; remission of indebtedness of enlisted members.*

(a) Commissioned officers, commissioned warrant officers, cadets, warrant officers, and enlisted persons shall, except as otherwise provided by law, receive the same pay, allowances, increases, additions, and gratuities as prescribed by corresponding ranks, grades, or ratings for personnel of the Navy, including any extra pay and allowances for special duty.

(b) The pay of officers of the Coast Guard may be withheld under section 82 of title 5 on account of an indebtedness to the United States admitted or shown by the judgment of a court, but not otherwise unless upon a special order issued according to the discretion of the Secretary.

(c) *If he considers it in the best interest of the United States, the Secretary of the Treasury may have remitted or canceled any part of an enlisted member's indebtedness to the United States or any of its instrumentalities remaining unpaid before, or at the time of, that member's honorable discharge.*

ANALYSIS OF CHAPTER 13, TITLE 14, UNITED STATES CODE (1958 EDITION)

§ 461. Pay and allowances; pay of officers indebted to the United States[.] *; remission of indebtedness of enlisted members.*

SECTION 495, TITLE 14, UNITED STATES CODE (1958 EDITION)

[§ 495. Additional pay for holders of medals.

[Each enlisted man in the Coast Guard who is awarded a medal of honor, a distinguished service medal, or a Coast Guard medal shall be entitled to additional pay at the rate of $2 per month from the date of the deed or service for which the award is made, and each emblem or insignia in lieu of a medal of

honor, a distinguished service medal, or a Coast Guard medal shall entitle him to further additional pay at the rate of $2 per month from the date of the deed or service for which such award is made, and such additional pay shall continue throughout his active service, whether such service shall or shall not be continuous.]

ANALYSIS OF CHAPTER 13, TITLE 14, UNITED STATES CODE (1958 EDITION)

[495. Additional pay for holders of medals.]

SECTION 496, TITLE 14, UNITED STATES CODE (1958 EDITION)

§ 496. Time limit on award; report concerning deed.

(*a*) No medal of honor, distinguished service medal, *distinguished flying cross,* Coast Guard medal, *or bar,* [or] emblem, or insignia in lieu thereof [shall be issued to any person after more than five years from the date of the deed or service justifying the awarding thereof, nor unless a specific statement or report distinctly setting forth the deed or service and suggesting or recommending official recognition thereof shall have been made by his superior through official channels at the time of the deed or service or within one year after the deed or termination of the service.] *may be awarded to a person unless—*

(1) the award is made within five years after the date of the deed or service justifying the award;

(2) a statement setting forth the deed or distinguished service and recommending official recognition of it was made by his superior through official channels within three years from the date of that deed or termination of the service.

(b) If the Secretary determines that—

(1) a statement setting forth the deed or distinguished service and recommending official recognition of it was made by the person's superior through official channels within three years from the date of that deed or termination of the service and was supported by sufficient evidence within that time; and

(2) no award was made, because the statement was lost or through inadvertence the recommendation was not acted upon; a medal of honor, distinguished service medal, distinguished flying cross, Coast Guard medal, or bar, emblem, or insignia in lieu thereof, as the case may be, may be awarded to the person within two years after the date of that determination.

SECTION 655, TITLE 14, UNITED STATES CODE (PROPOSED NEW SECTION)

§ 655. Arms and ammunition; immunity from taxation.

No tax on the sale or transfer of firearms, pistols, revolvers, shells, or cartridges may be imposed on such articles when bought with funds appropriated for the United States Coast Guard.

ANALYSIS OF CHAPTER 17, TITLE 14, UNITED STATES CODE

655. Arms and ammunition; immunity from taxation.

DEPARTMENT OF THE NAVY,
OFFICE OF THE SECRETARY,
Washington, D.C., March 5, 1962.

Hon. WARREN G. MAGNUSON,
Chairman, Committee on Commerce,
U.S. Senate, Washington, D.C.

MY DEAR MR. CHAIRMAN: Your request for comment on S. 2107, a bill to amend title 14, United States Code, entitled "Coast Guard," to extend the application of certain laws relating to the military services to the Coast Guard for purposes of uniformity, has been assigned to this Department by the Secretary of Defense for the preparation of a report thereon expressing the views of the Department of Defense.

The bill would (1) authorize the Secretary of the Treasury, if he considers it in the best interests of the United States, to remit all or part of an enlisted coastguardsman's indebtedness to the Government; (2) extend the time limit

for recommending award of a medal after performance of the deed justifying the award; (3) exempt from sales and transfer taxes purchases of firearms and ammunition bought with Coast Guard appropriated funds; and (4) repeal the existing provision authorizing additional pay for Coast Guard members holding certain medals.

S. 2107 would make the relevant Coast Guard laws uniform with the corresponding laws applicable to the other Armed Forces.

The Department of the Navy, on behalf of the Department of Defense, concurs with the purpose of S. 2107 and favors its enactment.

It may be noted that the proposed new section 655 of title 14, which would make firearms and ammunition bought with Coast Guard appropriated funds immune from sale and transfer taxes, corresponds to section 2385 of title 10, United States Code, which provides a similar immunity for firearms and ammunition bought with funds appropriated for a military department. The immunity afforded military department purchases is also contained in the Internal Revenue Code (26 U.S.C. 4182(b)). For consistency, the Congress may wish to amend the Internal Revenue Code to specify that Coast Guard purchases of firearms and ammunition, like such purchases by the military departments, are immune from sale or transfer taxes.

This report has been coordinated within the Department of Defense in accordance with procedures prescribed by the Secretary of Defense.

The Bureau of the Budget advises that, from the standpoint of the administration's program, there is no objection to the presentation of this report for the consideration of the committee.

For the Secretary of the Navy.

Sincerely yours,

W. S. SAMPSON,
Captain, U.S. Navy, Deputy Chief.

COMPTROLLER GENERAL OF THE UNITED STATES,
Washington, July 20, 1961.

Hon. WARREN G. MAGNUSON,
Chairman, Committee on Commerce,
U.S. Senate.

DEAR MR. CHAIRMAN: Your letter of June 21, 1961, acknowledged June 22, 1961, requests our comments on S. 2107 to amend title 14, United States Code, entitled "Coast Guard," to extend the application of certain laws relating to the military services to the Coast Guard for the purposes of uniformity.

The bill would amend section 461 of title 14 by adding at the end thereof a new subsection to provide that if he considers it in the best interest of the United States, the Secretary of the Treasury may have remitted or canceled any part of an enlisted member's indebtedness to the United States or any of its instrumentalities remaining unpaid before, or at the time of, that member's honorable discharge.

The Secretaries of the Army, Navy, and Air Force have authority at the present time to remit or cancel any part of an enlisted member's indebtedness to the United States at the time of his honorable discharge if they consider such remission or cancellation in the best interest of the United States. See 10 U.S.C. 4837(d), 6161, and 9837(d). The Coast Guard is the only branch of the Armed Forces without such remission or cancellation authority. In order to provide uniformity in that regard, the proposed bill would grant the Coast Guard the same authority already possessed by the other branches of the Armed Forces.

From the standpoint of uniformity among the Armed Forces, we see no reason why this remission authority should not be extended to the Coast Guard. We understand, however, that the Coast Guard proposes to exercise the remission authority almost exclusively in the area of indebtedness arising out of overpayments of money and H.R. 6136 now pending before the Committee on the Judiciary, House of Representatives, if enacted in its present form, would have the effect of removing from the remission authority conferred on the Secretaries of the Army, Navy, and Air Force by sections 4837(d), 6161, and 9837(d) of title 10, United States Code, authority to remit debts based on the erroneous payment of money and would make such debts subject to the waiver provisions of H.R. 6136. Hence, if both S. 2107 and H.R. 6136 should become law in their

present form, the Secretary of the Treasury for the Coast Guard would have authority to cancel or remit indebtedness beyond the authority possessed by the Army, Navy, and Air Force.

The bill would repeal section 495 of title 14. This section provides for additional pay of $2 per month to each enlisted member of the Coast Guard who is awarded certain medals. Similar authority with respect to enlisted members of the Army and Navy was repealed by section 531(b) (20), (22), and (23) of the Career Compensation Act of 1949 (63 Stat. 838). However, the authority for the additional pay for enlisted members of the Coast Guard was not repealed at that time and they appear to be at least technically entitled to such additional pay. The proposed bill would correct this situation by specifically repealing the Coast Guard authority in the matter.

Also the bill would amend section 496 of title 14 to make the Coast Guard authority in regard to the time limit on the award of medals to members conform to that of the Department of the Navy.

The bill would add a new section 655 to title 14 to provide that no tax on the sale or transfer of firearms, pistols, revolvers, shells, or cartridges may be imposed on such articles when bought with funds appropriated for the U.S. Coast Guard.

Under the provisions of section 2385, title 10, United States Code, firearms and ammunition bought with funds appropriated for a military department are exempt from sales or transfer taxes. No similar exemption is provided for the Coast Guard. Since by statute (14 U.S.C. 1) the Coast Guard is a branch of the Armed Forces, there would appear to be no reason why the Coast Guard should not be similarly exempt from such taxes.

Subject to the foregoing comments concerning the indebtedness remission provisions, we see no reason for objection to favorable consideration of S. 2107.

Sincerely yours,

JOSEPH CAMPBELL,
Comptroller General of the United States.

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