

MISCELLANEOUS

HEARINGS

BEFORE THE

COMMITTEE ON AGRICULTURE
HOUSE OF REPRESENTATIVES

EIGHTY-EIGHTH CONGRESS

FIRST SESSION

ON

H.R. 1642

SALE OF ANIMAL QUARANTINE STATION, CLIFTON, N.J.

JUNE 13, 1963

H.R. 5738

PROVIDE A DIFFERENT BASIS FOR DETERMINING AMOUNT OF MONEY
AVAILABLE TO STATE OF ILLINOIS BECAUSE OF LOCATION
OF NATIONAL FORESTS IN STATE

JULY 16, 1963

H.R. 7218

ADD CERTAIN LANDS TO CACHE NATIONAL FOREST, UTAH

JULY 16, 1963

H.R. 3869

ESTABLISH FEDERAL AGRICULTURAL SERVICES IN GUAM

NOVEMBER 14, 1963

Serial GG

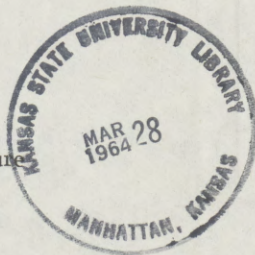
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HEARINGS

BEFORE THE

COMMITTEE ON AGRICULTURE

HOUSE OF REPRESENTATIVES

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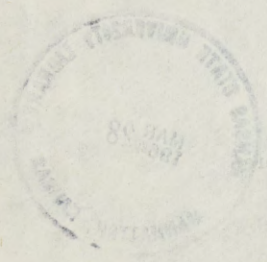
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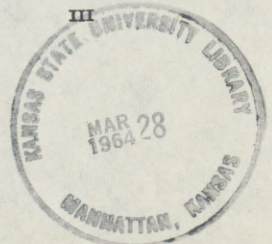
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SALE OF ANIMAL QUARANTINE STATION, CLIFTON, N.J.

THURSDAY, JUNE 13, 1963

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON DEPARTMENTAL OVERSIGHT AND
CONSUMER RELATIONS OF THE COMMITTEE ON AGRICULTURE,
Washington, D.C.

The subcommittee met, pursuant to notice, at 10:15 a.m., in room 1310, Longworth House Office Building, Hon. Paul C. Jones (chairman of the subcommittee) presiding.

Present: Representatives Jones, Dague, Harvey of Indiana, and Beermann.

Also present: Betty Prezioso, staff; and John J. Heimbürger, counsel.

Mr. JONES. The subcommittee will come to order.

We have with us this morning our colleague, the gentleman from New Jersey, Mr. Joelson, author of H.R. 1642, a bill to provide for the sale of the U.S. Animal Quarantine Station, Clifton, N.J., to the city of Clifton to provide for the establishment of a new station and for other purposes.

(H.R. 1642, and the Department report dated April 18, 1963, follow:)

[H.R. 1642, 88th Cong., 1st sess.]

A BILL To provide for the sale of the United States Animal Quarantine Station, Clifton, New Jersey, to the city of Clifton to provide for the establishment of a new station 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 Secretary of Agriculture, hereinafter called the Secretary, is authorized at such site as he shall select in the New York-New Jersey port and airport area, to establish, equip, and maintain a quarantine station for animals and birds imported into the United States.

SEC. 2. The Secretary is authorized to remove the quarantine functions now being conducted at the United States Animal Quarantine Station, Clifton, New Jersey, to the new station provided for in this Act.

SEC. 3. The Secretary is authorized to enter into an agreement with the city of Clifton, New Jersey, providing for the sale of the lands, buildings, facilities, and improvements as determined by the Secretary comprising and known as the United States Animal Quarantine Station, Clifton, New Jersey. The agreement shall require that the city of Clifton pay to the Secretary the appraised value of such property as determined by the Secretary, and that upon the establishment of the new quarantine station provided for in this Act, the quarantine functions performed at the existing station shall be removed to said new station and the Secretary shall then convey to the city of Clifton by quitclaim deed for public purposes all the right, title, and interest of the United States in and to the lands, buildings, facilities, and improvements covered by the contract and comprising and known as the United States Animal Quarantine Station, Clifton, New Jersey: *Provided*, That the Secretary shall not be required to vacate and surrender the existing station

until the new station shall be equipped and ready for operation and the quarantine functions removed to the new station.

SEC. 4. If the city of Clifton uses or conveys any part of the land covered by this Act for other than public purposes, all the right, title, and interest in and to the land conveyed under this Act shall revert to and become the property of the United States, which shall have the immediate right of entry thereon. The cost of any survey required in connection with conveyance of the Clifton property covered by this Act shall be at the expense of the city of Clifton.

SEC. 5. In carrying out this Act, the Secretary is authorized to acquire land and interests therein, including leasehold interests, construct or alter such buildings and other public improvements on any of such land or interests therein as may be necessary, cooperate with public and private organizations and individuals and remove any property from the existing quarantine station at Clifton, New Jersey. The Secretary is also authorized to acquire by long-term lease necessary improved and unimproved real property and pay therefor on an annual basis.

SEC. 6. Proceeds received from the sale of the animal quarantine station at Clifton, New Jersey, shall be available to the Secretary until expended for carrying out this Act. There are authorized to be appropriated such additional funds as may be necessary to carry out this Act.

DEPARTMENT OF AGRICULTURE,
Washington, D.C., April 16, 1963.

HON. HAROLD D. COOLEY,
*Chairman, Committee on Agriculture,
House of Representatives.*

DEAR MR. CHAIRMAN: We wish to thank you for your letter of January 22, 1963, giving us the opportunity to report on House bill 1642. The bill is entitled to provide for the sale of the U.S. Animal Quarantine Station, Clifton, N.J. to the city of Clifton to provide for the establishment of a new station and for other purposes.

The bill would authorize the Secretary of Agriculture to (1) select a site in the New York-New Jersey port and airport area to establish a quarantine station for animals and birds imported into the United States; (2) remove the quarantine functions now being conducted at the Clifton station to a new station; and (3) enter into an agreement providing for the sale of the land, buildings, facilities, and improvements of the Clifton station to the city of Clifton. The said city would be required to pay the appraised value of such property as determined by the Secretary. Upon establishment of a new station the Secretary would be authorized to convey to the city by quitclaim deed for public purposes all the right, title, and interest of the Federal Government in the old station. The bill provides that the Secretary would not be required to vacate or surrender the present station until the new station would be equipped and ready for operation and the quarantine functions removed to the new station. The bill further provides that the land would revert to the United States if Clifton uses or conveys any part of the land for other than public purposes. The cost of survey required in connection with the conveyance would be at the expense of the city. Proceeds from the sale would be made available to the Secretary until expended and such additional funds would be authorized to be appropriated as may be necessary for the establishment of a new quarantine station.

We favor the enactment of H.R. 1642, in view of the fact that the Clifton quarantine station is more than 60 years old and requires a continuing high rate of upkeep for present facilities. Extensive remodeling is now needed to provide features to protect the livestock industry against introduction of diseases from foreign countries.

Officials of the city of Clifton have for many years expressed interest in acquiring the land on which the Clifton station is situated for the establishment of a civic center and other public purposes. When the station was established the surrounding area was entirely rural. The station now lies near the geographical center of Clifton, a residential community of some 80,000 people, lying immediately between the heavily populated cities of Passaic and Paterson, N.J. Because of the growth of the city around the quarantine station the value of the property to the city for municipal purposes is understandable.

The site for the Clifton quarantine station was acquired in the early 1900's at a cost of \$23,000 and originally consisted of about 50 acres. Most of the quarantine buildings and supporting structures, including three residences, were built prior to 1909. The total cost to the Federal Government of the original site and existing improvements to it is about \$210,000.

During the past 10 years two portions, totaling about 22 acres with improvements, have been sold to Clifton for public purposes. There are about 28 acres remaining at the station. Public Law 541, 83d Congress, approved July 27, 1954, authorized the sale of approximately 15 acres. Public Law 85-687, approved August 20, 1958, authorized the sale of approximately 7 acres. In each case the legislation provided for payment by the city of 75 percent of the appraised fair market value, as determined by the Secretary of Agriculture.

The 15 acres of unimproved land relinquished in 1954 were appraised at \$75,000 and the 7 acres in 1958 at \$71,200. The latter acreage included four large cattle quarantine barns, which were of limited use without extensive and costly remodeling. Funds derived from these sales were deposited in "Miscellaneous receipts" of the U.S. Treasury. The 1958 legislation also required the city of Clifton to pay an additional \$30,000 to the Department for alteration of the remaining buildings which would compensate for the loss of quarantine space.

While the sale of the above-mentioned tracts did not impair the value of the station for quarantine purposes, the remaining land and buildings cannot be disposed of without impairing effective quarantine operations.

Modernization of the present facilities to include more adequate safety features is needed. The cost of such modernization is estimated at around \$390,000. This estimate would provide for (a) air treatment and control in quarantine areas to prevent the spread of airborne and insect-transmitted diseases; (b) provision for a prequarantine receiving and inspection area; (c) installation of a sewerage system; (d) a "change house," including showers and clothing lockers for station personnel and visitors admitted to quarantine areas only on official permit; (e) development of post mortem and laboratory facilities and equipment within an existing building.

If a new quarantine station is provided, it should include a minimum of 28,000 square feet of building space for present and anticipated needs.

This could be included in a single building situated on about 5 acres of land. The estimated cost of such a new modern facility of the type described is approximately \$1 million, exclusive of the cost of land.

While the current value of the Clifton station is substantial, the proceeds from its sale would not be sufficient to cover the construction of the new station, and it would be necessary for additional funds to be appropriated.

Attached for your information is a statement regarding the relocation of the Clifton station and the establishment of a new one in the New York-New Jersey port and airport area.

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

Sincerely yours,

ORVILLE L. FREEMAN, *Secretary.*

STATEMENT REGARDING THE RELOCATION OF THE U.S. DEPARTMENT OF
AGRICULTURE QUARANTINE STATION, CLIFTON, N.J.

The Department owns and operates a station in Clifton, N.J., for inspection and quarantine purposes to determine that animals and poultry imported into the United States are free from disease. It was established in 1901 under authority contained in the act of August 30, 1890 (21 U.S.C. 101-105), and was located near the port of New York where most importations from foreign countries (except Canada and Mexico) were then being made. The Clifton facility is the only animal quarantine station owned and operated by the Department.

The station has been maintained and operated continuously by the Department. Many thousands of animals and birds have been inspected and quarantined there to protect the Nation against the introduction and dissemination of destructive exotic diseases.

Representative Charles S. Joelson of New Jersey, in a letter to the Secretary, dated March 21, 1961, asked the Department to begin investigation of the possible relocation of the Clifton quarantine station. Senators Clifford P. Case and Harrison P. Williams concurred in the request.

In response to this request, a preliminary survey has been made of the New York City area. First studies were limited to federally owned land in the area. Only two such locations seem to offer possibilities: (1) Caven Point, a military installation adjacent to the Holland Tunnel Interchange on the New Jersey Turnpike, and (2) Fort Wadsworth, a military installation of Staten Island. These sites have been quite carefully examined and the advantages and disadvantages weighed from the quarantine operations standpoint. The Fort Wadsworth site seems to be the more desirable. There have been preliminary discussions about availability of portions of the sites for quarantine purposes with the military officers in charge. From such discussions there originally was reason to believe that sufficient acreage could be made available. However, with the construction of the new bridge across the "Narrows" which has as its Staten Island terminal a portion of Fort Wadsworth, it is extremely unlikely that enough area will exist to accommodate the proposed quarantine station.

The preliminary survey also has taken into account the proposed location of a second international airport to serve the New York area, now under consideration by the New York Port Authority. At the present time, Morristown, N.J., is being most actively considered. This location is about 30 miles due west of the present quarantine station in Clifton. The area was visited and, while there is no federally owned land there, it seems possible that sufficient acreage could be purchased at a reasonable price.

Final determination of a site would need to be deferred until funds for replacement of the station were available in order to exercise the best judgment of the situation at that time.

In addition to the interest of the city of Clifton in acquiring the remainder of the quarantine station site, consideration should be given to providing a new and modern facility to more adequately meet present animal quarantine needs.

To provide protection against the introduction and dissemination of exotic diseases by means of imported animals and birds, the most meticulous attention to inspection and quarantine details is necessary. The detection of sick, exposed, or apparently healthy "carrier" animals of exotic diseases is difficult. Such diseases can be disseminated in several ways: Some are insect transmitted, some are airborne, others are spread by contact or through contaminated materials. A modern quarantine station must be secure not only to prevent escape of diseases to the outside but also to prevent the spread of diseases within the station between importations undergoing quarantine at the same time. Facilities for laboratory tests, which have become important in disease prevention procedures, are also needed for the inspection and quarantine work.

Existing quarantine facilities at Clifton consists of 14 brick concrete buildings, subdivided into pens and stalls of various sizes. The principal reliance against the spread of diseases within the station must be placed on the distance between lots of animals and birds being held in quarantine. Laboratory facilities are not available at the Clifton station. Modernization of present facilities to include more adequate safety features is estimated at about \$390,000, providing for (a) air treatment and control in quarantine areas to prevent the spread of airborne and insect-transmitted diseases; (b) provision for a prequarantine receiving and inspection area; (c) installation of a sewerage system; (d) a "change house," including showers and clothing lockers for station personnel and visitors admitted to quarantine areas only on official permit; (e) development of postmortem and laboratory facilities and equipment within an existing building.

Mr. JONES. We also have from the Department Mr. E. P. Reagan, Assistant Administrator, Agricultural Research Service, and Dr. L. C. Heemstra, Director, Animal Inspection and Quarantine Division, Agricultural Research Service, U.S. Department of Agriculture.

We will be pleased to hear from you first, Mr. Joelson, as to the reason for this bill and why you think it should be adopted.

STATEMENT OF HON. CHARLES S. JOELSON, A REPRESENTATIVE
IN CONGRESS FROM THE STATE OF NEW JERSEY

Mr. JOELSON. Thank you very much, Mr. Chairman. I will try to be brief, because I know that Mr. Harvey has other commitments which he must attend to.

This bill would authorize the Secretary of Agriculture to dispose of the quarantine station presently existing in the city of Clifton, N.J., which is within the congressional district which I represent; and would further authorize the Secretary to obtain other suitable premises in the New York-New Jersey port and airport area.

This land was acquired around the turn of the century; I think exactly in 1900. At that time Clifton was a very bucolic farming community. It is now a very bustling industrial and residential community and from Clifton you can see the Empire State Building in New York. I would say that it is a 15- or 20-minute drive from the city to New York.

This land is right smack in the middle of Clifton which is built up around it.

The city council unanimously urged me to try to acquire this land for the city of Clifton so that they can have a municipal center there. And the city council, as an aside, to put it mildly, are not always in agreement on many issues, but on this particular issue they are.

Mr. HARVEY. A municipal what?

Mr. JOELSON. A municipal center—a city hall and other local governmental buildings.

I might say originally this consisted of 50 acres.

By prior acts of Congress, 22 of these acres have been disposed of and sold to the city of Clifton and there is a very beautiful high school on the site that was formerly the premises of the quarantine station. There remain 28 acres out of the original 50 acres and that is what we are dealing with here.

I have received a copy of a letter which the Secretary of Agriculture sent on April 16, 1963, to Chairman Harold D. Cooley which sets forth the history of this station in full and recommend the adoption of H.R. 1642. And I would like to offer that for the record.

Mr. JONES. That has been included in the record as a part of the record.

Mr. JOELSON. Very good, thank you.

Mr. JONES. I might say for your benefit that I have been at this station as have other members of the Committee on Agriculture and we are familiar with this station. And I do not think that I would be presumptuous in stating that the committee would be favorably inclined to cooperate with the city. It is a matter of working out the financial details. We have people here from the Department who will give us information on that.

Mr. JOELSON. I will thank the chairman, and merely state in conclusion that I am joined in this bill by our two U.S. Senators, Senator Case and Senator Williams from New Jersey.

I do want to thank the Department for its cooperation, Dr. Heemstra and all of the officials of the Department of Agriculture who have been very cooperative in this matter.

Thank you.

Mr. JONES. Thank you.

Mr. HARVEY. For the sake of getting the geography in mind is this approximately across from Staten Island or is it south of Staten Island?

Mr. JOELSON. My geography is not so good, but it is not across from Staten Island, no.

Mr. HARVEY. It is farther south?

Mr. JOELSON. I would think that it would be north of Staten Island.

Dr. HEEMSTRA. It is about 10 miles northwest from the Lincoln Tunnel.

Mr. HARVEY. I see. Thank you.

Mr. JOELSON. Thank you, again.

Mr. JONES. Do you have any questions?

Mr. HEIMBURGER. No.

Mr. JONES. Mr. Reagan, I see that you have a prepared statement, and since I think that most of the information in it has been included in the letter from the Department, if you care to make the letter a part of the record here with your statement, then perhaps you can speak briefly on the situation there and the recommendations of the Department and we will then have an opportunity, that is, the members of the subcommittee, to ask some questions that might not be covered otherwise.

STATEMENT OF E. P. REAGAN, ASSISTANT ADMINISTRATOR; ACCOMPANIED BY DR. L. C. HEEMSTRA, DIRECTOR, ANIMAL INSPECTION AND QUARANTINE DIVISION, AGRICULTURAL RESEARCH SERVICE, U.S. DEPARTMENT OF AGRICULTURE

Mr. REAGAN. Thank you, Mr. Chairman.

I believe, that Congressman Joelson, also, touched on some of the points that are in our statement.

Very briefly, the Department favors the enactment of this bill.

The existing station is now over 60 years old and the rate of upkeep is beginning to be quite a problem. Extensive remodeling is needed to provide for the livestock and birds handled through the station from foreign countries, to prevent the introduction of foreign diseases of livestock and the like into this country.

Dr. Heemstra, who is here with me, is Director of the Animal Inspection Quarantine Division and is quite familiar with all of the details of this station, its operation and will be happy to answer any questions the committee might have on this.

(The prepared statement of E. P. Reagan follows:)

STATEMENT OF E. P. REAGAN, ASSISTANT ADMINISTRATOR, AGRICULTURAL RESEARCH SERVICE, ACCOMPANIED BY DR. L. C. HEEMSTRA, DIRECTOR, ANIMAL INSPECTION AND QUARANTINE DIVISION, AGRICULTURAL RESEARCH SERVICE, U.S. DEPARTMENT OF AGRICULTURE

Mr. Chairman and members of the committee, I am Eugene P. Reagan, Assistant Administrator, Agricultural Research Service of the Department of Agriculture.

I have with me Dr. L. C. Heemstra, Director of the Animal Inspection and Quarantine Division of the Agricultural Research Service.

We are pleased to have an invitation from this committee to present a statement regarding H.R. 1642, which is to provide for the sale of the U.S. Animal Quarantine Station in Clifton, N.J., to the city of Clifton to provide for the establishment of a new station and for other purposes.

The bill would authorize the Secretary of Agriculture to (1) select a site in the New York-New Jersey port and airport area to establish a quarantine station for animals and birds imported into the United States; (2) remove the quarantine functions now being conducted at the Clifton station to a new station; and (3) enter into an agreement providing for the sale of the lands, buildings, facilities, and improvements of the Clifton station to the city of Clifton. The said city would be required to pay the appraised value of such property as determined by the Secretary. Upon establishment of a new station the Secretary would be authorized to convey to the city by quitclaim deed for public purposes all the right, title, and interest of the Federal Government in the old station. The bill provides that the Secretary would not be required to vacate or surrender the present station until the new station would be equipped and ready for operation and the quarantine functions removed to the new station. The bill further provides that the land would revert to the United States if Clifton uses or conveys any part of the land for other than public purposes. The cost of survey required in connection with the conveyance would be at the expense of the city. Proceeds from the sale would be made available to the Secretary until expended and such additional funds would be authorized to be appropriated as may be necessary for the establishment of a new quarantine station.

We favor the enactment of H.R. 1642, in view of the fact that the Clifton quarantine station is more than 60 years old and requires a continuing high rate of upkeep for present facilities. Extensive remodeling is now needed to provide features to protect U.S. livestock and poultry against introduction of diseases from foreign countries.

The Clifton quarantine station was established in 1901 under authority contained in the act of August 30, 1890 (21 U.S.C. 101-105). It was located near the port of New York where most importations of animals from foreign countries were then being made. New York continues to be the principal port of entry into the United States from countries other than Canada and Mexico. The Clifton facility is the only quarantine station owned and operated by the Department.

The Clifton station originally consisted of about 50 acres. The site was purchased in 1901 and most of the quarantine buildings and supporting structures, including three residences, were built prior to 1909. The total cost to the Federal Government of the original site and existing improvements to it has been about \$210,000—\$23,000 for the land and \$187,000 for the buildings.

During the past 10 years portions of the station have been sold to the city of Clifton for public purposes. Public Law 541, 83d Congress, approved July 27, 1954, authorized the sale of approximately 15 acres and Public Law 85-687, approved August 20, 1958, authorized the sale of approximately 7 acres. In each case, the legislation provided for payment by the city of 75 percent of the appraised fair market value. The sale of these tracts did not impair the value of the station for quarantine purposes.

The 15 acres relinquished in 1954 was unimproved land appraised at \$75,000. The 7-acre tract sold in 1958 was appraised at \$71,200. This acreage included four large cattle quarantine barns, which were of limited use without extensive and costly remodeling. Funds derived from these sales were deposited in "Miscellaneous receipts" of the U.S. Treasury. The 1958 legislation also required the city of Clifton to pay an additional \$30,000 to the Department for alteration of the remaining buildings to compensate for the loss of quarantine space represented by the four barns.

Existing quarantine facilities at Clifton consist of 14 brick and concrete buildings, subdivided into pens and stalls of various sizes. Reliance against the spread of diseases within the station is placed on the distance between the several lots of animals and birds being held in quarantine.

In response to a request from Congressman Joelson for the Department to begin investigation of the possible relocation of the Clifton quarantine station, a preliminary survey has been made in the New York area. First studies were limited to federally owned land in the area. Only two such locations seem to offer possibilities: (1) Caven Point, a military installation adjacent to the Holland Tunnel interchange on the New Jersey Turnpike, and (2) Fort Wadsworth, a military installation on Staten Island. Further study would need to be made of these sites.

The preliminary survey has also taken into account the proposed location of a second international airport to serve the New York area. At the time

of the survey, Morristown, N.J., was apparently being most actively considered. This location is about 30 miles due west from the present quarantine station in Clifton. There is no federally owned land there, but the survey indicated that sufficient acreage could be purchased at a reasonable price. The preliminary survey also indicated that other privately owned property in the New York-New Jersey port and airport area could be acquired by purchase.

Final determination of a site would need to be deferred until funds for replacement of the station were available in order to exercise the best judgment of the situation at that time.

If a new quarantine station is provided, it should include a minimum of 28,000 square feet of building space for present and anticipated needs. Such quarantine space, with appropriate engineering, would be included in one or more buildings situated on 5 to 10 acres of land. The estimated cost of such a facility containing the safety features necessary to prevent escape of diseases to the outside and also to prevent the spread of diseases within the station, is approximately \$1 million, exclusive of the cost of the land.

While the current value of the Clifton station is substantial, the proceeds from its sale would not be sufficient to cover the construction of a new station, and it would be necessary for additional funds to be appropriated.

Mr. Chairman, my colleague, Dr. Heemstra, and I will be pleased to respond to any questions which you may have.

Mr. JONES. There is one question that I would like you to answer. I believe that you said that the Government relinquished 15 acres along about 1958—that is, the Congress authorized the sale of that property and that legislation provided for payment by the city of 75 percent of the appraised fair market value.

The 15 acres were appraised at \$75,000 and 7 acres later sold were appraised at \$71,000. Do you know what the appraisal value would be for these 28 acres that are left there—what would be a fair value for it?

Dr. HEEMSTRA. Mr. Chairman, the two tracts that were sold—the one in 1954 and the second one in 1958—were toward the rear of the station. The 15 acres originally sold were entirely unimproved land—they had no buildings. The 7 acres sold in 1958 had four quarantine barns on them which were of limited use.

The remaining 28 acres lie toward the front now and is bounded by three of the principal streets in the city of Clifton, principally on the front by Clifton Avenue and toward the right by Van Houten Avenue.

I would not venture a guess as to what the appraised value would be of the 28-acre tract, but I would think that it would be considerably higher on a per acre basis than the land that was sold in the previous years.

Mr. JONES. Mr. Joelson, I would ask you this: Do you know what the city council is anticipating they might have to pay for this land?

Mr. JOELSON. No, sir; I do not know that, but I would concur that this is valuable land and they would have to expect to pay a reasonable amount, but I could not give you a figure.

Mr. JONES. I notice that, in the report of the Department, there is an estimate for the new facilities, I think, that would have to be provided, that they would cost, approximately, \$1 million, exclusive of the cost of the land. I think that I would want to know something about what the land was going to cost on which it is anticipated constructing these facilities that are going to replace the ones in use now.

As I said before, I have been there. I know that you have an old antiquated and pretty well rundown establishment. Of course, the land is worth considerable, perhaps more with the buildings off than with them on.

When it comes to buying the other land, we do not want to feel that we would be held up. We, certainly, would need the cooperation of the city council, if it will still be in Clifton—or would this be outside of the city of Clifton; that is, the new plant?

Dr. HEEMSTRA. Mr. Chairman, I think it would not be in the city of Clifton—it would be outside.

We have made a preliminary study as to the possible relocation sites and we have looked, first, at Government-owned property and we have found two such properties which have promise, one being in Caven Point, which is not far from the Statue of Liberty.

Mr. HEIMBURGER. Which island is that?

Dr. HEEMSTRA. Caven Point. That is a military installation. It is not on Staten Island.

Mr. HEIMBURGER. It is over on the Jersey shore?

Dr. HEEMSTRA. On the Jersey shore. And the other is at Fort Wadsworth which is a military installation on Staten Island.

These are the only two pieces of Government property that show any promise whatsoever. On the other hand, while the present station now occupies 28 acres we are thinking about a new one of a much smaller size, something like 5 or 10 acres. And it does not have to be on high-priced land.

Mr. BEERMANN. In that regard, I would like to know, in what volume do animals and birds come through this station?

Dr. HEEMSTRA. When the station was originally built, between 1900 and 1910 it was built as a cattle quarantine station. We, at that time, received tremendous numbers of cattle from Great Britain and other countries. Since that time quarantine has changed and we do not get as many cattle as we used to get—not nearly as many—but we get many other types of animals now.

We get a lot of horses through there, particularly, racehorses—there is a terrific traffic in racehorses. We get many kinds of birds which we classify as “poultry.” And we get many types of animals which are classified as zoological specimens, like giraffes and deer and antelopes and animals of that type.

Mr. BEERMANN. But the volume is much less?

Dr. HEEMSTRA. The volume is somewhat less, but the type of quarantine is different than it was.

Mr. BEERMANN. Thank you.

Mr. HEIMBURGER. Do you quarantine all live animals and birds coming into the United States?

Dr. HEEMSTRA. No, not all of them. We quarantine swine and horses and poultry. Poultry has a rather broad definition. It includes chickens, ducks, geese, turkeys, what we think generally of as farm poultry. But, also, it includes many wild game birds that are subject to some of the same diseases that the domestic poultry are subject to, such as partridges and quail and that type.

Mr. HEIMBURGER. But you do not quarantine such animals as tigers and elephants?

Dr. HEEMSTRA. No, we do not at the present time.

Mr. HEIMBURGER. Are there other quarantine stations?

Dr. HEEMSTRA. No, this is the only quarantine station that the Department of Agriculture owns and operates.

Mr. HEIMBURGER. So that for practical purposes when animals or kinds which are subject to quarantine come into the United States they come through the port of New York?

Dr. HEEMSTRA. Yes. First, zoo animals must all come through the port of New York because of the unusual risk attendant to those animals which are subject to hoof-and-mouth disease. We make them all come through the port of New York. Other animals, such as horses and poultry, can come in through other ports of entry, such as Miami and Los Angeles, but it is the responsibility of the importer there to furnish quarantine space and this is becoming a very difficult thing for them to do.

Mr. HEIMBURGER. When they do, you quarantine them at the port of entry?

Dr. HEEMSTRA. At the port of entry, yes.

Mr. HEIMBURGER. Instead of transporting them to the station?

Dr. HEEMSTRA. That is correct.

Mr. HEIMBURGER. The ones that enter at New York, how do you transport them physically to the station?

Dr. HEEMSTRA. By truck.

Mr. HEIMBURGER. Your own trucks?

Dr. HEEMSTRA. No. This is a bonded carrier. They go from either Idlewild or from the other area by trucks to the quarantine station.

Mr. HEIMBURGER. Are these special trucks particularly equipped to prevent the escape of viruses and germs en route or what?

Dr. HEEMSTRA. In the first instance, they are closed trucks. They are cleaned and disinfected when they pick up the animals and after they have delivered the animals then the trucks are again cleaned and disinfected and can be used for other purposes.

Mr. HEIMBURGER. This is a contract service which is used?

Dr. HEEMSTRA. This is a service which the importer contracts for.

Mr. HEIMBURGER. I see, the importer has to pay?

Dr. HEEMSTRA. He has to pay for that.

Mr. HEIMBURGER. That is, to deliver the animals to the station?

Dr. HEEMSTRA. Although we do the disinfecting as part of our inspection.

Mr. HEIMBURGER. This is not exactly germane to this particular subject, but I was thinking about the location of the new station. Unlike the days when the station was first built where it was necessary to have it physically close to the waterfront so that the cattle could be readily moved up there, it does not make too much difference where the station is located now, so long as it is within a reasonable trucking distance of New York; would that not be correct?

Dr. HEEMSTRA. It really does not make much difference. Once they are loaded, another 10 or 15 miles does not make much difference in a closed van.

Mr. HEIMBURGER. As you state in your statement there is some possibility of a new airport being built near Morristown and it would be just as convenient in the long run, probably, to have it out there somewhere?

Dr. HEEMSTRA. It would be relatively convenient from the dock area. However, if the airport were built at Morristown and we had a quarantine station at that location and the animals came in at Idlewild, the distance would be considerable, but not insurmountable.

Mr. HEIMBURGER. Thank you.

Mr. JONES. Mr. Dague?

Mr. DAGUE. No questions.

Mr. JONES. I think that with the statements we have and with the testimony that has been given we have sufficient information for the subcommittee to make its recommendations. If the members do not have any further questions, we will now go into executive session.

Dr. HEEMSTRA. Thank you.

Mr. JOELSON. Thank you.

Mr. REAGAN. Thank you.

Mr. JONES. The committee will now go into executive session.

(Whereupon, at 10:30 a.m., the subcommittee proceeded into executive session.)

PROVIDE A DIFFERENT BASIS FOR DETERMINING
AMOUNT OF MONEY AVAILABLE TO STATE OF
ILLINOIS BECAUSE OF LOCATION OF NATIONAL
FOREST IN STATE

and

ADD CERTAIN LANDS TO THE CACHE NATIONAL
FOREST, UTAH

TUESDAY, JULY 16, 1963

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON FORESTS OF THE
COMMITTEE ON AGRICULTURE,
Washington, D.C.

The subcommittee met at 10 a.m., pursuant to notice, in room 1310, Longworth House Office Building, Washington, D.C., Hon. George M. Grant (chairman of the subcommittee) presiding.

Present: Representatives Grant, Matthews, Harding, McIntire, Teague of California, Short, and Mrs. May.

Also present: Representative Hutchinson; Christine S. Gallagher, clerk; Hyde H. Murray, assistant clerk; John J. Heimburger, counsel; and Robert Bruce, assistant counsel.

Mr. GRANT. The subcommittee will please come to order.

We have two bills to consider this morning, H.R. 5738, by Mr. Gray, and H.R. 7218, by Mr. Burton.

They will be made a part of the record at this time, together with the Department reports.

(The documents referred to follow:)

[H.R. 5738, 88th Cong., 1st sess.]

A BILL To provide a different basis for determining the amount of money to be made available to the State of Illinois because of the location of national lands within such State, 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 Secretary of the Treasury, upon the certification of the Secretary of Agriculture, shall pay to the State of Illinois, at the close of each fiscal year from any national forest receipts not otherwise appropriated, a sum of money equivalent to three-quarters of 1 per centum of the fair appraised value of such national forest lands as may be situated within such State at the end of each fiscal year, and the payments made hereunder shall be distributed to each of the counties of such State in conformity with the fair appraised value of such national forest lands situated within each such county. The fair appraised value of such national forest lands shall be determined by the Secretary of Agriculture at ten-year intervals and his determination shall be conclusive and final. The first payment to the State of Illinois under the provisions of this Act shall not be due until the

close of the first full fiscal year which begins on or after the date of enactment of this Act. The provisions of the Act of May 23, 1908 (16 U.S.C. 500), and of section 13 of the Act of March 1, 1911 (16 U.S.C. 500), shall not be applicable to the national forest lands to which this Act applies.

[H.R. 7218, 88th Cong., 1st sess.]

A BILL To add certain lands to the Cache National Forest, Utah

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the exterior boundaries of the Cache National Forest, Utah, are hereby extended to include the following described lands:

A tract of land in the north half of the northeast quarter of section 24, township 6 north, range 1 east, Salt Lake base and meridian, being more particularly described as follows:

Beginning at the northeast corner of said section 24, and running thence south following the east line of said section 24 522.4 feet; thence north 65 degrees 16 minutes west 250.3 feet; thence along a regular curve to the left with a radius of 3,743.2 feet, for an arc distance of 1,606.0 feet; thence north 0 degrees 08 minutes east 78.9 feet to the north line of said section 24; thence south 89 degrees 52 minutes east along the section line 1,783.4 feet to the point of beginning, containing 10.2 acres.

A tract of land in sections 18 and 19, township 6 north, range 2 east, Salt Lake base and meridian, being more particularly described as follows:

Beginning at the southwest corner of said section 18 and running thence north 0 degrees 21 minutes east along the west line of said section 18, 3,960.0 feet; thence north 88 degrees 39 minutes east 150.0 feet; thence south 1 degree 22 minutes east 318.2 feet; thence north 88 degrees 38 minutes east 15.0 feet; thence south 1 degree 00 minutes east 137.0 feet; thence east 280.0 feet; thence south 159.0 feet;

thence north 88 degrees 49 minutes east 406.0 feet; thence south 51 degrees 20 minutes east 96.1 feet; thence south 71 degrees 13 minutes east 158.4 feet; thence south 54 degrees 15 minutes east 162.6 feet; thence south 25.0 feet; thence south 41 degrees 53 minutes east 233.7 feet; thence south 57 degrees 04 minutes east 408.1 feet;

thence north 88 degrees 39 minutes east 120.0 feet; thence south 1 degree 21 minutes east 64.0 feet; thence south 67 degrees 27 minutes east 144.4 feet; thence north 1 degree 21 minutes west 59.1 feet; thence north 89 degrees 14 minutes east 58.7 feet; thence south 3 degrees 43 minutes east 228.1 feet;

thence east 55.5 feet; thence south 18 degrees 28 minutes east 139.2 feet; thence south 27 degrees 28 minutes east 332.6 feet; thence south 89 degrees 11 minutes east 131.3 feet; thence south 4 degrees 30 minutes east 494.1 feet; thence south 43 degrees 29 minutes east 307.2 feet; thence south 85 degrees 12 minutes east 145.9 feet;

thence south 4 degrees 45 minutes east 769.2 feet; thence south 3 degrees 48 minutes west 300.0 feet; thence westerly 70.0 feet, more or less; thence south 6 degrees 15 minutes east 235.0 feet; thence south 42 degrees 00 minutes east 115.2 feet; thence east 164.5 feet; thence south 9 degrees 00 minutes east 1,025.2 feet; thence south 54 degrees 00 minutes east 365.7 feet;

thence along a regular curve to the right with a radius of 1,850.08 feet for an arc distance of 1,126.0 feet, the tangent at the beginning of the curve bears south 64 degrees 09 minutes west; thence north 5 degrees 00 minutes east 61.8 feet; thence north 9 degrees 15 minutes east 400.0 feet; thence north 85 degrees 14 minutes west 1,191.0 feet; thence north 401.0 feet; thence south 82 degrees 20 minutes west 256.0 feet; thence south 31 degrees 38 minutes west 231.8 feet;

thence west 120.0 feet; thence south 1 degree 30 minutes west 204.6 feet; thence north 65 degrees 16 minutes west 766.7 feet to the west line of said section 19; thence north 522.4 feet to the point of beginning, containing 246.0 acres.

A tract of land in the northwest quarter of the northeast quarter of section 13, township 6 north, range 1 east, Salt Lake base and meridian, being more particularly described as follows:

Beginning at the southwest corner of said northwest quarter northeast quarter, from which point the north quarter corner of said section 13 bears north 0 degrees 57 minutes east 1,320.0 feet, and running thence north 0 degrees 57 minutes east along the west line of said northwest quarter northeast quarter 195.0 feet; thence north 65 degrees 04 minutes east 361.3 feet;

thence south 51 degrees 18 minutes east 284.6 feet; thence east 322.0 feet; thence south 170.0 feet, more or less, to the south line of said northwest quarter northeast quarter; thence north 89 degrees 57 minutes west 875.0 feet, more or less, to the point of beginning, containing 4.4 acres.

A tract of land in the southeast quarter of the southeast quarter of section 12 and the northeast quarter of the northeast quarter of section 13, township 6 north, range 1 east, Salt Lake base and meridian, being more particularly described as follows:

Beginning at the northeast corner of said section 13 and running thence south along the east line of said section 13 576.0 feet to a point on the north line of First Street of the Huntsville townsite; thence south 88 degrees 39 minutes west 473.3 feet; thence north 0 degrees 07 minutes east 75.0 feet;

thence north 61 degrees 26 minutes west 496.4 feet; thence north 4 degrees 53 minutes west 284.7 feet to a point on the south line of section 12; thence continuing north 4 degrees 53 minutes west 349.3 feet; thence north 9 degrees 37 minutes east 196.5 feet;

thence east 40.0 feet; thence north 2 degrees 47 minutes east 120.0 feet, more or less, to the north line of the south half southeast quarter southeast quarter of section 12; thence east along said line, 900.0 feet, more or less, to the east line of said section 12, thence south 0 degrees 21 minutes west 660.0 feet to the point of beginning, containing 24.9 acres.

A tract of land in the southwest quarter of the southwest quarter of section 6 and in the west half of section 7 and in the north half of the northwest quarter of section 18, township 6 north, range 2 east, Salt Lake base and meridian, being more particularly described as follows:

Beginning at the southwest corner of said section 7 and running thence north 0 degrees 21 minutes east along the section line 5,280.0 feet to the southwest corner of said section 6; thence continuing north along the section line 1,320.0 feet, thence east 1,320.0 feet; thence south 1,320.0 feet to the north line of said section 7;

thence south 3,960.0 feet; thence north 88 degrees 43 minutes east 500.0 feet; thence south 3 degrees 00 minutes east 1,232.0 feet; thence south 71 degrees 24 minutes west 301.3 feet to the south line of said section 7; thence south 24 degrees 44 minutes west 310.2 feet; thence south 130.5 feet; thence south 88 degrees 39 minutes west 335.25 feet;

thence north 130.5 feet; thence south 88 degrees 08 minutes west 121.5 feet; thence north 76.0 feet; thence south 88 degrees 27 minutes west 414.9 feet; thence south 6 degrees 45 minutes east 192.0 feet; thence west 100.0 feet; thence south 34 degrees 02 minutes west 220.0 feet; thence south 88 degrees 39 minutes west 419.1 feet to west line of said section 18; thence north 576.0 feet to the point of beginning, containing 230 acres, more or less.

A tract of land in sections 1, 2, 3 and 12, township 6 north, range 1 east, Salt Lake base and meridian, being more particularly described as follows:

Beginning at the northwest corner of said section 2 and running thence east along the section line 5,280.0 feet to the northwest corner of said section 1; thence east along the section line 5,280.0 feet to the northeast corner of said section 1; thence south along the section line 5,280.0 feet to the northeast corner of said section 12; thence south along the section line 1,320.0 feet;

thence west 1,320.0 feet; thence north 1,320.0 feet to a point on the south line of said section 1; thence west along the section line 1,320.0 feet; thence north 3,960.0 feet; thence west 2,640.0 feet to a point on the east line of said section 2; thence south along the section line 2,640.0 feet; thence

west 1,320.0 feet; thence south 1,320.0 feet to a point on the south line of said section 2;

thence west along the section line 1,320.0 feet; thence north 3,960.0 feet; thence west 2,640.0 feet to the east line of said section 3; thence west 3,960.0 feet; thence north 1,320.0 feet to the north line of said section 3; thence east along the section line 3,960.0 feet to the point of beginning, containing 920.0 acres.

A tract of land in the south half of the south half of section 36, township 7 north, range 1 east, Salt Lake base and meridian, being more particularly described as follows:

Beginning at the southeast corner of said section 36 and running thence north along the west line of said section 36 1,320.0 feet; thence east 3,300.0 feet; thence south 1,320.0 feet to the south line of said section 36; thence west along said south line 3,300.0 feet to the point of beginning, containing 100 acres.

A tract of land in the south half of section 34, township 7 north, range 1 east, Salt Lake base and meridian, being more particularly described as follows:

Beginning at the southeast corner of said section 34 and running thence north along the east line of said section 34 1,980.0 feet; thence west 3,960.0 feet; thence south 1,980.0 feet to the south line of said section 34; thence east along said south line 3,960.0 feet to the point of beginning, containing 180 acres.

SEC. 2. All lands of the United States within such extended boundaries together with all federally owned lands within the former forest boundary which are included within the enlarged Pineview Reservoir site in sections 1, 2, 3, 10, 11, 12, 13, 14, 15, 16, and 24, township 6 north, range 1 east, sections 6, 7, 18, and 19, township 6 north, range 2 east, and sections 34 and 36, township 7 north, range 1 east, Salt Lake base and meridian, and including any lands within such boundaries hereafter acquired by the United States in connection with the Weber Basin project, shall hereafter be national forest lands subject to the laws, rules, and regulations applicable to lands acquired pursuant to the Act of March 1, 1911 (36 Stat. 961), as amended: *Provided*, That none of these lands shall be sold, exchanged, or otherwise be disposed of by the Secretary of Agriculture without the approval of the Secretary of the Interior and any revenue from disposal so authorized shall be credited pursuant to reclamation law.

SEC. 3. (a) The Secretary of Agriculture shall make available, from the lands referred to in the foregoing sections of this Act, to the Bureau of Reclamation of the Department of the Interior, such lands as the Secretary of the Interior finds are needed in connection with the Weber Basin and Ogden River reclamation projects, and shall include particularly as a minimum area needed for such project, all the normal water surface area of the Pineview Reservoir and an adjacent border strip extending out from such water surface area a minimum horizontal distance of 100 feet around said reservoir, and in addition all the reclamation acquired land in section 16, township 6 north, range 1 east.

(b) The Secretary of the Interior is authorized to enter into such agreements with the Secretary of Agriculture with respect to the relative responsibilities of the aforesaid Secretaries for the administration of, as well as accountings for and use of revenues arising from, lands made available to the Bureau of Reclamation of the Department of the Interior pursuant to subsection (a) as the Secretary of the Interior finds to be proper in carrying out the purpose of this Act.

DEPARTMENT OF AGRICULTURE,
Washington, D.C., April 16, 1963.

HON. JOHN W. MCCORMACK,
Speaker of the House of Representatives.

DEAR MR. SPEAKER: Transmitted herewith, for consideration of the Congress, is a draft bill to add certain lands to the Cache National Forest, Utah.

This Department recommends enactment of the draft bill. The draft bill would: (1) Extend the exterior boundaries of the Cache National Forest in Utah to include about 1,700 additional acres in and near the Pineview Reservoir site, Weber Basin project; (2) give national forest status to lands within this extension now owned (about 750 acres) or later acquired by the United States in

connection with the Weber Basin project, with the proviso that none of such lands would be sold, exchanged, or otherwise disposed of by the Secretary of Agriculture without the approval of the Secretary of the Interior and any revenue from disposal so authorized would be credited pursuant to reclamation law; (3) direct the Secretary of Agriculture to make available to the Department of the Interior such lands as may be needed for the Weber Basin and Ogden River projects; and (4) authorize the Secretaries of the two Departments to enter into agreements with respect to the administration of, and accounting for and use of revenues from lands made available to the Department of the Interior.

The Pineview Reservoir is created by a dam in the Ogden River in section 16, township 6 north, range 1 east in Utah. The area immediately surrounding the original reservoir has been within the Cache National Forest for more than 20 years. Recently the storage capacity of the reservoir has been increased and additional lands have been acquired by the Bureau of Reclamation.

The addition of these lands to the Cache National Forest would facilitate their management. They are very similar to and offer the same uses and resources as do the adjacent lands now being administered by the Forest Service. Recreation development programs, wildlife habitat management, and fire control all can be more simply and economically administered by a single agency. National forest personnel are located in the immediate area and can do this effectively. It would put under the jurisdiction of one agency the Federal lands which are similar in character and serve common purposes and which require similar management. Giving national forest status to the lands which have been acquired by the Bureau of Reclamation in connection with the expansion of the storage capacity of the reservoir would permit uniform development and protection of the recreation and other resources of the area and would facilitate effective and economical administration of these lands under the principles of multiple use and sustained yield as directed in the act of June 12, 1960. At the same time the needs for reclamation purposes would be fully met.

The bill would not increase Federal ownership. By extension of the Cache National Forest boundaries the bill would give national forest status to lands which have been acquired or will hereafter be acquired in connection with the reclamation project.

A similar letter is being sent to the President of the Senate.

The Bureau of the Budget advises that there is no objection to the presentation of this proposed legislation from the standpoint of the administration's program.

Sincerely yours,

ORVILLE L. FREEMAN.

Mr. GRANT. We will be glad to hear from our colleague, Mr. Gray, who is the author of H.R. 5728.

STATEMENT OF HON. KENNETH J. GRAY, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF ILLINOIS

Mr. GRAY. Thank you very much, Mr. Chairman, and members of this distinguished subcommittee. I certainly appreciate very much the courtesy in allowing me to testify this morning.

For the record, my name is Kenneth J. Gray, Representative of the 21st Congressional District of the State of Illinois.

I do not have any prepared testimony this morning. I will try to summarize the purpose of H.R. 5738, which is a bill to provide a different basis for determining the amount of money to be made available to the State of Illinois because of the location of national forest lands within such State, and for other purposes.

Mr. Chairman, in explaining the purpose of this bill let me say that all of us appreciate deeply the fact that southern Illinois has the great Shawnee National Forest, comprising 211,000 acres. This forest is a very beautiful one. And, certainly, in time to come

will be of great economic benefit to the area, but since it is relatively new—and I say “relatively new” compared to other national forests, the land was bought mostly in 1940—it does present this problem: in some counties in southern Illinois we have approximately 70 to 75 percent of the entire land area encompassed within the Shawnee National Forest. And, of course, there is the loss of tax revenues.

I have a booklet here prepared by the U.S. Forest Service pointing out in the shaded area the land area of the Shawnee National Forest. And, if I may, I would like to pass this around to you so that you can get an idea about this, as I talk, as to just what our problem is. The pamphlet also points out, Mr. Chairman, that, since 1940, prior to World War II, this area around the Shawnee National Forest has lost 45 percent of its population.

This, in addition to taking out from the tax base this land has brought on a real serious economic problem, high unemployment, and in many instances the counties have had to issue anticipation warrants. They have not had enough money to pay their teachers and to build roads and provide other good and needed services in the area. This has prompted me to introduce this legislation which changes the formula from the present formula now of 25 percent of all the funds coming in from the sale of timber going back to the county. This changes the formula to three-quarters of 1 percent of the assessed valuation of the land.

These people who once owned this land and the others who live in the area feel that since the stands of timber are so young and the yield from the sale of timber is so small that this is not an equitable way to derive funds for county governments; and therefore they have asked that we take the assessed valuation of three-quarters of 1 percent of the assessed valuation and return it to the counties in order that they can have decent schools and to build better roads and do the necessary things that are so badly needed in that particular area.

The Forest Service has reported on the bill and has reported, I am sorry to say, Mr. Chairman, unfavorably. I am a little disappointed in the report submitted to the committee, because they do not address themselves to the problem of the Shawnee National Forest—they address themselves to the problem of the Forest Service in general. They contend that the shared revenues, that is, taking the money from the sale of the timber is adequate to compensate the people for the loss of taxes. Now this may be true on a national level, but it is not true in the Shawnee National Forest.

In many instances—one county in particular has over 50 percent of all of the land of the county in the Shawnee National Forest and receives \$1,800, which they received last year for their share of the 25 percent from the sale of timber. And I think it is easy to understand that it would not take much land being taken out of the tax base to make up \$1,500 or \$2,000 and that this is not enough to build roads and to pay the schoolteachers and do the other necessary things.

As I said, I am a little disappointed that they did not address themselves to the Shawnee National Forest, because that is all my bill takes care of.

Mr. Chairman, there is ample precedence for this legislation. There is one national forest in Minnesota that is receiving this same formula that would be allowed in the legislation I have introduced; in fact, to be frank about it, I patterned my bill after this public law—I do not have the number of it here readily available, but it is the Superior National Forest in Minnesota. They are getting three-quarters of 1 percent of the taxable base of the assessed valuation returned to the counties in lieu of taxes.

No one likes to come before a congressional committee and wash his dirty linen and talk about the economic distress of a community, but I would be derelict if I did not tell you that the entire 18-county congressional district I represent is listed by the Area Redevelopment Administration and the U.S. Department of Labor as being a labor-distressed area. In the 18 county congressional districts we have lost almost 40 percent of our prewar population, while other communities have grown in size. The reason for this being that it is a coal-mining area. And due to mechanization and worked-out mines we have lost about 20,000 coal-mining jobs in the past 20 years in southern Illinois.

And it is a marginal agricultural district which means that people have to go other places in order to find employment. They cannot make a living on the farms of southern Illinois, because, as I said, it is marginal agricultural land.

And by taking out all of the land in the area and putting it into the Shawnee National Forest, as I said earlier, it has compounded our problem, and if we are not compensated adequately we are going to have to resort to other means of public handouts.

So it is really not going to cost the Federal Government any money to give these people a decent amount of money in lieu of taxes.

The Forest Service, Mr. Chairman, points out that the direct benefits to be received from the national forest lands will increase in the future, and I am not finding any quarrel with this. The revenues, probably, will increase in the future, but when they say the future they are talking about 20 or 30 years from now, because in the past, as I have said, we have received less than \$1,500 to \$2,000 per county in lieu of taxes.

One other thing, in closing I want to bring to the attention of the committee that the Forest Service, in addition to having the 211,000 acres now in the Shawnee National Forest in southern Illinois proposes, in this pamphlet that I passed to the committee, to buy an additional 255,000 acres of land in southern Illinois. There are now two large parts of land in the Shawnee National Forest and there is a gap of about 60,000 acres and they propose to close this gap through the purchase of 60,000 acres of land and to buy an additional 195,000 acres in southern Illinois to doubly expand the Shawnee National Forest. Our people are for this. They are for this, because they believe there are many national benefits to be derived from a larger Shawnee National Forest. They are for it provided that they can get a decent return for the loss of revenues in lieu of taxes.

So I would ask your very serious consideration. This is a very serious problem. It is a problem, I think, that should be attacked on each individual problem basis and is not addressed to the overall problem of the national forests, but instead to take each one as an individual

case, because, in many instances, there may be forests that are producing enough where the 25 percent is adequate return to the county, but in the case of Shawnee National Forest it is not adequate and we are having a very difficult time in paying our teachers and building roads and doing those things necessary for the people of southern Illinois. So I would ask, as I said before, your very serious consideration for the bill. It is sorely needed.

I do have ample facts and figures here to present for the record to prove that the people are having a very difficult time getting by.

Mr. GRANT. Thank you very much for your statement.

I notice in the report here from the Department that it states:

The Forest Service is currently restudying this matter and we hope to be able to clarify the current situation by developing additional information pertaining to this complex subject.

It is a complex subject. You certainly have one in southern Illinois, and particularly extending the boundary of this national forest is compounding the injury.

Mr. GRAY. That is a very important point. I would also call your attention to about the fifth paragraph of the letter where it says:

In 1952 the Forest Service study concluded that national forest contributions to local governments generally exceeded the taxes estimated to be payable on similar lands in private ownership.

The point being that they have already made a study in 1952, and to me this is just a delaying tactic. And, furthermore, as I said, they addressed themselves to the problem generally, and not to the Shawnee National Forest in particular. For example, they say here that, generally, the taxes estimated to be payable are less than the amount that the communities are getting from the sale of timber. And this may be true nationally, but in the Shawnee National Forest, the forest is so young, the yields are not great enough; and therefore the sale of timber is very small. That is a very pertinent point.

As I said, they did study it in 1952, and they came to the overall conclusion. Generally speaking, it was that the people in the communities are getting more money from the 25-percent formula than they would receive from the three-quarters of 1 percent of the assessed valuation. However, in the case of the Shawnee National Forest, this is not correct. The records will bear that out. I called the Forest Service to get the exact amount of money paid last year into these communities. I was not able to get the figures, but they are very, very small compared to the national yield from national forests—from the national forest system. It is a very small amount.

Mr. MATTHEWS. Mr. Chairman, I would like to tell our good friend, Mr. Gray, that we are happy to have him before our subcommittee.

Mr. GRAY. Thank you.

Mr. MATTHEWS. And he has, certainly, as he does always, presented his point in a very excellent manner.

Mr. GRAY. Thank you very much.

Mr. MATTHEWS. I think all of us on the committee can realize that he does have a special problem.

Mr. Gray, let me ask you this question—as I understand it, the chief problem here in your forest area at the present time is that the stands of timber are not to the point of growth whereby taking the 25-percent contribution is a reasonable amount of money in lieu of taxes.

Mr. GRAY. That is absolutely correct—that is the problem. Yes.

Mr. MATTHEWS. In other words, if this timber were developed to the point that it will probably be a few years from now you feel like it would be fair to have the 25-percent contribution then?

Mr. GRAY. That is exactly correct. And I would say that 15 or 20 years or maybe less, when the sale of timber is expanded in this area, then I think that the 25-percent formula would be fair. And I am sure that it is fair in other parts of the country where the yields are greater, but since the land was purchased in 1940, in the Shawnee National Forest, and some in the late thirties, and some in the early forties, compared to that purchased back in the early 1900's in many other forests, we are not getting the yields that the average forests are. That is our problem now. We need something to fill in in the interim until such time as this formula would bring enough money in, in lieu of taxes.

Mr. MATTHEWS. One more question—I do not believe that you said you have this information, but that you are going to try to get it, but here is the question—what is the ratio of the amount of money that you are receiving from the forests compared to similar land in private ownership?

Mr. GRAY. Our best estimate is that we are getting about 20 percent in return from the Forest Service compared with what we would get if it were in private hands; in other words, we are losing about 80 percent of our taxable income because of the Shawnee National Forest.

I would want to be fair and say that there are other benefits received from the forests. You have the tourists who come in the area. There are national benefits, such as recreation, wildlife, and that sort of thing, but that does not necessarily help the local economy, because the people may come in for overnight camping and they spend the day or so in the forest and then go 20 or 30 miles away and stay all night and spend their money there. We are getting national benefits but we are not getting enough compensation, as I say, to run the county governments.

Mr. MATTHEWS. If I may go off the record—

Mr. GRANT. Yes.

(Discussion off the record.)

Mr. GRANT. On the record.

Mrs. May?

Mrs. MAY. I am very sympathetic, as one of the subcommittee members, with your problem. We have discussed this subject pro and con in my State of Washington.

The trouble, it seems to me, going back to the days when we had it up for discussion in our State legislature, is coming up with a better formula overall, because the minute that we make one exception, then the Forest Service has problems. It is under much pressure from various directions. And there is the fact also that we do not always get agreement on the best formula from our own county officials.

What I want to ask you is this: How do the county officials in your State feel about your bill, are they backing it?

Mr. GRAY. I would like to say to the lady that I am a little bit embarrassed. They had to seek out this precedent established in Minnesota and call it to my attention through a resolution of the various municipalities. In fact, Mr. Cederberg, of Michigan, had introduced

similar legislation for a forest in Michigan. They called to my attention the fact that the Government was now paying to the Superior National Forest in Minnesota three-quarters of 1 percent. Frankly, this is where I got my formula.

In direct answer to your question they are all for this. They are absolutely in agreement that this would be much better than the 25-percent formula.

Mrs. MAY. Are your county officials?

Mr. GRAY. The county officials, as the people charged with operating our government in these counties. There are approximately 211,000 acres, to be exact, in the Shawnee National Forest and it is spread over about seven counties. Naturally, it affects the county governments in these 7 counties of my 18-county congressional district.

Mrs. MAY. That is the sole exception at this time, the one that you referred to, as to the uniform basis on which they, the Forest Service, made contributions? And they referred to this arrangement as reflecting a special purpose, a particular purpose for which it is being administered. We can hear about that from the Forest Service witness to explain the statement in their report.

Do you see any similarity in the precedent of this particular area and its connection with other new areas?

Mr. GRAY. I think that they are essentially similar. I have not had an explanation of the report covering the bill which does not give any details. I, too, would be enlightened further by the representatives of the Forest Service as to why this precedent was established. However, it is my understanding that it was a new forest and they had the same problem that we do, there was not enough yield from the timber sales so that they had to make some kind of an exception. There may be other reasons, too, but this is the reason that I obtained from the Forest Service when I started digging into this matter.

Mrs. MAY. One more question—perhaps you have answered it in answering Mr. Matthews before, but I would like to ask you this, is it your idea that you would be given this exception from the formula for a certain amount of time and then later, when the yields from the forest come up, that you would revert back to the uniform basis?

Mr. GRAY. I would be most happy to accept that type of an amendment. If you will notice, the bill calls for the assessed valuation to be determined each 10-year period. And, certainly, if the committee in its wisdom saw fit to report this bill out I would accept the amendment saying that we would be willing to try it on a 10-year period and that the second interval should be determined whether the 25-percent formula or the three-quarters of 1 percent of the assessed valuation were a better formula for the counties, but we know, at least, for the next 10 years that the yields are not going to be sufficient to run the county governments in these areas, particularly in view of the fact that they now propose to double the size of the forest, which we are all for, provided we can be compensated for the loss of taxes. At the end of the 10-year period we certainly would be willing to take a look, and if the 25-percent formula were better we would certainly be willing to go back to it.

Mrs. MAY. I believe, Mr. Gray, that you would agree with this, that it would probably be very important for us to determine if such exception was made in your instance as to how many other forest

areas might be in similar circumstances that would come in, perhaps, asking for the same type of change and what the overall economic impact on county revenues might be.

Mr. GRAY. That is a very important point.

Mrs. MAY. I hope that we will get that information.

Mr. GRAY. It is a very important point. I think probably the best answer would be to ask how many forests have been established since 1940, because all of them are in the same problem of their growing stands of timber which take many, many years. I do not know of too many that have been established since 1940, since World War II, but I would say that all of those that have been established since 1940 are having this problem if the general economy of the area is not otherwise able to take care of it. This is our real problem here.

They point out, in the pamphlet that I passed around, that in the Shawnee National Forest counties we have lost 45 percent of our prewar population. Now, if we had industrial development and other things to compensate for the loss of the revenues from the taxes we would have been able to row our own canoe, but to take all of the land out of the tax base and then have a 45-percent loss in our population because of marginal agriculture and coal mines being worked out this is the "straw that broke the camel's back." For that reason you would almost have to consider each problem on its own merits, because in many other forest areas the economy in the surrounding area would be able to complement the loss from this type of a problem.

Mrs. MAY. Thank you very much. That is all.

Mr. GRANT. Mr. Harding?

Mr. HARDING. I want to say that I think that Mr. Gray has made a very able presentation of his case for the need of additional revenues in lieu of taxes for these counties in the State of Illinois. I do have some questions that I would like to ask our colleague.

Mr. GRAY, how many acres of forest land do you have in the State of Illinois?

Mr. GRAY. Well, all of the Shawnee National Forest is in my congressional district. I have a map that is shaded that shows that we have 211,000 acres of my 18-county congressional district that is in the forest, all in southern Illinois.

Mr. HARDING. Prior to its being included in the national forest, what was this land used for?

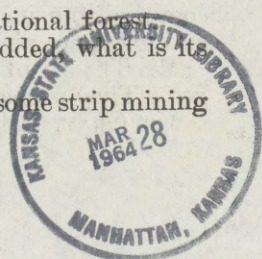
Mr. GRAY. This land was used for agriculture, fluorspar mining, and some strip coal mining. That has been our problem, as I pointed out earlier, that the land is marginal. The remaining lands are not fertile enough to produce enough agricultural commodities to take up for what we have lost. It is very marginal land. When the glaciers came through they took off all of the topsoil. It is rocky and rather hilly in this particular part. The terrain is very beautiful—there are some pictures in the pamphlet that will give you some idea of that.

Mr. HARDING. Do I understand there is a proposal to add additional land to the national forest?

Mr. GRAY. To more than double the size of the national forest.

Mr. HARDING. The additional land that will be added what is its present use?

Mr. GRAY. About the same thing, agriculture, and some strip mining and some fluorspar mining.



Mr. HARDING. I understand that you and your people support the proposal to add these additional lands to the national forest?

Mr. GRAY. Yes; we recognize the national benefits that will be derived from this proposed expansion and we know that eventually, after the building of lakes and new camping sites and this sort of thing, that the economy will eventually come up in the area because of the expansion of the forest, providing more recreational facilities and all. This is one of the faults that I have had with the Forest Service. Prior to this time they have allowed the 211,000 acres to lie dormant so far as promoting its great recreational potential. There are no overnight facilities for people who want to come in from a great distance. In fact, within a 300-mile radius of southern Illinois we have 30 million people. Yet few come into this national forest. There is no place to stay. There are no decent camping facilities, outdoor picnic facilities.

Not until we passed the Public Works Acceleration Act did we get any funds in order to take care of these accommodations. We were able to get a \$400,000 grant. We are now building the facilities that will be helpful.

Mr. HARDING. Can they go into the area and camp?

Mr. GRAY. Yes.

Mr. HARDING. Have there been any attempts to plant deer or other game in the forest?

Mr. GRAY. Not too much. Let me see, I think there are three shelters in the entire 211,000 acres for wildlife, for deer and this sort of thing. I think there are three shelters.

Mr. HARDING. I would like to point out that the Agriculture Committee has been discussing the matter of cropland conversion. I believe that we should seriously consider many more proposals which add cropland to the national forests instead of retiring land and idle it in the soil bank. I think that if we can pick sections of the United States where there is a large population and very little Forest Service land, we should actually buy this agricultural land, plant forests, and stock it with game, and establish lakes with fishing. As you point out, your people supported this and now they are supporting increasing the size of it. This makes sense to me. As a member of the committee, I certainly want to do what I can to see that a more fair program of payments in lieu of taxes on Federal lands is instituted.

Mr. GRAY. Thank you very much.

Mr. GRANT. Mr. Teague?

Mr. TEAGUE of California. I am inclined to be sympathetic too, Mr. Gray. I have a national forest out in my district, extending a couple hundred miles or so in length. The forests do not have a lot of trees, probably no more than in Rock Creek Park here. We have chaparral and sagebrush.

Mr. GRAY. You put your finger on the problem.

Mr. TEAGUE of California. We have the same problem.

Mr. GRAY. The gentleman has put his finger on the problem. This is it. If we use the 25-percent formula there is not enough return coming from it. Somebody else might have a forest of 1,000 acres and get more yield from that than we do from the 211,000 acres.

Mr. TEAGUE of California. My people have not found out about this yet. They probably will.

Mr. GRAY. I thank the gentleman very much for his remarks.

Mr. GRANT. Mr. Short?

Mr. SHORT. Thank you, Mr. Chairman.

This proposal that you offer here, Mr. Gray, has some rather broad applications and considerations.

I would be inclined to be sympathetic with what you have proposed. I have a somewhat similar bill before Congress now having to do with fish and wildlife.

I think what we are dealing with here is a basic problem: What is the Government's responsibility in regard to some payment to local political subdivisions in lieu of taxes when the Government acquires the land? I know that this principle does not quite apply in the same proportion to the older forest areas and the older public land areas. What we are dealing with here is a disruption in the tax revenue of local communities when the Government acquires land, as they did in this instance for the Park Service. And where the Fish and Wildlife Service acquires land that is on the tax rolls.

I think one consideration that immediately becomes involved here is that local people should be aware of what is about to happen to their tax structure when some Government land acquisition program comes along. Many times they do not realize that the land is being taken off the tax rolls for all practical purposes, although you do have this formula for the payment, in lieu of taxes, of 25 percent of the gross revenue on the forest lands. This, also, applies on fish and wildlife lands. But 25 percent of nothing is nothing, when there is no revenue for some permitted use of the Government lands.

Mr. GRAY. You have just pointed out the point.

Mr. SHORT. How much did the Government pay for this land when they acquired it?

Mr. GRAY. I do not have the exact figures. I can submit those for the record I would say to the gentlemen. The land in this particular area is not too expensive. Some of it went for \$15 an acre, and some went for \$45 an acre with the average in these 295,000 acres that they propose to purchase is \$45 an acre. That is what they propose to pay now.

We are not contending that this land would bring any great amount of income, but we are getting practically nothing now. It was, at least, sustaining the county governments prior to the time that the Government bought it. It is not doing so now.

All we are asking is that we be given a fair and reasonable return in lieu of taxes. And we believe that three-quarters of 1 percent of the assessed valuation will do that. Let me say that we are not getting any advantage because we are only asking that you assess this land as to what it was worth prior to the time the Government bought it. We are not asking that you give us three-quarters of 1 percent of 295,000 acres on a national average or anything like that. We are saying to come in and for whatever you have taken out of our tax base, give us three-quarters of 1 percent of that assessed valuation, whatever the worth is, whether it is \$15 or \$45 an acre. We feel that this is a fair formula.

Mr. SHORT. I might suggest in further substantiation of your argument, if you could have the figures identifying the tax revenues that local counties were receiving prior to this land being acquired by the Government, that it might be of help.

Mr. GRAY. I will be happy to do so.

Mr. SHORT. There is another facet of this whole basic consideration that is worth our attention. This applies to fish and wildlife lands and also, to some degree, on forest lands. In some instances your 25-percent formula results in a very substantial return, where it may be a return from a mineral lease or even oil production. This is true on fish and wildlife lands in Louisiana where they do not want this formula changed, because they are now receiving a very substantial return. I suppose that if you were in that area you would not want it changed, that you could not be blamed for that.

Mr. GRAY. I might say to the gentleman that is exactly why I believe these hardship cases should be considered on their own merits, because to change the entire formula would be penalizing many local areas that are getting more money than they would under my formula, but since we do not have any revenues of that nature, then I feel—and this is a particular hardship case—it incumbent upon the committee to ask for special consideration in this one hardship case. I am not advocating that the entire formula be changed for that reason.

Mr. SHORT. I am just wondering whether your bill might not, perhaps, better be directed toward a change in the entire Forest Service policy for the whole United States, rather than just directing it to this one area in Illinois.

Mr. HARDING. Will you yield there?

Mr. SHORT. Yes.

Mr. HARDING. I believe that is an excellent point. As you earlier pointed out, there are certain areas that are receiving substantial revenues and the counties are happy. I believe that the Secretary could take this into consideration in setting the assessed valuation of the land. I feel that the proposal of the gentleman from North Dakota is worthy of consideration.

Mr. SHORT. If the gentleman will permit me, right there I think that we, also, must have an understanding of local tax treatment for privately owned forest lands. Many times they have sat there for years on end as they must until the crop of trees matures, producing no revenue, and yet what tax treatment are they subjected to? Not knowing too much about the treatment in various States I would imagine that it might vary considerably. You might know something about this, Mr. Harding, in your own State which has a considerable amount of forest lands. The only forest lands we have in North Dakota happen to be grazing lands and the return to the counties is rather substantial, inasmuch as the grazing privileges are extended on all of the lands and bring in substantial income.

Is there any grazing permitted on the Illinois land at all?

Mr. GRAY. I might, also, point out that we have the Crab Orchard National Wildlife Refuge which is about 40 miles from here. There are 44,000 acres in this wildlife area which have been taken off this tax base which further compounds our problem.

We do have some private grazing in the wildlife refuge, but we do not have, to my knowledge, in the forest lands. It is mostly, as I say, hilly land. And it is woody. There is very little grazing pasture in the land.

Mr. SHORT. Might I ask you this question. I have driven through that part of the country.

Mr. GRAY. We will be glad to have you stop and enjoy yourself.

Mr. SHORT. I did stop and eat there. I had a very enjoyable meal. I do not recall the name of the town. One of the companies that operates there, also, happens to operate in North Dakota. That is why I was interested. I was wondering, since the acquisition of this land, is the Government spending any money on trying to revegetate the strip mining operations which have practically denuded the land of any vegetation?

Mr. GRAY. We have two programs going. The State of Illinois has what they call a board of economic development, and the Area Redevelopment Administration is considering, not particularly in the Shawnee National Forest area, but in southern Illinois this subject. They are taking the strip mining operations and turning them into recreational areas where lakes are involved. We are moving in that direction. This is not really a problem in the Shawnee National Forest, because most of the strip mining has been in the lower portion and not in the public use area of the Shawnee National Forest. And, therefore, are not exposed to the public. So it is really not a problem. I am talking about the strip mining operations.

In general, in the 18-county congressional district which I represent it is predominantly coal mining. We are moving in that direction of taking these unsightly strip mining areas and converting them into public use areas, recreational areas.

Mr. SHORT. Just one more question. As they carried out these strip mining operations, when they finished the operations, do they do anything in the way of reseeding the land to any extent?

Mr. GRAY. Until about 4 years ago they had not been doing anything. The Illinois Legislature passed mandatory legislation that when they get through with the strip mining operation now they have to clean it up.

Mr. SHORT. The reason why I asked this question, at this place where I stopped for lunch, I bumped into a man who noticed my license tag, realizing where I was from, who came over and started a conversation with me. He happened to be one of the members of the family that has this coal mining operation. He told me that they were interested in the same thing and that they were reseeding this land and going into the livestock business on the land themselves.

Mr. GRAY. That is true—that is true. Most of these are small private ownerships. And when I say privately owned I am talking about a small stock company. The large coal companies usually buy up 15,000 or 20,000 acres and strip it and then go off and leave it. That has been the case in the past. I think you are probably referring to private groups who are converting these into grazing facilities and the raising of cattle. We think this is good.

We think in 10 to 15 years we are going to come out of the woods, so to speak, economically. We are moving on many fronts, but until that time these counties are suffering economic chaos. That is why we actually consider that this is a stopgap legislation, until the boundaries of the Shawnee National Forest are extended and we can promote our recreational areas. They are building three coast-to-coast highways through the area. We will have good road access from any place in the country. We know that we will come out of it. In the meantime, until all of these long-range programs are fulfilled we are having very serious difficulty in running our territory.

Mr. SHORT. Thank you very much.

Mr. GRANT. Mr. Hutchinson?

Mr. HUTCHINSON. No questions.

Mr. GRANT. We thank you very much.

Mr. GRAY. Thank you very much and the members of the committee. I have never been treated with more kindness.

Mr. GRANT. Mr. Florance is here from the Forest Service; will you come around, please? Do you have a prepared statement?

Mr. FLORANCE. No, sir, Mr. Chairman, I do not have a prepared statement.

Mr. GRANT. Would you like to make a statement or just answer questions based on the report before us?

**STATEMENT OF REYNOLDS FLORANCE, FOREST SERVICE,
U.S. DEPARTMENT OF AGRICULTURE**

Mr. FLORANCE. Mr. Chairman, I think it would be well just to restate very briefly the position of the Department as expressed in its report.

For the record, my name is Reynolds Florance and I am Director of the Division of Legislative Reporting and Liaison of the Forest Service, Department of Agriculture.

The Department in its report of July 15, 1963, has recommended that this bill not be enacted. This bill would change the present arrangement under which 25 percent of the national forest receipts are paid to the States to be expended as the State legislatures may direct for the benefit of schools and roads in the counties in which the national forests are located.

The bill would substitute for these payments, with respect to the national forest lands in the State of Illinois, an amount equivalent to three-fourths of 1 percent of the fair assessed value of the national forest lands in the State. That value would be determined by the Secretary of Agriculture at 10-year intervals.

Shared revenues, payments in lieu of taxes, and other arrangements related to Federal property have been the subject of a number of studies over the years. Some have dealt solely with national forests; others have dealt with all Federal properties.

The problem of these payments is a complex one. We believe that it is desirable not to depart from a uniform basis for making national forest contributions to local governments. The sole exception to this at the present time is with respect to the area known as the Boundary Waters Canoe Area which was provided for in the act of June 22, 1948 (62 Stat. 568).

In that case the payments amount to three-fourths of 1 percent, just as this bill would provide with respect to the State of Illinois. That arrangement, however, reflects the special purpose for which the Boundary Waters Canoe Area is being administered. The situation there is different from that found in the national forestlands in Illinois and in other States and should not, we believe, serve as a precedent for application in other particular areas.

The Forest Service is currently restudying this matter and we hope that as the result of this study we can come up with some definite conclusions. We hope that our studies will be fruitful. That study is

now in the process of fieldwork that we hope will be completed by November, so that the material can then be analyzed and the results of the study can be developed.

In the meantime we would hope that we would avoid enactment of legislation dealing with particular areas on a piecemeal basis.

In expressing this position, I hope it will be understood that the Forest Service and the Department are not unmindful and are not unsympathetic to situations such as Congressman Gray has described in Illinois. We are fully mindful of that. We hope that our endeavors in the administration of the national forests will help to alleviate those situations.

I think that concludes my brief summary of the Department's position.

MR. GRANT. Thank you very much. I think that your statement contains all of the matters contained in the report. You have cleared up this matter of this one exception and further that the Department is currently restudying this. Are there any questions?

MR. MATTHEWS. Mr. Florance, you said that you had one other forest area similar to this one for which special relief has been asked by Mr. Gray for special relief, because of a special problem?

MR. FLORANCE. There have been other bills introduced to this effect. As a matter of fact, there is a bill currently before this committee, I believe, with reference to national forest lands in Michigan. There have been others in the past.

MR. MATTHEWS. The second question, what makes the Superior National Forest in Minnesota a special case? Why is that different from the Shawnee National Forest?

MR. FLORANCE. That area is roughly, 900,000 acres within the Superior National Forest. It is not the entire forest, but it is a portion of it which is managed and known as the Boundary Waters Canoe Area. This area is administered under a special management plan. There are no permanent roads within the area. About two-thirds of the area has no timber harvesting whatsoever. The other one-third has some timber harvesting. Certain temporary roads are permitted in the area in which timber harvesting is carried on. The area is recognized as one of the last remaining canoe areas in the country. It is unique. As a result of the special management that is given to the area, the provision was enacted in the 1948 act that I referred to, providing for three-fourths of 1 percent payment.

MR. MATTHEWS. One final question. Could it be your estimate of the Department's position that it would be a little flexible about changing this pattern on a nationwide basis, as Mr. Harding has suggested? Has the Department given any special thought to getting away from the 25-percent formula distribution in favor of some system based on the assessed value?

MR. FLORANCE. Mr. Matthews, that is one of the very basic questions that is involved in the study that we are currently undertaking. It is definitely being considered. Now what the conclusion and recommendations would be I think will depend on the outcome of the study.

MR. MATTHEWS. Thank you, sir.

MR. GRANT. Mrs. May.

MRS. MAY. I yield to Mr. McIntire.

Mr. McINTIRE. I have no questions.

Mr. GRANT. Mr. Short.

Mr. SHORT. I would like to ask this question, Mr. Chairman: First of all why is no grazing permitted on these 211,000 acres?

Mr. FLORANCE. Mr. Short, there is a small amount of grazing in the area. This land, though, is not the grazing-type land that you have in your State.

Mr. SHORT. It is a different type?

Mr. FLORANCE. That is right. It is not because grazing is considered undesirable use in the area. It is simply because the land is not the type that is best suited for grazing.

Mr. SHORT. That is the question, what is this land suited for? What is the end potential for revenue from this land? Will some of it come from grazing—will some of it come from timber harvest?

Mr. FLORANCE. The revenues at the present time are from timber harvesting and that will definitely continue to be a source of revenue from the land. In fact, it should increase as time goes on.

Mr. SHORT. You are saying then, Mr. Florance, that there is some revenue from this land now, and 25 percent of that revenue would be returned to the local subdivisions?

Mr. FLORANCE. That is correct.

Mr. SHORT. This is rather a minimal amount, I understand.

Mr. FLORANCE. The 25-percent payments from the Shawnee National Forest over the last 4 years have been as follows: In 1959 it was \$11,544; in 1960 it was \$18,428.90; in 1961 it dropped and was \$5,076.78; in 1962 it was \$14,922.77.

Mr. SHORT. Was it from the timber harvest?

Mr. FLORANCE. This was from the total national forest revenues. But most of it was from timber harvest.

Mr. SHORT. What other revenue would be available?

Mr. FLORANCE. There would be revenue available from special use permits.

Mr. SHORT. And it would be like what?

Mr. FLORANCE. It would be from such things as recreation-type development under a concessionaire agreement. I could get a breakdown of where those revenues come from. I do not have it available at the moment.

Mr. SHORT. You mentioned revenues from camping areas. Is this a bill that has some potential for revenue so far as the Forest Service is concerned? The public works program is doing some development work in establishing, as I understand it, summer camp and picnic grounds. Does the Forest Service charge use fees to campers, to the tourists coming into the area? Would this be a source of revenue?

Mr. FLORANCE. It is a potential source. At the present time we do not have any what you would call charged for recreation use areas in this forest, other than those that might be operated by a concessionaire.

Mr. SHORT. You do have people who have a concession to operate some kind of a tourist facility?

Mr. FLORANCE. I believe that we have some of those in this forest. I cannot tell you exactly how many.

Mr. SHORT. That is all, thank you.

Mr. GRANT. Mr. Hutchinson?

Mr. HUTCHINSON. While not a member of the subcommittee I come from Michigan and am aware that there has been some legislation introduced on this same subject by Members from my State. I would like to ask for a comparison of the revenues that the Forest Service has received from this particular area in Illinois with the taxes which those lands previously paid?

Mr. FLORANCE. The only comparison that we have on that is the result of the study that the Forest Service made in 1952. At that time those studies were, as Mr. Gray has pointed out, on more or less of a national basis. At that time it was concluded that the revenue sharing arrangement; that is, the 25-percent payment from the national forest receipts, plus the other services, such as roads, fire protection, and so on, which the Forest Service provided to the area, on a general average exceeded the taxes payable on similar lands in private ownership. Now whether that would be specifically true of this particular area, of course, would depend upon the particular facts there.

Mr. HUTCHINSON. With regard to the situation in Michigan, it is the contention of the sponsors of that legislation in the Michigan situation that the revenues which the forest yields do not come up to what the land would produce in private ownership?

Mr. FLORANCE. I assume that is their position; yes, sir.

Mr. HUTCHINSON. That is all, Mr. Chairman.

Mr. GRANT. Thank you so much, Mr. Florence. Excuse me, Mr. Harding.

Mr. HARDING. I want to ask Mr. Florence: Where does the canoe area fit into the Forest Service classification? Is it a wilderness or wild and primitive area in classification?

Mr. FLORANCE. It is treated as one of the wilderness-type areas. It is so classified. It is the only area that is classified as a canoe area. It is considered as a part of the system of areas that are administered by the Forest Service as wilderness-type areas.

Mr. HARDING. Isn't it true that recreation is one of the uses in these wilderness areas?

Mr. FLORANCE. Well, recreation is, certainly, one of the key values.

Mr. HARDING. Isn't it the only value?

Mr. FLORANCE. Or the uses that are made of the wilderness areas, but it is not the only value that the wilderness area has.

Mr. HARDING. Can you cut timber in a wilderness area?

Mr. FLORANCE. No timber harvesting is allowed in a wilderness-type area.

Mr. HARDING. Why?

Mr. FLORANCE. That is, commercial-type harvesting.

Mr. HARDING. Is mining permitted?

Mr. FLORANCE. Mining is permitted where the mining laws apply in those wilderness areas, just as on other public lands. There are certain controls over the means of access to the area; mechanized transportation, for example, is not permitted, but the mining laws apply to the wilderness areas just as though the wilderness area had not been established. Other uses exist within wilderness areas, of course; including hunting and fishing, water production, and grazing. Recreation is not the sole use of the wilderness areas.

Mr. HARDING. Does the Forest Service approve of this provision providing for three-fourths of 1 percent of the assessed value in the canoe area being returned to the local government in lieu of taxes?

Mr. FLORANCE. Yes, sir.

Mr. HARDING. Would they support this provision today in new areas which were strictly recreational?

Mr. FLORANCE. I am afraid that I cannot answer that because I think that the matter would have to be considered. It has not been considered in that light up to this point.

Mr. HARDING. You are going to give the committee the results of this whole new study?

Mr. FLORANCE. The fieldwork on this study that we are now carrying out is scheduled to be completed by about November 1. It will then be analyzed and the results of that study will be developed. And, of course, the recommendations will have to go through the usual processes of clearance and so on.

Mr. HARDING. But we can look forward to the results of the study early next year, then?

Mr. FLORANCE. I would hope so.

Mr. HARDING. There is a lot of interest in this study, not only in my State, and Mrs. May's State, but in many other areas where we have large Forest Service areas. Therefore we are looking forward to receiving it as soon as possible.

Mr. FLORANCE. That is correct. We consider this a very important study.

Mr. HARDING. Thank you, Mr. Florance.

Mr. FLORANCE. Thank you.

Mr. GRANT. Thank you very much.

We have another bill here by Congressman Burton, H.R. 7218. If you will come around we will, certainly, be glad to hear from you. Do you have a prepared statement?

STATEMENT OF HON. LAURENCE J. BURTON, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF UTAH

Mr. BURTON. Mr. Chairman, and members of the committee, I have a very brief prepared statement and I will go over it and then be happy to answer any questions, if I can.

H.R. 7218 is designed to add certain lands to the Cache National Forest of Utah.

Approximately 6 miles from the heart of Ogden, Utah, is Pineview Reservoir, created by a dam in the Ogden River, constructed to meet the needs of adequate water for our mushrooming population in Weber County and surrounding areas. Although of minor importance compared to the need for water, there is now a need for increased recreational facilities in the area due to the greatly increased population.

The U.S. Forest Service has been doing an excellent job in creating new public recreational facilities. However, the land adjacent to the reservoir is limited. Therefore, the purpose of H.R. 7218 is to transfer jurisdiction of the lands which are presently under the Bureau of Reclamation, Department of the Interior, to the Department of Agriculture, Forest Service, in order to provide additional recreational acreage. This would further facilitate the administration of the land in this area, and would mean that all recreation management would be by a single agency.

H.R. 7218 would extend the exterior boundaries of the Cache National Forest to include about 1,700 additional acres in and near the Pineview Reservoir site.

It would thus be given national forest status and, under the terms of the bill, these lands could be sold, exchanged, or otherwise disposed of by the Secretary of Agriculture only with the approval of the Secretary of the Interior. Any revenue from such disposal would be credited to the reclamation fund pursuant to law. The reason for this provision is that the lands were purchased by the Bureau of Reclamation, and the revenue from them should go to the reclamation fund. It also would provide that in case the Interior Department needed land to operate the Weber Basin and Ogden River projects, it would be provided by the Secretary of Agriculture.

I hasten to point out that this bill would not increase Federal ownership of private property. It would only extend the Cache National Forest boundaries to those lands which already have been acquired in connection with the two reclamation projects previously mentioned.

I have checked with the Weber County Commissioners concerning any objections that they might have to this bill, and have received the following letter from Arthur P. Brown, chairman, who said in part:

After investigating and thoroughly considering the matter, we have no objection to adding this land to the national forest. Inasmuch as the Forest Service has been supervising the land around Pineview Dam, we feel that the recommended bill will be a step forward in the operation and maintenance of this project.

I am convinced that there is not, nor should there be, any local objection to passage of H.R. 7218. The measure has the approval of the Secretary of Agriculture and the Bureau of the Budget. It requires no appropriation of funds. I hope your committee will approve its passage. Thank you, Mr. Chairman, for this opportunity to appear this morning.

Mr. GRANT. Thank you very much.

You stated that this has the approval of the Secretary of Agriculture? We have the report here from the Bureau of the Budget. I imagine that it has the approval of the Department of the Interior?

Mr. BURTON. It is my understanding that it does, sir.

Mr. GRANT. Thank you so much.

Mr. SHORT. Are you sure?

Mr. BURTON. This bill was introduced by request. I do not have a document with me, Mr. Short, but I am assured that it is approved by the Department of the Interior.

Mr. SHORT. Why I asked the question is that we have had a lot of experience with the Bureau of Reclamation on land in North Dakota in connection with some of the reservoirs along the Missouri River. They have some plans of their own for using this land for recreational facilities and fish and wildlife purposes and that sort of thing. I was wondering if the transfer of this land to the Department of Agriculture, to the Forest Service, might come in conflict with some of the plans of their own that they might have.

Mr. BURTON. I think not. I am aware of the situation which you have referenced. We are all aware that both the Department of the Interior and the Forest Service are engaged in operating recreational areas. In my own State, the Flaming Gorge Dam which is some-

thing really to behold, because you have a Forest Service operating one-half of the area and the Department of the Interior operating the other half of the area as recreational areas. This is not the case in Pineview. The bulk of the land surrounding the Pineview Reservoir in the Cache National Forest has been there for 30 years or more. The land in question was quite recently purchased by the Department of Interior in conjunction with the expansion of these reclamation projects. They have no plans to operate a recreational area, really, and they have no personnel there.

Mr. SHORT. Was this land all privately owned land? No part was within the national forest before?

Mr. BURTON. Most of it was privately owned area. It had to be acquired when the dam was enlarged.

Mrs. MAY. Will you yield?

Mr. SHORT. Yes.

Mrs. MAY. I was wondering if Mr. Florance might have a comment—any information as to how the Bureau of Reclamation, the Department of the Interior is concerned in this.

Mr. FLORANCE. I will be glad to comment on that, if you please, Mr. Chairman.

This bill was transmitted as an administration proposal by the Secretary of Agriculture and it did receive clearance both by the Bureau of the Budget and by the Bureau of Reclamation. As a matter of fact, the bill was developed jointly with the Bureau of Reclamation.

If the Chair would like and Mr. Burton would permit me, I would be glad to show you a map that I have here that gives you a little better picture of what the area is.

Mr. MATTHEWS. While you are looking at that map, may I say that it is my understanding that this subcommittee visited this area several years ago when Dr. Dixon was on our subcommittee. I, personally, want to say to Mr. Burton that I am very much interested in this area. I appreciate your coming here and bringing us the facts.

Mr. BURTON. Thank you, Mr. Matthews.

Mr. McINTIRE. As I recall it, we did visit the site of the dam.

Mr. GRANT. I am sorry that you gentlemen brought that up, because I was going to suggest that we take a trip out there. [Laughter.]

Mr. SHORT. The gentlemen can always do that.

Mr. BURTON. You will be most welcome to come out and look at the dam again. We will give you a guided tour, and I will assure the committee, Dr. Dixon will be pleased to act as guide.

Mr. FLORANCE. Mr. Chairman, the city of Ogden is off [indicating] to the west some 6 miles or so from the dam which is right at this point. The dam was originally constructed, I believe, along about 1930. I do not know the exact date of this. The land area originally flooded, and the other land acquired by the Bureau of Reclamation for the original reservoir has long been a part of the national forest.

After that the dam was raised some 28 feet and it was necessary for the Bureau of Reclamation to acquire some additional land in order to accommodate their needs. The result was that along the shoreline of this reservoir, which is nearly all in the national forest boundaries, there are patches of national forest and patches of Reclamation lands intermingled. Although the Forest Service has actually been administering this land under a Bureau arrangement for some

years, it has created some problems because of the lack of availability of funds for the development of this area for recreational needs.

This bill will facilitate the administration of that land by one agency for the purpose that it really serves. This area has a very high recreational use. This is the dam and the reservoir [indicating]. These orange-colored areas are areas recently acquired by the Bureau of Reclamation that will be given national forest treatment. The lands here in red are the ones where the boundaries of the Forest Service would be extended, so that part of the land that we are dealing with here is at the edge of the forests already within the present boundaries of the national forest, but under the jurisdiction of the Bureau of Reclamation. The other part is outside of it and will be brought in by this bill.

Mr. SHORT. The white areas surrounding that are Forest Service areas?

Mr. FLORANCE. The white is non-Federal privately owned lands.

Mr. SHORT. But the green is forest land.

Mr. FLORANCE. The green area is national forest land and it extends around the shorelines of this lake. The orange patches complete the shorelines and would make it all in one status.

Mr. SHORT. The orange patches are presently Bureau of Reclamation areas?

Mr. FLORANCE. That is correct.

Mr. McINTIRE. How did you happen to acquire the shoreline with private property in there?

Mr. FLORANCE. This was acquired by the Bureau of Reclamation and not by the Forest Service.

Mr. McINTIRE. That is rather peculiar?

Mr. FLORANCE. The land previously flooded in the original construction was made national forest some years ago.

Mr. McINTIRE. And most of it is under water now?

Mr. FLORANCE. That is right.

Mr. BURTON. I would like to underscore the fact that the terms of this bill protect the reclamation funds. In the future if occasion should arise, if any or all of this property was to be disposed of, it would have to be with the permission of the Secretary of Interior and the funds derived therefrom would revert to the reclamation fund.

Mr. GRANT. Mr. Matthews?

Mr. MATTHEWS. Did the Senate pass this bill?

Mr. HELMBURGER. The Senate passed the bill. It was not referred to our committee until yesterday. It has now been referred so that the Senate bill is, also, before this committee. We do not have printed copies of it yet.

Mr. McINTIRE. If you will yield?

Mr. MATTHEWS. I will be delighted to yield.

Mr. McINTIRE. Could I ask for the record; did they pass it without amendment?

Mr. HELMBURGER. Yes.

Mr. McINTIRE. The identical bill?

Mr. HELMBURGER. Yes.

Mr. GRANT. Are there any further questions?

Mr. HARDING. Mr. Chairman, I compliment my colleague from Utah on his very able presentation.

I understand that your local people support changing the jurisdiction from the Bureau of Reclamation to the Forest Service?

Mr. BURTON. As near as we can ascertain they are. This has been publicized in the local press. And as I indicated in my testimony I sought the advice of the county commission and they concurred wholeheartedly in it.

Mr. HARDING. So that the Secretary of the Interior has been most cooperative in transferring the jurisdiction of these 1,700 acres?

Mr. BURTON. Very much so.

Mr. HARDING. I might point out that in the very near future it is possible there will be before your committee a bill to transfer 200,000 acres in Idaho from the Forest Service to the National Park Service and I hope that the Secretary of Agriculture will reciprocate this type of interagency cooperation.

Mr. BURTON. I join the gentleman in his hopes.

Mr. GRANT. Thank you very much.

Mr. BURTON. Mr. Chairman, may I make an inquiry? In view of the remarks of the gentleman with the charts, Mr. Florance, would you still wish that I obtain a statement from the Department of Interior?

Mr. GRANT. I believe that he has answered that.

Mr. BURTON. Thank you very much, Mr. Chairman.

Mr. GRANT. Thank you.

Mr. FLORANCE. Mr. Chairman, there is one little point that I think that I would like to get in the record. There is a typographical error in the description of one of the areas which I have mentioned to Mr. Heimburger. It is on page 8 of the bill in line 9, the word "southeast" should read "southwest."

Mrs. MAY. That is in line 9?

Mr. FLORANCE. On page 8. It should read "southwest."

Mr. GRANT. Thank you so much, Mr. Florance.

If that is all, the subcommittee will stand adjourned.

(Whereupon, at 11:25 a.m., the subcommittee adjourned, subject to the call of the Chair.)

STATEMENT OF HON. SPARK M. MATSUNAGA, A REPRESENTATIVE
**ESTABLISH FEDERAL AGRICULTURAL SERVICES IN
GUAM**

THURSDAY, NOVEMBER 14, 1963

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON DEPARTMENTAL OVERSIGHT AND
CONSUMER RELATIONS OF THE COMMITTEE ON AGRICULTURE,
Washington, D.C.

The subcommittee met, pursuant to call, in room 1310, Longworth House Office Building, at 10:05 a.m., Hon. Paul C. Jones (chairman of the subcommittee) presiding.

Mr. JONES. The committee will come to order.

The bill we are going to take up first in this open meeting is H.R. 3869, by Mr. Matsunaga, on establishing Federal agricultural services to Guam.

(H.R. 3869 follows:)

[H.R. 3869, 88th Cong., 1st sess.]

A BILL To establish Federal agricultural services to Guam, 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 Secretary of Agriculture is authorized to establish and maintain an agricultural program in Guam which will include such programs administered by the United States Department of Agriculture, hereinafter referred to as "Department", as are determined by the Secretary will promote the welfare of that island. This authority may be exercised without regard to section 25(b) of the Organic Act of Guam (64 Stat. 390; 48 U.S.C. 1421c(b)), or any other provision of law under which Guam may have been excluded from such programs. The Secretary is authorized to provide for such modification of any such programs extended to Guam as he deems necessary in order to adapt it to the needs of Guam. The program authorized by this section shall be developed in cooperation with the territorial government of Guam and shall be covered by a memorandum of understanding agreed to by the territorial government and the Department. The Secretary may also utilize the agencies, facilities, and employees of the Department, and may cooperate with other public agencies and with private organizations and individuals in Guam and elsewhere: *Provided*, That the number of employees of the United States Department of Agriculture stationed on Guam to carry out the purposes of this Act shall not exceed five at any one time.

SEC. 2. There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act. The moneys appropriated in pursuance of this Act shall also be available for the purchase and rental of land, the construction or acquisition of buildings, for the equipment and maintenance of such buildings, and such other expenditures as may be necessary to carry out the purposes of this Act. Sums appropriated in pursuance of this Act shall be in addition to, and not in substitution for, sums appropriated or otherwise made available to the Department, and may be allocated to such agencies of the Department as are concerned with the administration of the program in Guam.

Mr. JONES. We have here this morning the Honorable Antonio B. Won Pat, speaker of the Guam Legislature.

First I will call on Mr. Matsunaga. Do you have any statement to make?

Mr. MATSUNAGA. Yes, Mr. Chairman, I would like to make a statement.

Mr. JONES. Go right ahead.

**STATEMENT OF HON. SPARK M. MATSUNAGA, A REPRESENTATIVE
IN CONGRESS FROM THE STATE OF HAWAII**

Mr. MATSUNAGA. Mr. Chairman, thank you for this opportunity to appear and make a statement in support of H.R. 3869, a bill to provide Federal agricultural services to Guam. I am doubly thankful because this is the first time that I am having the pleasure of speaking before this committee in support of a bill which I have introduced. Having no voice or vote in the Congress of the United States, the people of Guam have looked to Hawaii's congressional delegation for assistance and I am happy to be of service to them.

Guam today may well be classified as our foremost bastion of defense. It is situated only about 600 miles from Red China. We have invested hundreds of millions of dollars in defense installations there. The 1960 census showed a population of over 67,090, including more than 8,000 members of our Armed Forces. The population has been steadily growing in the years since the 1960 census.

Guam's importance in our defense strategy makes it imperative that we help its already large and still growing population to sustain itself for any period of time in an emergency. Because of its isolated location, it may become difficult to maintain supply lines during an emergency. This means that we need to help Guam to develop its agricultural industry.

It goes without saying that in the event of future military hostilities in the Pacific, at a time when the United States might be facing the largest submarine fleet in the world, it is strategically important that Guamanian agriculture be able to supply much of the basic food supplies for its large and growing population, both civilian and military.

A Department of Agriculture survey team in October 1956 found that the agriculture of Guam was greatly underdeveloped. Large areas of land which were once, and still are, suitable for cultivation have been neglected and allowed to grow back into jungle. Modern agricultural methods, including the use of insecticides, pesticides, and fertilizers are relatively new to the Guamanian farmer, and there is much that can be done to help him.

Guamanian farm labor has been enticed from the fields by employment on our Armed Forces construction projects and military bases, so much so that a whole generation of Guamanians have never participated in agriculture of any kind. It would add an element of stability to the economy of this important island if we can succeed in establishing a strong, self-sufficient agricultural economy as a backstop to the military economy, which is the basis of the major economic activity on Guam today.

Because of its location, Guam will always be a strategic island, militarily; however, it does not follow that the military construction and base occupancy will always continue to expand, or even that it will maintain the same high level as now.

A Guamanian Department of Agriculture, consisting of trained specialists to provide the services in agriculture, home economics, and rural life, so urgently needed by the people of the island, could form the viable basis upon which labor could, if need be, return to the soil.

Mr. Chairman and gentlemen of the subcommittee, I have met with Mr. Adrian Cristobal, the director of the Guamanian Department of Agriculture, with Gov. Manuel Guerrero, and with Mr. Antonio B. Won Pat, speaker of the house of the Legislature of Guam. These are dedicated, able, and enthusiastic men. They are looking forward with great expectations to assistance from our Department of Agriculture, which is more than willing to render that service to our fellow Americans in Guam—fellow Americans who loyally suffered the cruelties and devastations of World War II right on their home island.

Mr. Chairman, one of my first duties after being elected to the Congress was to make an inspection trip to Guam after Typhoon Karen had literally leveled the island with her destructive force. It was a sight which could have easily turned the stanchest of men to utter despair. But I was amazed to find a spirited group of Americans fully intent upon rebuilding a better Guam. These people are deserving of every bit of assistance we can give them.

Let us help them now by a favorable report on H.R. 3869.

Thank you.

Mr. JONES. Mr. Matsunaga, would you like to present Mr. Won Pat?

Mr. MATSUNAGA. Yes, I would be happy to, Mr. Chairman. The speaker of the Legislature of Guam, a good friend of mine, has made many trips to Washington and to our fair State of Hawaii. He has won many friends for the island of Guam among residents and former residents of Hawaii. They think very highly of him. If Guam should someday grow large enough in population, to apply for statehood, I would be strongly inclined to support it, and I would also support Guam's becoming a county of the State of Hawaii if that be the wish of the people, for they are fully deserving of the rights and privileges of American citizens.

I am happy and privileged to present the speaker of the Guam Legislature, the Honorable Antonio B. Won Pat.

Mr. JONES. We are happy to have you here. You have been before the committee before, and we are happy to see you again. You may proceed with your statement.

STATEMENT OF HON. ANTONIO B. WON PAT, SPEAKER, SEVENTH GUAM LEGISLATURE

Mr. WON PAT. Mr. Chairman and members of the committee, I am Antonio B. Won Pat, speaker of the Seventh Guam Legislature. I am here in Washington by authority of the legislature pursuant to a resolution adopted by that body which authorized me to confer with Federal officials and Congress and to represent the views and interests of the American people of Guam in matters of utmost and vital importance to them, not inconsistent or inconsonant with the national interest of the United States.

Before I proceed further with my testimony, I wish to extend my appreciation to the chairman and members of this committee for



making this hearing possible today and for the opportunity to appear before you to express our views.

As a legislator, I am fully aware of the demands made upon your time and attention by overriding matters of national importance, and therefore I do not wish to take much of your valuable time by presenting a lengthy and repetitious justification of the bill before you.

In the 86th Congress, when this legislation was first introduced by the Honorable Harold D. Cooley, chairman of the House Committee on Agriculture, at the request of the Eisenhower administration, I had the privilege of appearing before that committee and testified in support of it. My statement is in the record of that hearing.

On October 1, 1963, I wrote a letter addressed to the Honorable Chairman Jones of this committee, pertaining to the subject bill, a copy of which I sent to each member of this committee. This letter substantially covers the essence of my testimony on the pending bill, H.R. 3869.

In addition to the above information, I would respectfully like to call your attention to a letter received by myself from Howard Bertsch, Administrator, Farmers Home Administration, dated January 9, 1963. In his letter, Mr. Bertsch acknowledges the receipt of a resolution from the Guam Legislature, Resolution No. 430(2-S), Sixth Guam Legislature, dated December 9, 1962, the purpose of which was to request "emergency loan assistance" for the farmers in the territory of Guam who suffered damage to their crops and other property as a result of a typhoon in November 1962. Mr. Bertsch points out that in the opinion of the Office of General Counsel, Department of Agriculture, the present authorization is not broad enough to permit the designation of Guam as an emergency loan area or the direct or indirect use of the emergency credit revolving fund for the lending program there. The pending legislation would rectify the existing statutory deficiency and make these programs, as well as other needful assistance, available to Guam.

As pointed out in my letter of October 1, 1963, to the chairman, in paragraph 3, page 2, this legislation is the result of the recommendation made by the U.S. Department of Agriculture Survey Group on the agricultural needs of Guam, made in 1958, and I therefore submit these recommendations as part of my statement, together with my letter to the chairman and the letter from the Administrator of the Farmers Home Administration. These are attached herewith.

Since you all have copies of the aforesaid letters and recommendations, I would not belabor you by reading them. I believe that these letters and recommendations clearly justify the need and the urgency of this belated legislation and need no further elaboration. I urge, therefore, your kind consideration and favorable report.

I would be pleased to answer any questions that the subcommittee may wish to ask me.

(The attachments to Mr. Won Pat's statement follow:)

WASHINGTON, D.C., October 1, 1963.

HON. PAUL C. JONES,
*Chairman, Subcommittee on Departmental Oversight and Consumer Relations,
Committee on Agriculture, House of Representatives, Washington, D.C.*

DEAR MR. CHAIRMAN: Pursuant to our conference in regard to H.R. 3869, a bill to provide agriculture services to Guam, this bill was introduced in the 88th Congress by Congressman Matsunaga, at the request of the U.S. Department of Agriculture. Identical bills have been introduced in the Senate by Senator

Inouye (S. 264) for himself and by Senator Inouye for himself and Senator Fong (S. 692). Since you indicated it may be possible that the bill which is now in your subcommittee (H.R. 3869) could be subject to committee action without hearings, I am furnishing you with supplemental and current information as you requested.

HISTORY OF PRIOR LEGISLATION

In the 86th Congress, Chairman Cooley introduced H.R. 9866, which was favorably reported (H. Rept. 1639) but failed of passage under suspension of the rules (August 22, 1960). No committee action was taken on the Senate version (S. 3060).

This legislation was again introduced in the 87th Congress by Senator Ellender (S. 2121) where it was favorably reported (S. Rept. 1613) and where it passed on June 23, 1962. Congressman Inouye introduced a similar version in the House (H.R. 5629). The Senate version (S. 2121) was favorably reported by your subcommittee, with amendments, on August 16, 1962, but no further action was taken by the full committee.

PRIOR HISTORY OF AGRICULTURE

In 1932 the U.S. Department of Agriculture ceased its operations on Guam. The experimental station with its staff of experts in entomology, horticulture, and animal husbandry; its extension services, library facilities, and its experimental farm all disappeared from Guam. There was nothing a Guam farmer could do for help or scientific information. Agriculture, as a major industry, declined. Copra, its chief export, suffered in the competitive world market. As a consequence, the coconut industry was totally abandoned and agriculture was at a standstill.

In July 1951, the Commission on the Application of Federal Laws to Guam which it was totally mobilized as a "staging area" for the invasion of Japan. Farms and crops were completely destroyed to make way for roads, airstrips, warehouses, and other military installations.

In July, 1951, the Commission on the Application of Federal Laws to Guam recommended the extension of Federal agriculture services to Guam and in 1956 the U.S. Department of Agriculture made a survey of Guam's needs. The legislation introduced in the 86th and 87th Congress was a result of this study.

Since the advent of civil government in 1950, the territorial government's agriculture department has diligently worked toward the advancement of agriculture. It presently employs 48 people and operates on an annual budget of approximately \$350,000. During fiscal year 1962, approximately 400 full-time and part-time farmers grossed an estimated total of \$888,818; \$197,567 being from the sale of 1,530,000 pounds of fruits and vegetables harvested from an estimated 4,000 acres; \$559,251 was grossed from the sale of 648,000 dozen eggs. An estimated 30,000 pounds of beef at an estimated gross of \$7,000 were inspected for public consumption. Fish and fish product consumption on Guam has been determined to be 1 million pounds. Of this amount, about one-fourth or 250,000 pounds is supplied by the local markets at an estimated gross income of \$125,000.

The above figures do not include sales from roadside markets, produce consumed in the home from the reported 3,337 family gardens, nor does it include the use of eggs, poultry, livestock, and fish products consumed at home and for the traditional fiestas.

IMPORTANCE OF PENDING LEGISLATION

During the fiscal year ending June 30, 1963, the civilian community imported 386,000 cases of canned foods, 1,800 tons of sugar, 225 tons of coffee, 70,000 cases of milk, 1,900 tons of flour, 5,500 tons of rice, 115 tons of corn, 300 tons of canned fish, 1,950 tons of frozen meat, 170 tons of frozen fish, 350 tons of fresh fruit, 1,150 tons of fresh vegetables, and 3,500 tons of feed. These figures do not include the imports of the military community. The total values of all such imports is estimated at more than \$18 million.

Over the past years the local farmer has been able to supply only a small portion of the demands for these products which are now imported. However, the efforts being made by the local government with its limited technical facilities continue to further increase the local production of agricultural products. As a practical matter, however, the future of local agriculture is exceedingly bright in the light of the huge amount of present imports.

The economy of Guam is almost entirely dependent upon the Military Establishment. This leaves Guam in a precarious situation in that the changes in military concepts are often abrupt and Guam could awake some morning to find that the Military Establishment has been seriously curtailed or possibly abolished. Such a consequence is not seen for the immediate future. However, such a possibility points up the grave seriousness of establishing other economic bases for the community. Agriculture is the only other base at the present time.

FEDERAL ASSISTANCE TO OTHER TERRITORIES AND POSSESSIONS

In November 1962 the worst typhoon in the history of the Pacific damaged crops, livestock, poultry, and buildings in an estimated amount of more than \$1 million. Five months later, in April 1963, a second typhoon cost additional damages in the excess of \$1,110,000. Unlike his counterpart in Puerto Rico, the Virgin Islands, and American Samoa, the Guamanian farmer is ineligible for any of the agricultural assistance programs extended to the other territories and possessions of the United States. H.R. 3869 would eliminate this discriminatory situation and provide Guam with the vitally needed assistance of the U.S. Department of Agriculture.

For the above reasons I respectfully solicit your good offices in support of H.R. 3869 and urge its early and favorable enactment.

Respectfully,

A. B. WON PAT, *Speaker.*

DEPARTMENT OF AGRICULTURE,
FARMERS HOME ADMINISTRATION,
Washington, D.C., January 9, 1963.

Hon. A. B. WON PAT,
Speaker, Sixth Guam Legislature,
Agana, Guam.

DEAR MR. SPEAKER: This will acknowledge your letters of December 18, 1962, to the President and to Secretary Freeman, enclosing with each a copy of Resolution No. 430(2-S) which was adopted by the Sixth Guam Legislature on December 9, 1962. The purpose of this resolution was to request emergency loan assistance from the U.S. Government for farmers in the Territory of Guam who suffered damage to their crops or other property as a result of Typhoon Karen.

The Farmers Home Administration, within the Department of Agriculture, administers the emergency loan program authorized by title III of Public Law 87-128 which was enacted August 8, 1961. Section 321(a) of the cited act authorizes the Secretary of Agriculture to designate any area in the United States, Puerto Rico, and the Virgin Islands as an emergency loan area if he finds that there exists in such area a need for agricultural credit which cannot be met for temporary periods by other responsible sources. Section 321(b) of the cited act authorizes the making of emergency loans in such areas to established farmers and ranchers who are citizens of the United States and unable to obtain credit from other sources. It is the opinion of the Office of the General Counsel here in the Department of Agriculture that these authorizations are not broad enough to permit the designation of Guam as an emergency loan area or the direct or indirect use of the emergency credit revolving fund for a lending program there.

As you are probably aware, a proposal was made to the last Congress which would extend agricultural programs and technical assistance to the island of Guam. The Department of Agriculture favors that proposal and it is assumed that it will be resubmitted to the next Congress. However, until legislative motion is taken in this regard, the assistance sought by your recent resolution cannot be made available to farmers on the island of Guam.

Please be assured that we are deeply sympathetic with the farmers on Guam who have suffered as a result of this recent disaster, and we hope some way can be found to help them.

Sincerely yours,

HOWARD BERTSCH, *Administrator.*

RECOMMENDATIONS MADE BY U.S. DEPARTMENT OF AGRICULTURE SURVEY GROUP
ON THE AGRICULTURAL NEEDS OF GUAM, MARCH 1958

The Guam Survey Group recommends that--

1. Federal agricultural services be extended to Guam. In planning the extension of these services due regard should be given to the status of the people on the island, their economy, and stage of rural development; the strategic importance of the island to the United States; and the Federal funds presently appropriated to the States and to other territories of the United States for the furtherance of their agricultural pursuits.

2. Legislation be enacted to authorize the Secretary of Agriculture (a) to establish and maintain a joint agricultural program on Guam that will promote the welfare of that island; (b) to utilize any authority available to him to such extent as he may determine necessary to meet the agricultural program needs of Guam, without the necessity of amending existing laws specifically extending them to this island; and (c) in developing and carrying out such agricultural program to utilize the agencies, facilities, employees and other resources of the Department of Agriculture as he may determine, and to cooperate with the government of Guam and other public and private organizations and individuals on Guam and elsewhere.

3. The Agricultural Research Service, or such other agency as the Secretary may designate, be given the primary responsibility insofar as the Department is concerned, for the planning, development, and general administration of the agricultural program for Guam.

4. The Secretary appoint a standing advisory committee with one representative each from the Agricultural Research Service, Federal Extension Service, Agricultural Marketing Service, Soil Conservation Service, and Farmers Home Administration. The duties of this committee should be to advise in the planning of the program, to enlist the support of the respective agencies of committee members in the program's development and implementation; and to review and evaluate the progress of the program.

5. Provision be made for any other agencies of the Department to participate with the advisory committee whenever necessary in dealing with specific problems with which they may be concerned directly.

6. The working relationships between the U.S. Department of Agriculture and the Guam Department of Agriculture be covered in a suitable memorandum of understanding. The objective should be to strengthen and to improve the Guam Department of Agriculture so that it may have eventually the kind of organization and staff competence required to provide the services in agriculture, home economics, and rural life needed by the people of this island.

7. The U.S. Department of Agriculture's principal contribution initially be in the form of supplying to the Guam Department of Agriculture technical assistance for effective organization and appropriate training of its staff. Such technical assistance is needed in the fields of agronomy, soil and water conservation, livestock and poultry, horticulture, marketing, research and extension work in agriculture, home economics, 4-H Club work, and other rural development. The specialists supplied by USDA should, in effect, constitute a technical assistance team that would be associated with the Guam Department of Agriculture until such time as the objectives are accomplished.

Mr. JONES. Of course, I am sure the members of the committee are familiar with the fact that the House did pass a similar bill to this bill in either 1958 or 1959.

Mr. WON PAT. 1960.

Mr. JONES. Then the bill was not passed by the Senate.

Some questions have come up. I think while we have the previous hearings, it might be well for you to just state for the benefit of the committee your ideas of what the bill provides and also tell us your ideas as to the minimum requirements that would be necessary to bring about the implementation of an agricultural program which would make Guam more self-sustaining than it is now. If you would just kindly give us your ideas about that, I think it would be helpful to those who review this record.

Mr. WON PAT. The bill essentially provides for technical agricultural assistance to Guam. Presently there is no form of assistance extended to Guam.

We feel that in spite of the efforts we are making on our own in getting technical assistance from outside Guam, we feel that we still need assistance of the Federal Government.

Since Guam plays an essential role in our whole defense operation or defense setup, we feel that the civilian community plays just as important a part as the military personnel over there. A sound civilian economy would contribute a great deal to the stability of the defense activities over there.

Presently 85 percent of what we consume in the island is imported. I would say, including the military, it is estimated we import about \$18 million a year. That is for all kinds of food, fresh produce and everything.

We feel that the assistance the Federal Government could provide would greatly enhance our efforts. It will not cost the United States so much. The only reason why at this time, because of the necessity that we need to assist the farmers because they are the only people not able to get any form of assistance—the Federal Disaster Relief Act applies to Guam but does not apply to the farmers. They are the only people left out.

We have what we call a Guam Financial Development Administration where we provide small loans to help the farmers get started, but we have limited resources.

In the last hearing what the committee here had recommended is there shall be no more than five people sent to Guam at one time. I do not think it would be necessary to send five people at one time, maybe one or two at a time. That depends, of course, on the particular type of programs that are to be inaugurated.

The Department of Agriculture is very well aware of the needs of such a program over there since they had originally made the survey in 1956. That is very well covered in their report submitted in 1958, very extensively.

We do have another economic study made by the Stanford Research, in 1959 or 1960. Then just before the typhoon hit Guam we made another economic study on the island. In all these studies they point to the fact that agriculture is the main industry for the people of Guam to be able to become self-sustaining. All other industries are not quite suitable to the territory.

Mr. JONES. You mentioned the fact that 85 percent of agricultural products are having to be imported at the present time.

Mr. WON PAT. That includes, of course, all food items.

Mr. JONES. All food items?

Mr. WON PAT. Yes, sir.

Mr. JONES. What percentage of that could be, in your opinion, produced on Guam?

Mr. WON PAT. I believe, sir, that we can produce up to about 50 percent.

Mr. JONES. You could produce, you think, about 50 percent?

Mr. WON PAT. Yes. Let me give an example. Take the importation of eggs. We used to import all the eggs we needed on Guam. Now very little is imported. They have been concentrating on that

particular project, and there are a number of commercial egg producers. They have been able, of course, to meet the needs of the military on egg production.

Mr. JONES. Let us try to get down to the things that could be produced there on Guam. In other words, that would be poultry and eggs.

Mr. WON PAT. Poultry, beef, swine, all those, not only eggs. Now I think agriculture is emphasizing the need of not only egg production but also meat, not just raising poultry for eggs but rather for meat also.

Mr. JONES. What about crops that could be produced on Guam?

Mr. WON PAT. On Guam we raise corn. We also raise rice, but rice now is practically gone. The most important area where rice could be grown is under military control or jurisdiction.

When the Japanese occupied the island, they grew rice extensively. Even before the war, of course, a lot of people grew rice in Guam. But as a result of the war, the military occupied one-third of the total land area of the island, and you find this is where rice could be suitably grown, it is under military jurisdiction. But there are still a lot of area of land that could be cultivated.

Mr. JONES. What other crops are suitable for development there, do you think?

Mr. WON PAT. Tapioca and other root crops like taro. Of course, all citrus fruits and most vegetables that are grown in the tropical or semitropical areas are grown in Guam.

Mr. JONES. There was a lot of discussion when this bill was up before about the type of personnel that both the Department and the Guam government felt would be helpful to bring in there. Let us try to review that a little bit. In other words, the people who would actually be helpful for the Department to send in there.

Mr. WON PAT. In such areas as erosion control and the control of pests because those have been the major obstacles of the farmers. Most farmers will plant, and their crops are devastated by these insects. That, of course, requires technical know-how in the control of these things.

There is also the need for marketing and extension services. Also grading of crops.

Mr. JONES. Of course, one of the objections that has been raised—I am just bringing these things up because they are questions that have to be answered—you mentioned a minute ago about the population. I believe it is 67,000. Does that include the 8,000 military?

Mr. MATSUNAGA. That does include it.

Mr. JONES. So that would be 59,000 people exclusive of military on the island?

Mr. WON PAT. No. Presently there are more than 70,000 people on the island.

Mr. MATSUNAGA. My reference was to the census of 1960.

Mr. WON PAT. They have a population explosion over there because quite a number of aliens who are eligible for naturalization have been naturalized over there. Every year there are no less than a thousand people being naturalized. The Filipinos who were over there originally 15 years ago, brought over there for military contract work, under the McCarran Act those people became eligible for

permanent residence and citizenship, naturalization. As a consequence, quite a number of Filipinos and other aliens are naturalized. That is, besides the local population increase.

Mr. JONES. At the present time what percentage of the population is receiving or obtaining its support through agriculture, would you say?

Mr. WON PAT. According to the statistics of the Department of Agriculture, there are only about 400-some-odd bona fide farmers, and there are over 2,000 that are part-time farmers.

The Guamanians are used to providing their living by not only working but also implementing it by having a little farm, raising a few pigs, a few chickens, cows, small crops.

Mr. JONES. What would be the size of a farm that would support, say, an average sized family under present conditions?

Mr. WON PAT. A 1-acre farm will support a family.

Mr. JONES. One acre?

Mr. WON PAT. A family, if he is just going to exclusively depend upon farming as a means of self-sustenance. But the average farmer, of course, bona fide farmer, cultivates about 10 acres on the average.

Mr. JONES. In other words, you say you have about 400 farmers there now?

Mr. WON PAT. That are bona fide farmers.

Mr. JONES. That are getting their exclusive or principal income from farming?

Mr. WON PAT. Yes. They not only farm for their own self-consumption but also for commercial purposes.

Mr. JONES. Did I understand that the average size of that farm would be now about 10 acres?

Mr. WON PAT. Yes, sir.

Mr. JONES. That would be about 4,000 acres that would be devoted to farming at the present time?

Mr. WON PAT. Presently, yes, besides the over 2,000 that are engaged in the 1-acre farms.

Mr. JONES. What would you expect to be the goal if you could have the help that you are asking in this bill? How much would that be expanded both in number of farms and acreages and in numbers of people that you think would be attracted?

Mr. WON PAT. I expect it would increase intensively if not extensively. I mean, in other words, there will be bigger production as a result of scientific know-how.

Our main objective is to reduce the great importation. Right now we import most of our beef from Australia. Many other food items are imported from Japan. Of course, from the United States we get the greatest amount of imports.

We feel that these imports, which total, not including the military, over \$18 million a year, that could be substantially reduced by the increased production of agricultural products.

Mr. JONES. What is the estimate of the cost of this program?

Mr. WON PAT. This program would not cost very much, particularly in the form of technical assistance. I do not think it would exceed \$100,000 a year or even \$50,000 at certain times. It all depends. We are trying to do everything ourselves. If we can do it without assistance, we will do it. As it is right now, we have an intensive program.

Mr. JONES. Do you have a department of agriculture there on Guam?

Mr. WON PAT. Yes, sir, we do have. We are budgeting for that annually about \$350,000.

Mr. JONES. You mean you are devoting that much to your agriculture department?

Mr. WON PAT. Yes, sir. It used to be much less than that, but because of the fact that we want to increase that activity, we feel, of course, that is——

Mr. JONES. About how many people are employed in your department of agriculture on Guam now?

Mr. WON PAT. There are about 48 to 50 people.

Mr. JONES. Where did they receive their training?

Mr. WON PAT. Some of those are imported from the mainland, like the director and the specialists or technicians like the agriculturist, the agronomist, the veterinarian. Then, of course, the local people, we send some of our local people abroad for inservice training. Some of them we sent to California under the University of California, where they take up extension work and animal husbandry and other things.

Mr. JONES. Would you say that the main benefit that would come from this bill at the present time would be making Guam eligible for the Farmers Home Administration loans or would it be the development that would occur because of the presence of better trained agricultural people coming in there?

Mr. WON PAT. I think that the latter is the essential thing. As I said, our objective is to have the technical know-how and assistance so that we can increase our agricultural activities because we feel that agriculture is our basic economy.

Mr. JONES. The thing that I have had a little difficulty in understanding is why you say these people in the department of agriculture, some of those people have been trained in agricultural colleges here in the United States and possibly in other places, why would the people supplied by the department of agriculture do a better job than, say, the Guamanians who had had the opportunity to be trained and then come back home?

Mr. WON PAT. There is only one Guamanian that has been trained, who had finished agricultural studies in the mainland. The others working there, we send them away for 2 or 3 months to make an observation on some of the methods. They are not professionally or technically trained. We provide assistance to students who will take up agricultural studies and other technical fields.

Mr. JONES. In other words, you do not feel that you have people in the department of agriculture who would be trained, say in this country and then sent back there? Would that not be a preferable way if we could provide during an interim, send people over there while your people were being trained—I say your people, I mean the natives of Guam, they are all Americans, I understand that.

Mr. WON PAT. We presently have three boys studying in the University of Hawaii, taking up agriculture.

Mr. JONES. Do you anticipate they may return to Guam?

Mr. WON PAT. The provisions under which we provide assistance to students to take up agriculture or other technical fields are that

they shall return to the island and at least serve the territory and the people. Otherwise, if they do not, they have to pay back the costs which they are provided by the government of Guam.

Mr. JONES. Mr. Harvey.

Mr. HARVEY. I am much interested in the colloquy you have had with the Speaker. I think it is most helpful for us to get a little better understanding of just what the situation in Guam is at the present time.

I might add I had the pleasure of visiting your island a few years ago. I recall something about it. Although I was not there on a particular mission to study the natural resources and capabilities of your island, I did observe the situation there with a good deal of interest. I came away with the feeling that you have some potential there and that probably the potential was not being fully exploited.

I noted in the report here from the Department of Interior a statement which I have read with some interest. Without wanting to necessarily prolong this hearing, because I think you have testified on the most important phases of it, I note you have a number of schools on the island. Do you have any comparable type of schools there which we call vocational agriculture schools here on the mainland?

Mr. WON PAT. Yes, sir, we are providing that in the secondary, high schools.

Mr. HARVEY. How many of those schools do you have and what is their enrollment?

Mr. WON PAT. We have the Guam Trade and Technical School. That provides, of course, opportunities for those students who are academically qualified from high school and those who are outside working and want to improve their skills.

Then as a regular part of the curriculum in the high school, aside from the vocational training schools, we also have agricultural subjects taught.

Mr. HARVEY. Do you have any significant enrollment in these classes?

Mr. WON PAT. Sir, we do. As a matter of fact, the last Governor before this one was so interested in the development of agriculture that he himself sometimes lectured in the college on agriculture. He put a lot of emphasis on agriculture in not only the high school but also in the elementary. Also we have started 4-H Clubs and some other organizations, all geared toward the interests and the participation in agriculture.

Mr. HARVEY. I noticed you have a 2-year college there presently.

Mr. WON PAT. That has been increased now to a 4-year full-fledged college.

Mr. HARVEY. Do you have a course or a department of agriculture within the college?

Mr. WON PAT. They do have what is called vocational lectures, but they do not presently have what is called a course because we would have to import a professor in agriculture, which we do not have. We have a veterinarian and agronomist and agriculturalist.

Mr. HARVEY. What I am driving at, as a former educator myself, is the fact, particularly in the field of agriculture, that in my humble judgment, from my observation of your island, if you are going to achieve the goals which you have set forth, and which I think are

very significant and excellent, that there is the place you are going to have to start. Before you can develop a competent competitive agriculture on the island, you are going to have to start mostly with the younger men of the secondary and college level and train them technically so that whatever other assistance they may get by way of financial or technical, highly technical after they are out of school, they will have a basis upon which to build.

I might humbly suggest this. I am not opposed to the idea of a beginning program or expanding program, but I think you are going to have to put more emphasis on your educational field in secondary and college before the help you have sought here will be of too much value.

Mr. WON PAT. As I said earlier, sir, that is exactly what we are doing right now. We are putting much more emphasis upon agriculture because we feel that is the only possible industry in the island. Besides that, it is fundamental to our existence over there.

What would happen if the military pulled out tomorrow or next month? We cannot depend on that entirely. I know people differ in their views with respect to the mission of the military activity there, but we do not alone subscribe to the idea. We feel that we should maintain our own local industry, particularly agriculture, because we have always been, since Guam was there the people have been living upon the soil. But the island, of course, has changed radically as a result of the war. Today agriculture is not like before the war.

I remember that before the war the people did not have to resort to fertilizer, they did not have to use fertilizers. All they had to do is clear off the boondocks and plant the seed and the things will grow very well. But this is not so today. There are all kinds of insects that have been brought in as a result of the occupation. The coconut, for example, which has been the basic industry, because we had a lot of coconuts and exported copra, that was the chief industry there.

Mr. HARVEY. You are saying exactly, in a different way, what I have been saying to you. A competitive agriculture requires a great deal of technical know-how; more than it used to.

Mr. WON PAT. That is correct.

Mr. HARVEY. There is going to have to be a great deal of work done on Guam, in my humble judgment, before your productivity can be increased very much, and not the least of which is a better educated, trained group of emerging farmers who will know exactly how to go about it.

I think one of the mistakes you may be making is that you are trying to envision on Guam some of these very small family farms. In my humble judgment, I don't think that offers the best hope for the ultimate development of your agricultural economy.

Mr. WON PAT. In part, that may be right. We feel the individual himself must find ways and means to enhance his economic status. A lot of the people of Guam implement their earnings by working for the government or business and farm a little. This helps the economy. We are trying, of course, to develop farming as an industry, or agriculture as an industry. We want to supply our own needs, and to those not engaged in industry—the military that is over there. We may be able to export.

Mr. HARVEY. I am sure you have some very fine goals in mind. I am not one to say they are impossible of attainment. My thought I want to leave with you is simply this: rather than expect too much by the way of help from the Department of Agriculture in an immediate improvement in your status, you should look more to a longer range educational type program in which you will be preparing competent young men to assume this role of leadership.

Mr. Jones very aptly suggested you should get your own people to assume the role of teaching as well.

Mr. WON PAT. That is very true.

Mr. HARVEY. A year ago I visited Puerto Rico and we had an opportunity to observe some of the efforts in a somewhat similar type of climate; their efforts to develop their agriculture there. Mr. Stubblefield and I were both of the opinion they have, through their trial-and-error system, developed some rather forward-looking type of programs that are adaptable to the place from which you are starting in the field of agriculture, looking ahead to the same goals you have in mind.

Mr. Stubblefield may not concur 100 percent in that, but at least I will speak for myself in that respect. Regardless of the outcome of this legislation, I would humbly suggest if you have an opportunity, you have some of your leaders confer with the Puerto Rican officials regarding their effort in this same area. I think their trial-and-effort period could be very helpful to you.

Mr. JONES. I think it might be helpful here if we would hear from Mr. Nathan Koenig, special assistant to the Administrator of the Agricultural Marketing Service. He can tell what the Department is proposing, or is recommending.

**STATEMENT OF NATHAN KOENIG, SPECIAL ASSISTANT TO THE
ADMINISTRATOR OF THE AGRICULTURAL MARKETING SERVICE,
DEPARTMENT OF AGRICULTURE**

Mr. KOENIG. I am special assistant to the Administrator of the Agricultural Marketing Service. I have been asked to represent the Department of Agriculture at this hearing and speak for the Department in behalf of the bill.

We in the Department of Agriculture are glad to have this opportunity to discuss with this committee H.R. 3869, a bill to establish Federal agricultural services to Guam. This bill was originally proposed by the Department in the form of draft legislation transmitted for the consideration of Congress.

I believe the committee has the letter that was addressed to the Speaker by which this bill was transmitted.

As explained in the letter of transmittal, which was dated January 29, 1963, the proposed legislation would authorize the Secretary of Agriculture to establish and maintain an agricultural program in Guam. This would include such programs administered by the Department of Agriculture as are determined by the Secretary would promote the welfare of that island. All programs and activities undertaken under this proposed bill would be developed in cooperation with the territorial government of Guam. They also would be covered by a memorandum of understanding agreed to by that govern-

ment and the U.S. Department of Agriculture. In this way the full potential of the territorial government could be brought to bear in the solution of Guam's agricultural problems and also insure effective coordination of local and Federal interests in program development and operation. A proviso in the bill would limit the number of Department employees to be stationed on Guam to five at any one time in carrying out the purposes of this proposed legislation.

The basic objective of the bill's requirement that program activities be covered by a memorandum of understanding between the territorial government and the U.S. Department of Agriculture, is to strengthen and improve the local government's agricultural department so that it may eventually have the kind of organization and staff competence required to provide the services in agriculture, home economics, and rural life needed by the people on this island.

At the outset, the U.S. Department of Agriculture's principal contributions would be in the form of supplying to the Guam Department of Agriculture technical assistance for effective organization and appropriate training of its staff. This technical help is needed in the fields of agronomy, soil and water conservation, livestock and poultry, horticulture, marketing, home economics, 4-H Club work, and other rural development. Within the limits which the bill would establish, the specialists supplied by USDA would in effect constitute a technical assistance team that would be associated with the Guam Department of Agriculture until such time as its staff workers gained the necessary technical knowledge and know-how to carry on more effectively.

H.R. 3869 is based on recommendations embodied in a report of a survey group which the USDA sent to Guam at the request of the Department of the Interior in 1956 to study the agricultural needs of the island.

I was a member of that survey group.

The report itself was published in March 1958 and copies of this document are available for the committee.

The need for providing the authority embodied in H.R. 3869 to assist in the development and improvement of the agriculture in Guam is even far greater and more intense today than it was when the study recommending such legislation was made 7 years ago. This fact alone emphasizes the urgency of the enactment of H.R. 3869.

Time has intensified the agricultural problems of Guam in many ways and thus added to the difficulties of dealing with them. In the first place, the pressure of population against very limited soil, water, and other natural resources has become more and more acute both through the natural growth in population and through the increased importance of Guam as a military base.

I have a population estimate here from one of the agencies of Guam, the Planning Division of the Guam Department of Land Management. This indicates that as of July 1, 1963, there were 73,794 people on the island of Guam. Of this total, 23,300 represented the population on military bases.

The 1960 census shows a population totaling 67,044 for Guam. This compares with 59,498 in 1950; 22,290 in 1940; and 13,275 in 1920. With an area of only 209 square miles, Guam had a population density in excess of 320 persons per square mile on the basis of the 1960 census,

and today has a density of about 350 persons per square mile. The sharp increase in population that has taken place on the relatively small island of Guam in the last two decades alone has given rise to very serious problems of soil and water conservation in addition to many others.

I would add, these problems of soil and water conservation are perhaps the more basic and fundamental problems that have to be dealt with, because of the great pressure of population that the island now has, and is likely to continue to have some for time to come.

More recently, however, the territory of Guam has been hit by destructive forces of typhoons which brought great destruction to the island. Agriculture suffered extensive damage which with the very limited knowledge and know-how presently available on the island is proving difficult to overcome.

Typhoon Karen hit Guam on November 12, 1962, and brought severe destruction to Guam. Typhoon Olive hit Guam on April 28, 1963, and practically finished what Karen failed to do. Since then, the people of Guam have been trying valiantly to rebuild and restore.

In agriculture, the people of Guam face a most difficult task of rehabilitating and renewing both natural and productive resources. The program provided for in H.R. 3869 would be of immediate and substantial help to them. The work that needs to be done would be carried on so that the technical assistance and training afforded by the U.S. Department of Agriculture would supplement and strengthen the functioning of the Guam Department of Agriculture.

Altogether, the land area of Guam totals a little over 133,700 acres, of which nearly 32,100 acres represents land in farms. The census shows that in 1960 Guam had 2,028 farms, the average size being 15.8 acres. Of the 32,100 acres of land in farms, approximately 17,000 acres are classified as cropland and nearly 8,500 acres classified as pastureland.

In the days before Guam became important as a military base, the people of that island were largely self-sufficient in their food supply through agricultural and fishing activities. With the rapid expansion of the Military Establishment on Guam over the last two decades or so, there has been a very marked decline in the agriculture of Guam. Much agricultural land was taken over for military use. The expansion of the Military Establishment on Guam opened up many job opportunities which attracted large numbers of people who had previously lived off of the land. As a result, agricultural production has been largely incidental as long as the Military Establishment kept on expanding and provided alternative work opportunities at higher pay. However, any leveling off or decrease in civilian employment by the military on Guam will make it necessary for many of those now employed to go back to the land.

Agricultural production on Guam today supplies only a very small part of the civilian food needs. Moreover, the military is able to procure only a minute part of its requirements for perishable products that could be profitably produced on Guam. Thus, between its civilian population and the military, agriculture on Guam could have a highly profitable market for its products. Unfortunately, however, the knowledge and know-how needed to produce for this market are not available on the island. They need to be imparted to the island's

farmers in order for them to engage in agricultural production that could be profitable and compare well with other employment opportunities.

As matters stand now, agriculture on Guam is very much underdeveloped. Large areas of land that could be used for agricultural purposes are idle and grown up in jungle. Except for a few farms production practices are for the most part crude. Land is often cleared, used for a single crop, and permitted to grow back to jungle. This same cycle continues from one piece of land to another. Improved techniques and production practices could readily be introduced in the agriculture of Guam so that production could be improved and expanded and made commercially profitable. This would contribute materially to strengthening the economy of Guam and providing a firmer foundation on which future growth and development could take place.

Mr. JONES. Thank you, Mr. Koenig.

Mr. KOENIG. Mr. Chairman, reference was made as to the need for training young people in Guam so as to provide a nucleus of agricultural know-how.

It is my understanding, Mr. Chairman, that the College of Guam initiated in 1962 a class in agriculture. The lectures in that class were given by Guam Department of Agriculture personnel. Under the program that is provided for in this bill, Mr. Chairman, with the technical personnel that would be provided primarily for purposes of technical assistance and training for the staff of the Guam Department of Agriculture, the staff members of that Department who could teach agricultural classes at the College of Guam would receive a great deal of the training that is needed, and again, a great deal of the knowledge that is required to teach classes in agriculture.

I doubt very much, Mr. Chairman, in view of the needs for teachers in various other fields of activity on Guam, whether the College of Guam could afford to maintain a teaching staff that would be needed to teach agricultural classes. Therefore, it is my personal belief that much of the teaching load would fall upon the staff members of the department of agriculture. And with the training and technical know-how they would gain under this program, it would certainly be most helpful in the agricultural educational work that needs to be done on Guam.

Mr. HARVEY. I think this is an entirely new aspect of the plan that was not brought out in our prior hearings on this question.

Mr. KOENIG. I will agree with you, sir, for the simple reason that the College of Guam is a rather recent introduction in the economy of Guam. Therefore, there is enough flexibility in this whole program. The prime purpose of the program is to provide the training and technical assistance to the staff members of the Guam Department of Agriculture so as to increase the competence of the people who are employed by that department. If the services of these staff people are needed and could be utilized in agricultural instruction at the College of Guam, so much the better. That is incidental insofar as the whole purpose of this bill is concerned.

Mr. JONES. Are there any other questions of Mr. Koenig?

Mr. DOLE. I read his testimony. Yesterday on the House floor we were told about the progress made by the Peace Corps in furnishing

technical assistance throughout the world. Are there any Peace Corps men in Guam who could provide this so-called technical assistance listed as No. 7 in one of the statements? The primary contribution would be in the forming of technical assistance, 4-H work and livestock and poultry research, and that type of activity.

Mr. KOENIG. As you know, the Peace Corps primarily is engaged in work in foreign countries. Guam being part of the United States, it does not have that benefit. By the same token, the Agency for International Development makes available agricultural technicians to provide technical assistance and impart know-how in many of the underdeveloped countries of the world. All we are trying to do through this bill is to give to a piece of land that is part and parcel of the United States and the people who live there who are citizens of the United States, the same opportunities in terms of getting technical assistance and developing some skills that we are giving foreign countries, and not raising very many questions about it.

Mr. MATSUNAGA. A suggestion might be made that the gentlemen from Kansas support the domestic Peace Corps; then we might have domestic Peace Corps men in Guam.

Mr. DOLE. I would rather support this than a domestic Peace Corps, if there is a choice.

Mr. JONES. We have one more witness.

Mr. BEERMANN. Has anyone brought out what the Navy is doing for agriculture operations in Guam?

Mr. KOENIG. In response to that, insofar as the government of Guam is concerned, it is under civilian control. The Navy, to the extent that Navy is there—it is more the Air people who are there—they are not doing very much except worrying about their own problems. One of the major problems that the military has on Guam is the problem of getting enough water. That isn't just water for the military. It is a problem of the whole economy and the entire civilian population of Guam. Insofar as the Department of Agriculture is concerned, one of the first things that I think we would want to tackle would be the problem of soil conservation and the conservation and development of water resources on the island. Those things are fundamental.

Mr. BEERMANN. Doesn't the Navy have personnel experienced in this field and couldn't the naval commander offer some assistance in this area with personnel already in the Navy to help in an exploration of these problems in Guam?

Mr. WON PAT. They serve as a logistic entity to the Armed Forces in the Pacific. Their business is not in civilian affairs. It is strictly military. They do cooperate with the local civil government in areas where they are jointly interested. They don't have special technicians in agriculture, or anything of that sort.

Mr. BEERMANN. Do you mean to tell me there are no former county agents in naval service today that might be on Guam who could help?

Mr. WON PAT. We don't have them. We have our own local extension agents, locally trained. By experience they have acquired this. They are making observations on the mainland.

Mr. MATSUNAGA. Mr. Koenig, just what type of service does the U.S. Department of Agriculture render to Guam?

Mr. KOENIG. None whatsoever to the agriculture of the island. This piece of legislation would merely authorize the agricultural

services which the Department of Agriculture could render. Insofar as the Department of Agriculture is concerned, this bill is written so that it would be the people on Guam, the Guam Department of Agriculture, who would have to indicate the needs and then the U.S. Department of Agriculture would get together with them and see how those needs could be met.

Mr. MATSUNAGA. What is the estimated cost, knowing what the needs on Guam are now from your survey of 1958?

Mr. KOENIG. We would put a complete ceiling on it of \$100,000, and operate under that. We doubt very much whether we would ever reach that \$100,000 level. You realize we have the limitation in the bill of not more than five people on the island at any one time. That in effect would mean a limit of 5 man-years of work on the island. Well, even if we had five people there full time, you see, we probably would not reach that \$100,000 ceiling.

What we would really do at the start would be to try to tackle two or three of the most fundamental problems that Guam has to wrestle with at the present time. Right offhand, I would say that the soil and water problem which has been intensified by the two typhoons would command top priority. Once we got into that, we would also want to work with the Guam Department of Agriculture in trying to develop the skills and the know-how of their own staff members in extension work.

The U.S. Department of Agriculture won't do the work with the people of Guam as such. All of the work that the Department would be doing would be working with the Guam Department of Agriculture, and it would be up to the Guam Department of Agriculture to decide whether or not they wanted the U.S. Department of Agriculture people to go with them beyond that.

We would not want to have two departments of agriculture operating on Guam.

Mr. MATSUNAGA. What would you say would be the minimum amount in annual expenditures?

Mr. KOENIG. That is rather hard to say at this stage because it would depend on what the Guam Department of Agriculture and the U.S. Department of Agriculture would get together on.

Mr. MATSUNAGA. What I am trying to get at, Mr. Koenig, is to determine a minimum amount. That is what Congressmen think about. How much will it cost the taxpayer?

Mr. KOENIG. I would say anywhere from \$25,000 at the start to an average of perhaps \$50,000 a year over period of time. In any event it would not exceed \$100,000 in any one year.

Mr. BEERMANN. Mr. Koenig, in your statement you say there are approximately 17,000 acres classified as crop land and nearly 8,500 acres classified as pasture land. In the next paragraph, " * * * there has been a very marked decline in the agriculture of Guam. Much agricultural land was taken over for military use."

I go back to the point—isn't there any way that the Department of Agriculture of Guam can work out personnel for this from the military?

Mr. KOENIG. I think this—I think the military—and I am not speaking for the military, but knowing how the military operate—is concerned with their own operating problems. They do not want

to get mixed up in civilian affairs unless it is something that directly affects them. When the Navy was in control of Guam; yes, they had agricultural people working there, but when control went to the civilian government, then the Navy went and minded its own business in its own sphere of activity.

Mr. BEERMANN. You do not have any fear, like so many farmers in the United States, concerning the anatomy of the U.S.D.A. or would you rather work with the military than the Department of Agriculture?

Mr. KOENIG. I did not get that, sir.

Mr. BEERMANN. You might find out it would be better to work with the military than the Department of Agriculture.

Mr. KOENIG. I do not think the Department of Agriculture people have horns.

Mr. BEERMANN. We had a referendum in the United States.

Mr. KOENIG. The people decided that one.

Mr. BEERMANN. You might be better off—

Mr. KOENIG. This has nothing to do with that type of program. This has nothing to do with any of the production adjustment programs, so to speak.

Mr. BEERMANN. Do you mean to tell me you won't have controls on crops, and price supports?

Mr. KOENIG. This bill does not envision that.

Mr. JONES. That is right.

Mr. BEERMANN. Not in this bill. If you project the Department of Agriculture into the Guamanian Department of Agriculture, you will be faced with this in the future.

Mr. JONES. If I understand it, I think he made it perfectly clear, he did to me, that the Department of Agriculture would be working over there strictly on an advisory and technical basis to try to help the department of agriculture in Guam to solve some of the problems they do not have the personnel or the know-how with which to do it. That is my understanding and what we are trying to approach here.

Mr. KOENIG. Yes. The bill itself specifies there must be a memorandum of understanding between the Guam Department of Agriculture and the U.S. Department of Agriculture, and whatever the U.S. Department of Agriculture does on Guam is limited to whatever is contained in that memorandum of understanding. I think the people in Guam can look after themselves on that score. As far as the U.S. Department of Agriculture is concerned, our work would be confined to so-called technical assistance and developing the know-how.

Mr. JONES. I do not want to try to rush this, but we are going to try to get into executive session. With no objection, I think we would like to hear from Mr. Taitano. He is Director of the Office of Territories of the Department of Interior. He has a brief statement.

STATEMENT OF RICHARD F. TAITANO, DIRECTOR, OFFICE OF TERRITORIES, DEPARTMENT OF THE INTERIOR

Mr. TAITANO. My statement is short.

Mr. Chairman, thank you for this opportunity to appear in support of this bill to establish and maintain an agricultural program in Guam designed to promote the welfare of that territory.

As the committee is undoubtedly well aware, this bill is sponsored by the Department of Agriculture and is an administration measure. The Department of Interior and the Government of Guam strongly favor the bill, and it is my purpose today to express that support, and to urge that this committee give the bill favorable consideration.

However, although this bill is sponsored by the Department of Agriculture, it affects an area within the responsibilities of the Department of the Interior and more specifically, within my Office. Obviously, therefore, we have more than a casual interest in the proposal. There is no question in our minds but that, first, there are a number of important areas in the territorial agricultural program of Guam that are weak, areas including agronomy, soil and water conservation, livestock and poultry, marketing, and home economics; and secondly, that this bill will provide the means and the technical assistance to develop these areas.

Thank you.

Mr. JONES. We thank you very much for your statement.

Mr. BEERMANN. In this statement the gentleman refers to the item that concerned me previously. This says, "marketing." In the third from the last line you say—

areas including agronomy, soil and water conservation, livestock and poultry, and marketing, and home economics, and secondly, this bill will provide the means and technical assistance to develop these areas.

My point is, regardless of the intentions, already it has crept into the hearings and it is definitely brought out in this statement—marketing, and I object to the Federal Government and the Department of Agriculture getting into the controls for the production and marketing of agricultural products, and I think the Guamanian people will rue the day when they ask the Department of Agriculture to help them in marketing.

Mr. JONES. I do not think this is a proper place to get into that discussion. I think we have a different understanding of the term "marketing." I do not understand that "marketing" involves controls and things like that as it is used here. I think that is a thing we will want to discuss in executive session.

If there are any questions, I think we should ask them because I want to get into executive session as early as possible. We have some other legislation we would like to consider today. If Mr. Beermann has any questions he would like to ask, this would be the time to do so.

Mr. TAITANO. I can comment on that feature of marketing.

Mr. BEERMANN. Please do.

Mr. TAITANO. I can give an illustration of what the problem is. The present marketing procedure in Guam is very primitive. This is what has happened in the past. The local department of agriculture says the military will need cucumbers. They will plant them and they will plant more than the military can buy, and in the following year no one will raise cucumbers. The local department of agriculture does not have the technical expertise on how to get the production so there will not only be a steady supply that will go to the consumers, but we will not have ups and downs. This is the type of marketing we are talking about.

Mr. BEERMANN. You are certainly strengthening my argument. You are asking for supply controls.

Mr. TAITANO. Not to the extent we have in this country. Let us be realistic about it. The island is very small. You can only produce so much. Most of the agricultural land is under military control. The land that is left will be used for farming, but primarily to get the products to the people who will consume them locally. I do have many doubts, given the present population, and including the military, that Guam will ever—unless the military is released—produce enough food to provide for both the military and the local population.

Mr. BEERMANN. You mean if it were on a balanced basis, not producing one crop one year and a different one next year?

Mr. TAITANO. That is right.

Mr. BEERMANN. If there was a balance of what you need in Guam, you won't have a sufficient supply to feed the people in Guam.

Mr. TAITANO. That is right. The price of eggs sometimes will go up to 90 cents or \$1. The supply is still far behind the demand. I think the problem here is to try to utilize the potential that is there. I doubt very much, even in the agricultural area, that we will ever produce enough from what we have there to provide the needs of the resident population and the military. I do not think this will happen in the next decade unless you have a drastic technical improvement in the production of agricultural products.

Mr. BEERMANN. This is a lot more commendable than trying to teach other countries around the world who aren't friendly to us to grow cotton and other crops to compete with our crops. I appreciate this very much.

Mr. JONES. I do not want to cut anyone off. I think some of your fears could be handled by limiting language. I do not envision the controls you have suggested. We have a very unique situation here. We have people who are Americans living there and who are unable under the present law to get the type of assistance we are giving to a lot of foreign countries, as you mention, some not friendly to us, and I would like to see the same treatment accorded to Americans that we accord to other parts of the world. We will look into that when we get into executive session.

Mr. HARVEY. I want to make this brief observation—it seems to me that the greatest area of profitable production for the island is in that of perishable crops. You are fully competitive in that area. Not only that, you have a very favorable climate in which to produce.

If the long-range program for Guam is in terms of producing those things in which you can be fully competitive and supply the basic needs, you will be better off. You said you can grow corn. I have no doubt that you can. With the limited area you have, and with other factors in mind you would be better off to stay out of corn production.

That is all.

Mr. JONES. Thank you very much. We will now go into executive session.

(Whereupon, at 11:30 a.m., the subcommittee went into executive session.)

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