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COSTS OF INSPECTION SERVICES AT PORTS OF ENTRY

GOVERNMENT
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HEARINGS

BEFORE THE

COMMITTEE ON COMMERCE
UNITED STATES SENATE

EIGHTY-NINTH CONGRESS

SECOND SESSION

ON

S. 1596

A BILL TO PROMOTE THE DOMESTIC AND FOREIGN COMMERCE OF THE UNITED STATES BY MODERNIZING PRACTICES OF THE FEDERAL GOVERNMENT RELATING TO THE INSPECTION OF PERSONS, MERCHANDISE, AND CONVEYANCES MOVING INTO, THROUGH, AND OUT OF THE UNITED STATES, AND FOR OTHER PURPOSES

FEBRUARY 9 AND 10, 1966

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COSTS OF INSPECTION SERVICES AT PORTS OF ENTRY

WEDNESDAY, FEBRUARY 9, 1966

U.S. SENATE,
COMMITTEE ON COMMERCE,
Washington, D.C.

The committee met at 10:07 a.m. in room 5110, New Senate Office Building, the Honorable A. S. Mike Monroney presiding.

Senator MONRONEY. The Committee on Commerce will commence hearings this morning, continuing through Thursday, on S. 1596, a bill entitled "To promote the domestic and foreign commerce of the United States by modernizing practices of the Federal Government relating to the inspection of persons, merchandise and conveyances moving into, through, and out of the United States, and for other purposes."

Under existing law, services of the various inspection agencies; namely, the Bureau of Customs, the Immigration and Naturalization Service, the Foreign Quarantine Division of the Public Health Service and the Department of Agriculture during Sundays, holidays, and periods other than the normal working day are in many instances only performed on a basis whereby the party receiving such services during such times must reimburse the Government for any overtime compensation which it is required to pay inspectors. This measure would, for all practical purposes, eliminate reimbursement charges for overtime compensation. Specifically, the bill would require the Federal agencies to perform inspection and quarantine services at ports and airports of entry in connection with operations of aircraft, railroad trains, motor vehicles, pipelines, or vessels without reimbursement, provided the operations were conducted pursuant to or in accordance with notices such as, but not limited to, schedules, timetables, tariffs, or flight plans.

Without objection, there will be inserted at this point in the record a copy of the bill S. 1596, together with comments which the committee has received from the various Government agencies.

(The above-mentioned material follows:)

[S. 1596, 89th Cong., 1st sess.]

A BILL To promote the domestic and foreign commerce of the United States by modernizing practices of the Federal Government relating to the inspection of persons, merchandise and conveyances moving into, through, and out of the United States, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That notwithstanding any other provision of law, any inspection or quarantine service required to be performed by the United States Government, or any agency thereof, at ports and airports of entry,

Staff counsel assigned to this hearing: William T. Beeks, Jr.

as a result of the operation of aircraft, railroad trains, motor vehicles, pipelines, or vessels, shall be performed without reimbursement from the owners or operators thereof, whenever such operations are conducted pursuant to or in accordance with notices such as, but not limited to, schedules, timetables, tariffs, or flight plans.

SEC. 2. This Act shall become effective at 12:01 antemeridian, eastern standard time, the first day of the eighteenth month following the date of enactment.

CIVIL AERONAUTICS BOARD,
Washington, D.C., March 8, 1966.

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

DEAR MR. CHAIRMAN: This is in reply to your letter of March 23, 1965, requesting the Board's comments with respect to S. 1596, a bill "To promote the domestic and foreign commerce of the United States by modernizing practices of the Federal Government relating to the inspection of persons, merchandise and conveyances moving into, through, and out of the United States, and for other purposes."

S. 1596 would require that inspection or quarantine services performed by the Government at ports and airports of entry be furnished without reimbursement from the owners or operators of aircraft, railroad trains, motor vehicles, pipelines, or vessels, whenever notice has been given to the Government agency involved through such means as schedules, timetables, tariffs, or flight plans.

Senator Monroney stated in introducing the bill that its purpose is to establish a consistent national policy on inspection agency practices and to require the Government to furnish certain public service functions on a businesslike basis to meet the needs of modern-day commerce. He pointed out that certain of the laws on inspection services, such as customs, prohibit, in effect, the performance of duty by agency employees at night under certain conditions and on Sundays and holidays unless private parties contract with employees for special service on an overtime basis. As a result, operators of commercial aircraft, as well as private flyers, who are unable to schedule flights so as to reach ports of entry except during such periods are required to pay substantial sums for customs clearance. On the other hand, inspection services of the Immigration and Public Health Services are provided to operators of aircraft, and certain other modes of transportation, without extra charge under similar circumstances.

The Board does not believe that there is any justification for charges being imposed for one type of service and not for another rendered under similar circumstances. Consequently, the Board favors legislation which would bring about uniformity in the practices of the inspection agencies. However, the question as to whether services of the agencies should be performed without reimbursement, or charges made therefor, is one relating to overall policy on user charges, and might more appropriately be the subject of comment by the agencies involved.

The Board has been advised by the Bureau of the Budget that while there is no objection to the submission of this report, the Bureau does not favor the enactment of S. 1596 but recommends the enactment of legislation along the lines of H.R. 6433 which would remove the discrepancies in treatment of reimbursement for overtime services among private aircraft and vessels.

HAROLD R. SANDERSON, *Secretary*
(For the Civil Aeronautics Board).

COMPTROLLER GENERAL OF THE UNITED STATES,
Washington, D.C., May 11, 1965.

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

DEAR MR. CHAIRMAN: Your letter of March 23, 1965, invites our comments on S. 1596, a bill to promote the domestic and foreign commerce of the United States by modernizing practices of the Federal Government relating to inspection of

persons, merchandise and conveyances moving into, through, and out of the United States, and for other purposes.

The enactment of this measure would require the U.S. Government, or any agency thereof, to perform inspection or quarantine services at ports and airports of entry, as a result of the operation of aircraft, railroad trains, motor vehicles, pipelines, or vessels, without reimbursement from the owners or operators thereof, whenever such operations are conducted pursuant to or in accordance with notices such as, but not limited to schedules, timetables, tariffs, or flight plans. Records of the Bureau of Customs, Immigration and Naturalization Service, Foreign Quarantine Division of the Public Health Service, and the Department of Agriculture show that recipients of inspection services, performed by employees of the aforementioned agencies and Department after hours of the normal workday or on Sundays and holidays, reimbursed the Government approximately $8,675,000, $9,170,000 and $10,165,000 for such services in fiscal years 1962, 1963, and 1964, respectively. However, we do not know what portion of such reimbursed costs would be assumed by the Government if S. 1596 were enacted.

The furnishing of inspection services, such as those referred to above, on a reimbursable basis apparently was originally based on the principle that the transportation companies should reimburse the Government for special services at unusual hours that advance their own interest. However, it is noted that the laws of the aforementioned agencies and Department regarding collection from transportation companies for extra-compensation inspection costs are not uniform. Exceptions to the reimbursement requirements have been provided for some categories of travel and transportation, apparently on the basis that the inspection service is for the benefit and protection of the public and the costs thereof should not be imposed upon private interests. Also, it is noted that the costs of such extra-compensation inspection services are not uniform. The Department of Agriculture pays its inspectors overtime pay based on the Federal Employees Pay Act of 1945, as amended, 5 U.S.C. 911, which is generally applicable to employees subject to the Classification Act of 1949, as amended, 5 U.S.C. 1071 et seq. On the other hand, inspectors of the Bureau of Customs, Immigration, and Naturalization Service, and Foreign Quarantine Division of the Public Health Service are paid overtime at a higher rate pursuant to special legislation.

The matter of providing inspection or quarantine services without reimbursement from the owners or operators of an aircraft, train, motor vehicle, pipeline, or vessel, whenever the operation thereof is conducted pursuant to or in accordance with notice, is primarily a question of policy for determination by the Congress. Therefore, we offer no recommendations concerning the merits of the bill. However, we should like to offer the following suggestion for your consideration.

In view of the fact that there are a number of separate provisions of law regarding the matter of transportation companies reimbursing the Government for extra-compensation inspection services, if the purpose that S. 1596 would accomplish receives favorable consideration, it would appear desirable to accomplish such purpose by amending the existing provisions of law relating to the Bureau of Customs, Immigration and Naturalization Service, Foreign Quarantine Division of the Public Health Service, and the Department of Agriculture. Those provisions of law are section 451 of the Tariff Act of 1930, as amended, 19 U.S.C. 1451 regarding the Bureau of Customs; section 2 of the act of March 2, 1931, 5 U.S.C. 342d regarding the Immigration and Naturalization Service; section 364 of the Public Health Service Act, as amended, 42 U.S.C. 267(d)(1), regarding the Foreign Quarantine Division of the Public Health Service; and the act of August 28, 1950 (ch. 815, 64 Stat. 561, 5 U.S.C. 576), regarding the Department of Agriculture inspection or quarantine services.

We have no other comments or recommendations with respect to the bill.

Sincerely yours,

JOSEPH CAMPBELL,
Comptroller General of the United States.

DEPARTMENT OF AGRICULTURE,
Washington, D.C., July 15, 1965.

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

DEAR MR. CHAIRMAN: We wish to thank you for your letter of March 23, 1965, giving us the opportunity to report on Senate bill 1596. The bill is entitled "To promote the domestic and foreign commerce of the United States by modernizing practices of the Federal Government relating to the inspection of persons, merchandise; and conveyances moving into, through, and out of the United States, and for other purposes."

The bill would provide that any inspection or quarantine service required to be performed by the U.S. Government, or any agency thereof, at ports and airports of entry, as a result of the operation of aircraft, railroad trains, motor vehicles, pipelines, or vessels, shall be performed without reimbursement from the owners or operators thereof, whenever such operations are conducted pursuant to or in accordance with notices such as, but not limited to, schedules, timetables, tariffs, or flight plans. The bill would become effective the first day of the 18th month following the date of enactment.

This Department does not recommend enactment of S. 1596.

One of the primary functions of this Department is to prevent the introduction of foreign pests and diseases that could cause damage amounting to millions of dollars each year to our crops, forests, livestock, and pasture lands. This is primarily accomplished by the inspection of incoming aircraft, vessels, ships, vehicles, cargoes, and personal baggage. It is the policy of this Department to establish hours for the assignment of personnel for the performance of inspections and other functions to the extent that funds will permit and commensurate with reasonable need, whenever it is determined that there is sufficient and substantially continuous demand therefor. Hours of service at land border crossings and most airports have been established to cover scheduled operations to the maximum extent feasible. Most maritime operations, particularly the arrival of passenger liners and cruise ships, are timed to fall within normal daytime hours. Coverage at maritime ports, therefore, is limited to normal daytime hours of duty on Monday through Friday with a reduced force normally assigned the same hours of duty on Saturday. Inspections outside these hours are made, upon request, on a reimbursable basis. Any extension of maritime port coverage beyond that cited would be difficult to justify on the basis of substantially continuous demand. Hours of duty at land border ports are established to conform to traffic density. At most land border ports, tours of duty are established on Saturdays, Sundays, and holidays, which often are days of peak traffic. Established hours of service at principal airports of entry include the vast majority of all scheduled flights. At John F. Kennedy International Airport, N.Y.; Miami International Airport, Fla.; and Honolulu International Airport, Hawaii, this Department maintains round-the-clock coverage 7 days per week, for passenger service, without reimbursement from the airline.

Cargo aircraft and the inspection of air cargo normally is restricted to 40 hours per week, 0830–1700 Monday through Friday. At airports having more extensive coverage of passenger aircraft, such as John F. Kennedy International Airport, New York, cargo planes are cleared in the air terminal area during all scheduled hours. Clearance in a separate cargo area, and inspection of air cargo as such is available outside the scheduled 40-hour week on a reimbursable basis in accordance with the act of August 28, 1950 (64 Stat. 561).

Carriers in the pursuit of their business are permitted to schedule arrivals at various ports of entry as will best meet their individual needs and those of their patrons. When a substantial traffic pattern exists, whereby the services of a Department inspector can be fully utilized for a continuous period of time, inspection services are furnished without cost to the owner or operator.

However, the independence with which the carriers establish schedules, definitely indicates a need for special services when a community of arrivals does not exist, and therefore, we believe such service properly falls within the category for which "user charges" should be assessed the recipient of the service.

This Department would require additional annual appropriations estimated at $1 million if the subject legislation were enacted.

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

Sincerely yours,

ORVILLE L. FREEMAN, *Secretary.*

OFFICE OF THE DEPUTY ATTORNEY GENERAL,
Washington, D.C., February 8, 1966.

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

DEAR SENATOR: This is in response to your request for the views of the Department of Justice on S. 1596, a bill to promote the domestic and foreign commerce of the United States by modernizing practices of the Federal Government relating to the inspection of persons, merchandise, and conveyances moving into, through, and out of the United States, and for other purposes.

Insofar as the operations of the Department of Justice are concerned, existing law requires the payment of overtime compensation to officers of the Immigration and Naturalization Service for performing immigration inspections of persons arriving in the United States from foreign areas on Sundays or holidays, or if such officers are required to perform inspectional duties outside of their basic workweek between the hours of 5 p.m. and 8 a.m. on any day (act of Mar. 2, 1931, 46 Stat. 1467; 5 U.S.C. 342c–d; act of Aug. 22, 1940, as amended, June 27, 1952, 54 Stat. 858, 66 Stat. 278; 5 U.S.C. 342e). With respect to the foregoing carriers bringing persons to the United States are required to reimburse the Attorney General for the extra compensation paid to officers performing overtime services. However, the provision requiring reimbursement by carriers does not apply to the inspection at designated ports of entry of passengers arriving by international ferries, bridges, or tunnels, or by aircraft, railroad trains, or vessels on the Great Lakes and connecting waterways, when operating on regular schedules.

The bill would provide that any inspection or quarantine services required to be performed by the U.S. Government, or any agency thereof, at ports and airports of entry, as a result of the operation of aircraft, railroad trains, motor vehicles, pipelines, or vessels, shall be performed without reimbursement from the owners or operators thereof, whenever such operations are conducted pursuant to or in accordance with notices such as, but not limited to, schedules, timetables, tariffs, or flight plans.

The broad exemption to be accorded carriers whose operations are conducted "in accordance with notices such as, but not limited to, schedules, timetables, tariffs, or flight plans" indicates that any advance notice no matter how short would exempt carriers from the requirement to reimburse the Government for extra compensation costs. There is nothing in the bill affecting the requirement of existing law that officers performing overtime inspectional services must be paid extra compensation. In these circumstances, the costs of overtime inspectional services would fall on the Government. The bill would thus have a substantial and significant effect upon the operations of the Immigration and Naturalization Service, particularly with respect to budgetary requirements.

The bill also would adversely affect the planning of work programs, manpower allocations and duty assignments of employees which are largely determined upon the basis of timely knowledge of the regularly scheduled operations of carriers. Such advance planning would not be possible under the bill because timely notice of the carrier's operations would not be required. The lack of firm information on which to make meaningful duty assignments could result in increasing the need for the performance of overtime inspectional service. In such circumstances, where the carrier is not required to make reimbursement for the extra compensation required to be paid, the Government would have to bear the costs. It is estimated that such costs would approximate $1.9 million annually and would require a like increase in the annual appropriation required for the operations of the Immigration and Naturalization Service. The bill is not limited to the operations of the Immigration and Naturalization Service but likewise would affect other Federal inspectional agencies such as the Customs Bureau, U.S. Public Health Service, and the Department of Agriculture.

In addition to the foregoing, it is to be noted that the proposal is inconsistent with the congressional policy set forth in title V of the Independent Offices Appropriation Act of 1952, that full costs should be recovered where the Government is furnishing services to special groups or individuals (5 U.S.C. 140). The proposal is also contrary to the user charge recommendations made by the President in his budget message of January 24, 1966. In that message the President said:

"Legislation authorizing additional user charges and extending others is recommended, in keeping with the policy that a greater share of the costs of certain programs which provide special benefits or privileges should be borne by identifiable primary beneficiaries. The user charges program also is being extended by administrative action throughout the executive branch where legislative authority exists, and present charges are reexamined regularly to assure that they adequately reflect the costs incurred" (p. 57).

Continuing, the President stated:

"User charges are also being recommended in several other programs. Some of these charges would become miscellaneous receipts of the general fund, and in other instances, they would be used directly to offset the costs of operation. Examples include (1) meat and poultry inspections; (2) commodity inspection and classification, and warehouse inspection and licensing; (3) administration of workmen's compensation and safety programs for longshoremen and harbor workers; and (4) overtime border inspections of private vessels and aircraft. In addition, user charges will be proposed to remove the statutory prohibitions or limitations on fees charged for several programs administered by the Attorney General and the Secretary of the Treasury" (p. 58).

In view of the above, and being unaware of any compelling need which justifies the proposed exception to the general concept that identifiable beneficiaries of special Government services should bear the costs involved, the Department of Justice is opposed to enactment of this bill.

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

Sincerely,

RAMSEY CLARK,
Deputy Attorney General.

DEPARTMENT OF THE NAVY,
OFICE OF THE SECRETARY,
OFFICE OF LEGISLATIVE AFFAIRS,
Washington, D.C., June 22, 1965.

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

MY DEAR MR. CHAIRMAN: Your request for comment on S. 1596, a bill to promote the domestic and foreign commerce of the United States by modernizing practices of the Federal Government relating to the inspection of persons, merchandise, and conveyances moving into, through, and out of the United States, and for other purposes, has been assigned to this Department by the Secretary of Defense for the preparation of a report thereon expressing the views of the Department of the Defense.

This bill provides that any inspection or quarantine service required to be performed by the U.S. Government at ports and airports of entry, as a result of operation of aircraft, railroad trains, motor vehicles, pipelines, or vessels, shall be performed without reimbursement from the owners or operators, whenever the operations are conducted pursuant to notices such as schedules, timetables, tariffs, or flight plans.

To the extent that the affected transportation operators are saved an inspection or quarantine service expense, it is conceivable that importation of defense materials may be at a very slightly lesser cost which would be borne instead by the Federal Treasury. However, the Department of the Navy, on behalf of the Department of Defense, can perceive of no real military department interest in the measure and therefore defers to the Government agencies such as Treasury and Commerce that are more vitally concerned.

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

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

Sincerely yours,

S. S. MANN, Jr.,
Captain, U.S. Navy, Deputy Chief, Acting
(For the Secretary of the Navy).

DEPARTMENT OF STATE,
Washington, D.C., April 21, 1965.

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

DEAR MR. CHAIRMAN: This report on S. 1596, a bill to promote the domestic and foreign commerce of the United States by modernizing practices of the Federal Government relating to the inspection of persons, merchandise, and conveyances moving into, through, and out of the United States, and for other purposes is submitted in response to your request of March 23, 1965.

The Bureau of Customs is presently reimbursed for the extra cost of certain inspection services it performs after regular business hours. The present bill would require the Federal Government rather than the user to bear these extra costs.

It appears that this matter falls within the responsibility of the Treasury Department. The Department of State does not have any comment to make on this bill at the present time.

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

Sincerely yours,

DOUGLAS MACARTHUR II,
Assistant Secretary for Congressional Relations
(For the Secretary of State).

GENERAL COUNSEL OF THE TREASURY,
Washington, D.C., July 16, 1965.

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

DEAR MR. CHAIRMAN: Reference is made to your request for the views of this Department on S. 1596, to promote the domestic and foreign commerce of the United States by modernizing practices of the Federal Government relating to the inspection of persons, merchandise, and conveyances moving into, through, and out of the United Stats, and for other purposes.

The bill, if enacted, would require that any inspection or quarantine service required to be performed by the U.S. Government or any agency thereof, at ports and airports of entry, as the result of the operation of aircraft, railroad trains, motor vehicles, pipelines, or vessels, shall be performed without reimbursement from the owners or operators thereof, whenever such operations are conducted pursuant to or in accordance with notices such as, but not limited to, schedules, timetables, tariffs, or flight plans.

There is uncertainty as to how some of these provisions would be interpreted. Customs services are performed not only at "ports and airports of entry," but also at customs stations and at many airports which have landing rights for aircraft arriving from foreign countries but have not been designated under section 1109(b) of the Federal Aviation Act of 1958 (49 U.S.C. 1509(b)) as airports of entry. There would also be questions as to what operations would be conducted pursuant to or in accordance with notices within the meaning of the bill. However, this Department would not favor enactment of the bill even if these provisions were clarified.

Customs officers are now assigned at all customs ports and stations to perform inspectional and related services during the regular hours of the day (8 a.m. to 5 p.m.) on weekdays. In addition, where there is a regularly recurring need for the service, as at major airports, railroad terminals and many of the larger border ports, employees are assigned during additional hours up to 24 hours on a weekday. These are assignments of employees on regular tours of duty for which no extra compensation under the customs overtime laws is collected or paid.

However, services on week nights at times or places where there is not sufficient recurring need to warrant assignments on regular tours of duty are furnished only on an overtime basis and when the extra compensation paid to the employees can be collected from the parties in interest under the 1911 act, as amended, and section 451 of the Tariff Act of 1930, as amended (19 U.S.C. 267, 1451). Under the decision of the Supreme Court in *United States* v. *Howard C. Myers* (320 U.S. 561), officers and employees cannot be assigned to regular tours of duty without extra compensation at any time on a Sunday or holiday, so extra compensation

must be paid for all services on those days. Since section 451 prohibits the collection of reimbursement for the extra compensation paid at border ports, services on Sundays or holidays are furnished on a nonreimbursable basis at those ports only during the hours when there is a regularly recurring need for the service. At all other places the amount of extra compensation paid for services on Sundays or holidays is required to be collected from the parties in interest.

The actual amount reimbursed to the Government for the extra compensation paid for the services of customs officers and employees at nights and on Sundays and holidays under the act of February 13, 1911, as amended (19 U.S.C. 267), in fiscal year 1964 was $7,414,000. The estimates for 1965 and 1966 respectively are $8,100,000 and $8,600,000. The increases in 1965 and 1966 are based on the higher salary rates in effect under the Government Employees Salary Reform Act of 1964 (Public Law 88–426) and the normal increases in reimbursable overtime services resulting from the continuing increase in the numbers of carriers and persons arriving in the United States.

If the proposed legislation were enacted, such extra compensation would be required to be paid by the Government without reimbursement. In addition, it is a reasonable assumption that if the services were free on request there would be substantially increased requests which customs would be required to meet at a considerable increase in cost. In many cases it is believed the demand is now held in check by the provisions of existing law requiring reimbursement. At those ports on the Canadian and Mexican borders where 24-hour service is not now provided, the bill might be construed to require the collector to assign available officers to perform services and to pay the extra compensation during other than established hours, further increasing costs.

Because of the tremendous increase in cost to the Government for overtime services, this Department opposes the proposed legislation.

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

Sincerely yours,

FRED B. SMITH,
Acting General Counsel.

FEDERAL MARITIME COMMISSION,
Washington, D.C., January 27, 1966.

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

DEAR MR. CHAIRMAN: This is in reply to your request of March 23, 1965, for the views of the Federal Maritime Commission with respect to S. 1596, a bill to promote the domestic and foreign commerce of the United States by modernizing practices of the Federal Government relating to the inspection of persons, merchandise, and conveyances moving into, through, and out of the United States and for other purposes.

This Commission has no relevant regulatory function related to the purpose of the bill. We, therefore, defer substantive comment to agencies directly involved.

The Bureau of the Budget has advised that there would be no objection to the submission of this letter from the standpoint of the administration's program.

Sincerely yours,

JOHN HARLLEE,
Rear Admiral, U.S. Navy (Retired), Chairman.

GENERAL SERVICES ADMINISTRATION,
Washington, D.C., May 20, 1965.

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

DEAR MR. CHAIRMAN: Your letter of March 23, 1965, requested the views of the General Services Administration on S. 1596, 89th Congress, a bill to promote the domestic and foreign commerce of the United States by modernizing practices of the Federal Government relating to the inspection of persons, merchandise and conveyances moving into, through, and out of the United States, and for other purposes.

The purpose of the bill is to require that any inspection or quarantine service required by the Government at ports and airports of entry be performed by the Government without reimbursement from the owners or operators of aircraft, railroads, motor vehicles, pipelines, or vessels, whenever notice has been given to the Government agency involved through such means as, but not limited to, schedules, timetables, tariffs, or flight plans.

Since the bill, if enacted, would have little, if any, effect on our functions or responsibilities, GSA has no appropriate basis for comment.

The Bureau of the Budget has advised that, from the standpoint of the administration's program, there is no objection to the submission of this report to your committee.

Sincerely yours,

LAWSON B. KNOTT, JR.,
Acting Administrator.

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION,
OFFICE OF THE ADMINISTRATOR,
Washington, D.C., May 13, 1965.

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

DEAR MR. CHAIRMAN: This replies further to your request for the comments of the National Aeronautics and Space Administration on S. 1596, a bill to promote the domestic and foreign commerce of the United States by modernizing practices of the Federal Government relating to the inspection of persons, merchandise and conveyances moving into, through, and out of the United States, and for other purposes.

S. 1596 would provide for free Federal Government inspection and quarantine services performed at ports of entry which result from the operation of aircraft. railroads, motor vehicles, pipelines, or vessels, whenever appropriate notice of such operations is made.

Although the National Aeronautics and Space Administration would have no objection to the enactment of S. 1596, it considers the Departments of Agriculture, Treasury, and Justice to be the agencies of the Government primarily concerned with determining the need for the services covered by the legislation.

The Bureau of the Budget has advised that, from the standpoint of the program of the President, there is no objection to the submission of this report to Congress.

Sincerely yours,

RICHARD L. CALLAGHAN,
Assistant Administrator for Legislative Affairs.

Senator MONRONEY. Before we begin I might inject here that although this hearing focuses specific attention on S. 1596 the committee is not foreclosing itself to other avenues of solution. I would like to suggest that others who have any alternative solutions should present them.

We are pleased to have as our first witness the distinguished Congressman from the second district of the State of Washington, the Honorable Lloyd Meeds.

Mr. MEEDS. Thank you, Mr. Chairman.

Senator MONRONEY. You may brief your statement, if you care to. The full statement would be placed in the record.

Mr. MEEDS. I would ask that the statement be placed in the record and I would be allowed to summarize.

(The statement referred to follows:)

STATEMENT BY REPRESENTATIVE LLOYD MEEDS, SECOND CONGRESSIONAL DISTRICT, WASHINGTON

Mr. Chairman, I enthusiastically support S. 1596, a bill that would eliminate the user charges assessed to airplane pilots and boat operators when they require the services of a customs officer after regular hours.

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Under the present system, there exists confusion and inequitable treatment. Operators of small aircraft and maritime vessels entering the United States at times other than weekday business hours, are caught in a strange game of chance that frequently proves more costly than entertaining. This element of chance involves who will check them across the border: a customs officer, or an immigration officer. The winners of this game are those inspected by immigration officers. They are charged no extra fee. But those inspected by customs officers are the losers, as they are charged for the officers' overtime wages. This cost can run as high as $60.

Aside from the confusion and understandable resentment that exists because of this inconsistency, the overtime charges, themselves, are, in my judgment, discriminatory in that such charges are not made of people crossing the border by land.

I believe it is in the best interests of the growing number of pilots and marine vessel operators, as well as in the best interests of the economies of the communities located all along our national borders to eliminate these charges.

My congressional district is located in the northwestern corner of the continental United States. Its northern boundary is the international border between the United States and Canada. All parts of my congressional district are only a matter of minutes away from Canada by air.

Also included in my district are the beautiful San Juan Islands, a tourist's paradise that is growing in popularity and importance. These islands are served only by sea and air and appeal particularly to pleasure-boaters from throughout the Puget Sound area.

Located just a few miles from Canadian ports, a boater can chart an extremely pleasant and enjoyable weekend of international boating, visiting attractive coves and beautiful harbors, and viewing majestic scenery in both countries.

I might also add that there is a growing number of airports on the San Juan Islands that are used by tourists who travel by private plane.

I point this out to demonstrate how the passage of this bill relates to the millions of people in the Pacific Northwest. It would similarly be beneficial to people all along the United States-Canadian border. This would be especially true in the Great Lakes region.

The United States-Mexico border offers similar opportunities, as does much of the area around the gulf coast.

I have long been concerned about this problem. Investigation showed that these overtime charges by the Bureau of Customs, were creating a hardship and a significant handicap on both private and small commercial aircraft and marine vessel operators.

I made an extensive check into the history of past attempts to solve this problem. This study clearly indicated to me that S. 1596 provides the most equitable and clear-cut solution. On September 29, 1965, I introduced a companion measure in the House of Representatives, H.R. 11343.

I would point out this issue has initiated more active interest in my district than almost any other piece of comparable legislation. I would like to bring to the attention of the committee, a few of the remarks contained in letters I have received concerning this matter.

Much mail has commented on the detrimental economic effect of these customs charges. The statement of the Bellingham Chamber of Commerce said, "Because of the necessity for paying this overtime customs service, those utilizing Bellingham Airport claim the airport usage has been reduced and held back. This, in turn, has served to affect the economy and progress of Whatcom County and Bellingham."

The Snohomish County Airport Commission passed a resolution stating, in part: "Whereas, the Snohomish County Airport Commission is vitally concerned with the continuing development of aviation and aviation commerce to the betterment of the community, and, whereas, the commission believes United States overtime charges are detrimental to aviation development and aviation commerce [we believe] the abolition of these overtime charges will assist the Snohomish County Airport Commission in encouraging and promoting aviation and the aviation industry in Snohomish County and surrounding areas."

George C. Petrie, has written, saying: "As manager of the Snohomish County Airport, I feel the present overtime charges by the U.S. Customs Service has a detrimental effect on general aviation. This airport is located only 67 nautical miles from the Canadian border, and I feel the inequities of the overtime charges

restrict flying activity betwen the United States and Canada. Snohomish County is attempting to further develop aviation in our area, and toward this end he airport management strongly endorses S. 1596, and H.R. 11343."

I have also received letters supporting this bill from the Anacortes Chamber of Commerce and the port of Bellingham, among others.

From outside of my congressional district, I have received a resolution adopted by the Seattle Chamber of Commerce, and a letter from the president of the Spokane Chamber of Commerce. That letter said: "Spokane has long been embarrassed by charges to users, principally private and business pilots, arriving from Canada, made by the Customs Service, for customs inspections, evenings, Sundays, and holidays. It is particularly disconcerting since the Immigration Service, which alternates every 2 weeks in making the after-hours inspections at Spokane within the Customs Service, provides this service without charge to the user. We feel that the present situation prevents potential visitors, particularly private and business pilots, from coming to Spokane because of their fear of the high inspection charges."

I think these statements clearly indicate how this bill would be beneficial to the economy of areas along our borders. This would be true, not only as it relates to tourism, but as it affects convenient transportation for businessmen of the areas.

In addition to these statements from chambers of commerce and local agencies of government, there is tremendous interest in this legislation from private aircraft and marine vessel operators.

C. R. Rock Wiggins, president of the Washington State Pilots Association, wrote me last December, saying: "We are convinced this bill will be an asset not only personally, but to our Nation, as well, as it creates more understanding with our national neighbors. It will promote additional international travel by instituting predictable outgo in travel expenses." It further suggests that, "The loss of overtime charges may well be more than replaced in dollars by the increased commerce."

A resolution sent to me on January 6, of this year, stated vigorous support for this legislation from the International Northwest Aviation Council, which represents pilots in the States of Alaska, Idaho, Montana, North Dakota, Oregon, and Washington, as well as portions of Canada.

A letter signed by the Oak Harbor chapter of the Washington Pilots Association read: "We are in favor of legislation to alleviate the inconsistencies in overtime customs charges to airplane owners. Pilots should receive the same treatment as automobile drivers."

I think it is important to point out how the present overtime charges affect individual people. We must not forget, as we look at the overall aspects of this bill, that our laws and regulations ultimately affect individual people.

Charles Smith, of Marysville, Wash., president of the Arlington chapter of the Washington Pilots Association, wrote me late last month, saying: "I have flown in the Northwest for the last 18 years, and have never flown into Canada, as, due to my work, I would be required to return on Sunday and might be required to pay the ridiculous customs charges now being levied."

Richard Beresford, of Friday Harbor, Wash., pointed out how these charges can create a situation that is, to the individual, extremely frustrating. He said: "I fly into Canada on business about once a month, and frequently finish up my business there early enough so that I could fly home for the night, if it were not for the customs overtime charges, which I cannot afford. It is cheaper for me to pay for the extra meals and the hotel bill involved, than it is to take a chance on an exorbitant customs overtime charge. I would like very much to be able to go home, rather than to spend the night about 15 minutes flying time from home, in a hotel."

Strong support for the bill also comes from yacht clubs in the Puget Sound area, including the Everett and Port Townsend Yacht clubs, which have recently undertaken projects calling the bill to the attention of other clubs throughout the United States.

The cities of Anacortes and Port Townsend report problems that develop because of misunderstanding and confusion growing out of present regulations. H. L. Nolan, secretary-manager of the Anacortes Chamber of Commerce, describes the difficulty when he writes: "Anacortes is fast becoming one of the most important ports of entry for small aircraft and pleasure boats in this area. We listen to many loud and bitter complaints about these fees. Some

of the people complaining feel that Anacortes is responsible for these excessive charges and promise us that they will avoid Anacortes in the future."

Another dimension to the problem, created by current regulations, is its effect on small, nonscheduled, commercial air services. I have had letters from a number of them, detailing their problems with present regulations.

Charles Neeley, of Cal Aero, a commercial flight service located at Snohomish County Airport, Everett, Wash., stated in a letter to me: "At present, charter rates for aircraft are based on a plane mile rate, plus (on international flights) any customs or immigration fees incurred. As you can see, a businessman will often seek other means of transportation when presented with a possible additional $60 of expense for overtime customs charges."

E. C. Burkhart, in a letter to the editor of Northwest Flyer, further explained these problems well. He wrote: "We operators must work when the customer wants to travel; in fact, if we are unable to meet his needs when he arrives, we are not even considered at other more conventional times. We have an alternative, of course, here in Bellingham. I can fly down to Seattle-Tacoma Airport and obtain off-hours clearance for a nominal fee. But this alternative is not very attractive inasmuch as a round trip to the Sea-Tac Airport from Bellingham amounts to flight costs similar in size to the Bellingham customs fee."

By way of summary, I would like to quote Mr. Burkhart's letter further: "This sort of discrimination against air commerce is an antiquated, horse-and-buggy type of regulation, established when the flying machine was regarded with horror and fear by a horse-mounted border patrol in the year 1911, to be precise. Cannot the Government keep pace with current events, where aircraft, private or business, are now nearly 100,000 in number and are utilized in day-to-day commerce?"

"Our Canadian friends are not so 'hamstrung.' They provide aircraft customs service on all days of the week, and at all reasonable hours. Even an overtime call, at unreasonable hours, if such does occur, results in very minor charges."

With this bill we are recognizing that off-hour border crossings are no longer a strange exception. In 1911 there were few aircraft, and fewer still engaged in international flights. Today, there are more than 100,000 private aircraft and hundreds of thousands of individuals who are licensed to fly them.

In addition, there are many unscheduled commercial operators, who, because of present regulations, cannot solve the dilemma of scheduling flights so as to best serve their clients and still schedule departures and returns during Bureau of Customs business hours. This bill recognizes these facts and would solve these problems.

The growth of boating throughout the Nation has been astounding! The Puget Sound area is the "Pleasure-Boating Capital of the World." The vast area of navigable waters open to boaters lies on both sides of the international border. But present regulations hamper convenient international boating on weekends when boating activity is at its peak. And boaters in areas of the country other than the Northwest are hampered by present regulations.

As Mr. Danny Coulthurst, electronics engineer who flies for pleasure, wrote in a letter: "The elimination of these charges should stimulate the Canadian air and boat travel to border areas across the country, besides making it convenient and practical for Americans to travel to and from Canada by sea or air, on nights and weekends."

I would like now to put the emphasis of my discussion and comment upon a report by the Treasury Department. The report to which I will refer was submitted to the House Ways and Means Committee in regard to my bill, H.R. 11343. However, I understand that a similar report has been filed by the Treasury Department with this committee, concerning S. 1596.

The report is unfavorable and I would like to comment on the observations cited by the Treasury Department.

There is one statement in particular in the report that I find alarming. The General Counsel of the Treasury Department says: "It is a reasonable assumption that if the services were free on request there would be substantially increased requests which customs would be required to meet at a considerably increased cost. In many cases it is believed the demand is now held in check by the provisions of existing law requiring reimbursement."

I do not disagree with their assumption. I do take considerable exception to the implication that it is the responsibility of the Bureau of Customs to "hold in check" international air and sea travel by private operators. It is their duty to serve the public—not to inhibit their travel. This is particularly true in light of the fact the service they provide is one that is required by law. Our citizens have no choice as to whether or not they want this service, and at present they are not only required to check through customs, they are required to pay for the service if it is needed at times other than normal business hours.

Let us examine whether or not the hours during which these services are provided only on a reimbursable basis, are unreasonable. I would think that it might be unreasonable for a boater or aircraft operator to come through a checkpoint at 3 a.m., Sunday morning and expect a customs officer to be waiting for him. It is possible that amendments could be developed that would guard against this kind of thing.

But it is not unreasonable for boaters and private pilots to require service on Sundays, holidays, and during the early evening hours. These are, in fact, the very times that private boaters and pilots would most reasonably be expected to need the service: the times when they are on weekend and holiday outings. I can see no reason for the Bureau of Customs to arbitrarily decide that it should "hold in check" the family that wants to take its boat on an overnight trip, leaving Saturday morning and returning Sunday evening. I see no justification for the Customs Bureau to defend present regulations on the basis that a businessman should be "held in check" from flying across a border on business during a weekday morning and returning after he has finished his business—at perhaps around 5:30, 6:00, or 6:30 in the evening.

The basic reason so many people are concerned about present policy is that it requires exorbitant charges for service at "eminently reasonable" times: namely, on their "days off." Commerce and travel in the United States today, are not simply an 8 to 5, weekday proposition, and administration of services required by the Government should reflect that fact.

The present regulations were established in 1911—when such boat and aircraft travel was very limited. This, is 1966, and I believe it is obvious that the present regulations—not the bill's provisions—are unreasonable.

The report sums up its view by saying that: "Because of the tremendous increase in cost to the Government for overtime services, this Department opposes the proposed legislation."

What are these costs, and what might we compare them with, to get a more accurate concept of their implication. In round figures, obtained from the Treasury Department, the overtime fees amounted to $8.1 million in 1965. They are estimated to be $9.5 million this year, and $10 million next year, reflecting increased salary rates.

While $10 million is an important sum of money, it is clear that under present regulations, it is very specious to imply that all of it is pure governmental savings.

I have talked with customs officers in the field, and a member of my staff has examined the precedures and the immense amount of paperwork required to administer the complexities of present regulations.

This is how it works. Because a customs officer is paid the time and one-half for overtime only once during a 24-hour period, the charge (may I use the approximately correct figure of $60) must be prorated among all those requiring overtime service during that period. But there is no way of predicting how many people will pass through customs. So, the first person through pays the full $60. The next person through pays only $30—which would be his portion of the fee. The third person through pays $20, the fourth, $15, and so on. The sample day's record review by my staff member, at a popular port on San Juan Island in my district, was fairly typical. Many people went through that day. The charges finally got down to only a dollar, or so.

When the day is over, a form must be filled out by the customs officer, prorating the charges to all individuals. This is sent, in triplicate, to the head office in the area where checks must be issued, refunding money to all but the last person to pass through. These checks may amount to almost a total refund of the amount paid, or, they may be for just a few cents.

This is an enormous load of paperwork—and as we all know—paperwork is not free. It costs a great deal, especially if it involves, for example, two dozen separate pieces of paperwork to properly distribute only $60.

Would it be unreasonable to suggest that a good percentage of the $10 million listed by Treasury as "savings" may be eaten up with this paperwork?

Another facet to all of this, is that the first person to pass through customs has no way of knowing whether or not the $60 he has paid is gone for good, or whether in 30 days or so, he will receive a refund in the mail. Nor does he know what size the refund will be.

You can see the dilemma here. If only one or two pass through, the charges are exorbitant. After all, we must remember that boating and flying in this day and age are not just rich men's sports. People are active in these fields to whom a $60 charge is a very substantial bite out of their recreation budget.

The other horn of this dilemma is that if 20 or 30 people pass through a customs station, the charges are minimal (though the refund procedures are very inconvenient and unpredictable), but the cost of processing the paperwork undoubtedly eats up the entire governmental saving.

There is still one other point which I think the Treasury Department overlooks. The economic advantages of freer travel must be considered. Communities in my congressional district almost universally believe that these customs regulations do them economic damage by curtailing logical and popular tourist activity. I have already cited numerous letters from chambers of commerce and boat and airport commissions. Certainly, the Treasury Department's attitude of trying to "hold in check" this commerce does nothing to help.

Increased commerce benefits the Government through increasing the tax base. This is common knowledge and I submit that it applies here.

I feel the adverse report by the Treasury Department very naturally reflects its concern with administrative readjustment that would be required by the bill. But I can't agree with the justifications offered for its point of view.

How especially appropriate is the remark I quoted earlier about the "flying machine being regarded with horror and fear by a horse-mounted border patrol."

We should encourage this kind of beneficial activity.

I strongly support, and respectfully urge the passage of, S. 1596.

Thank you, for giving me this opportunity to appear before your committee.

STATEMENT OF HON. LLOYD MEEDS, U.S. CONGRESSMAN, STATE OF WASHINGTON

Mr. MEEDS. I am Lloyd Meeds, Representative from the Second Congressional District of the State of Washington which district is the northwestern most portion of our State and what used to be the continental United States and whose border is entirely along the northern border is entirely along the Canadian border and borders on the south by Keen County. I wholeheartedly endorse and support the bill S. 1596 to eliminate the user charges for pilot and boat operators and other means of transportation.

Mr. Chairman, I would like to just generally testify in three fields. Present status of the law and what is happening because of it, why we need to change it, and then I would like to undertake to discuss the objections of the Treasury Department to S. 1596.

The present confusion which exists in this law, Mr. Chairman, arises from the fact that the customs service in my area and in other areas, I am told, is charging overtime rates on off-duty hours which would be other than the regular 8-hour day per week and other services are not. We have the situation in our area in which if a pilot or boat owner would come across the border at 5:30 and be checked by the immigration service, he would not be charged any user fee at all. On the other hand, if he were to come across the same point next week or whenever the customs service was carrying on its service, he might end up paying as much as $60 for being checked across at this point.

Senator MONRONEY. For the purpose of the record, would the im-

migration inspector be able to clear the plane and its contents, or the car and its contents through for customs?

Mr. MEEDS. That is my understanding; yes, that they rotate this duty, at least in our area. This law, Mr. Chairman, and gentlemen of the committee, was enacted in 1911 when the number of airplanes and private boat owners were very few and, in all probability, there was not need for a type of service which we are requesting by this bill but, today, we have over 100,000 private airplanes flying, many of them crossing international borders, particularly between the United States and Canada and the United States and Mexico. And these people, this free intercourse of commerce, trade, and travel, is being impeded substantially by the present status of the law. I have, of course, in my——

Senator LAUSCHE. Are there two agencies of the Government that now have the authority to perform the function you have described?

Mr. MEEDS. Mr. Lausche—Senator Lausche, at least two; I think perhaps three or four.

Senator LAUSCHE. You have identified two.

Mr. MEEDS. Customs, Immigration, Agriculture in some instances I understand undertakes this function also, with interchanges that they have in the services.

Now, this is what I have been told.

Senator LAUSCHE. Will you identify which agency or agencies they are where you don't have to pay this extra charge?

Mr. MEEDS. In our area, the Immigration Service does not charge overtime fees. The customs service does.

Senator LAUSCHE. It does?

Mr. MEEDS. Yes.

Senator LAUSCHE. Your argument is that there ought not to be any differentiation whether the Immigration Service performs the function or whether the customs performs it?

Mr. MEEDS. Well, my argument, sir, if I may say, is that there ought not to be any fee by any of the agencies for overtime charge. During reasonable hours.

Senator LAUSCHE. What about the last two agencies, Agriculture——

Mr. MEEDS. I can't speak for their charges or their services or customs, Senator.

Senator LAUSCHE. Thank you.

Mr. MEEDS. I have in my statement the—many of the statements which I received from constituents and other than constituents regarding the retardation of commerce and travel because of these charges. Many of our chambers of commerce, many of our private pilots, our commercial pilots, commercial airlines, nonscheduled airlines, have written to me and I am sure have written to the chairman here and members of this committee with regard to what a retarding effect this has had.

We have, again speaking specifically of my area, many airports at which people say, could leave in the morning and return within 15 minutes of a border closing and be charged $60 for that inspection. We have many people who stay in Canada an extra 2 or 3 days because of this charge.

Incidentally, the Canadians, it is my understanding, handle this on a very reasonable basis. There is a very small fee going the other way on off hours and it is made very reasonable to people who want to use it.

Senator LAUSCHE. That is, if they come in within what are designated as the normal regular hours, they are not charged a fee. But if they come in outside of the normal hours, they are.

Mr. MEEDS. Yes. In our area, sir, in this particular field, the regular hours would be from 8 to 5 in daytime and no weekends. In other words, a straight 40-hour week. You can see that the problem arises here, particularly with regard to private boaters. In our area we are very proud of the fact that we have, what we consider to be, the capital—boating capital of the world, and people are going into the beautiful areas of the San Juan Islands in our State and into Canada which is right across the street. If they return during any of these hours, they are subject to this penalty or this payment because they do not come through on regular duty hours.

On the other hand, of course, and there are obvious reasons for it, we have border check stations where cars can go through 24 hours a day or any other time and not be charged any charge whatsoever.

So I think the evidence is, at least from our area, quite clear that our travel and our commerce with Canada is being hamstrung by this horse and buggy, if I may term it so, provision.

Senator MONRONEY. Do you have any ports of entry open 24 hours a day other than highway entries?

Mr. MEEDS. Yes. We have the airport at Seattle, Seattle-Tacoma Airport is. That is approximately 90 air miles from Bellingham, which is within 20 miles of the Canadian border and is the largest city next or close to our Canadian border. As one of the commercial pilots brings out, and the chairman will find it in the testimony, he can fly all the way to Seattle and then return with his passenger after checking the passenger, checking through customs, but the cost of doing this is almost as great as if he were to pay the custom charge, assuming that he were to be checked by customs in Bellingham when he landed—and he never knows whether he will be or not—is almost as great as paying the customs charge by going directly to Bellingham. And the air travel, of course, by the nonscheduled aircraft, is greater in the northern portion; that is to say, from Bellingham into Canada and back, than it is from Seattle into Canada and back.

So the need actually for a checkpoint which would be opened at reasonable times other than duty hours is greater in the Bellingham area than it is in the Seattle area from this standpoint, at least.

Senator MONRONEY. You don't advocate as many, of course, for air service as you would for highway service? In other words, a pilot would be willing to fly, I am sure, some miles out of his way to get clearance without overtime charges but you say the distance between Bellingham, for instance, and Seattle, is too great a loss of distance to do that.

Mr. MEEDS. I think, Mr. Chairman, this would be imminently fair and that if the customs service and the Immigration Service and all of these services were to work out under the provisions of the chairman's bill, which I think can be done, designated points which would make this thing reasonable for pilots and air travel and for boaters,

particularly in our region, in the Great Lakes region, and in the New York region and along the California region and Florida region—I am speaking of boaters in those areas—that these people would be very satisfied. They don't mind going a few miles out of their way to be checked but 90 miles or 120 miles—incdentally, Seattle is on the west coast and, to my knowledge, it is the only place in the entire State in which an aircraft could fly after hours and be checked in. What about the people from Spokane, 200,000 people in this city inland, which is 300 miles inland from Seattle? Their problem is even greater than that of the people in Bellingham, and I am sure this prevails all along the American-Canadian border and likewise along the Mexican-United States border.

With the chairman's permission, I would like to undertake to discuss briefly the objections of the Treasury Department.

Mr. Chairman, I have introduced an identical bill in the House of Representatives and have received from the committee the Treasurer's report—that is to say, their comment on this bill, and they presented an argument against the bill which is, I think, probably summed up primarily in one statement which I would like to quote.

Senator LAUSCHE. What page?

Mr. MEEDS. I am reading from my statement on page 8, fourth paragraph:

> It is a reasonable assumption that if the services were free on request there would be substantially increased requests which Customs would be required to meet at a considerably increased cost. In many cases it is believed the demand is now held in check by the provisions of existing law requiring reimbursement.

Well, I agree that this is probably true. I can't argue with this statement. But my question to this committee, and certainly to the Treasury Department, is: Under what premise is the Treasury Department to hold to the commerce of this country in check the free intercourse in air travel and in boat travel by an outmoded regulation which was adopted in 1911 and was adopted for horse travel and for early automobile travel?

Frankly, and I hope I am not being overly critical, I feel that it is not the duty of the Treasury to hold in check the commerce of this United States and that we should, by this law, or a law similar to it, open up this untapped area in which we can realize more commerce. This is one of these things—we talk about user fees. I think perhaps there is some reasonableness to user fees, that is to say, the person that uses the service should pay for it, but here we have the instance where a person has a right to select whether he will drive on a certain highway and go to a certain place but when a person checks across an international border, he has no right to determine whether he will be checked or not. He is forced to be checked. Here is a fee which we are requiring him to pay by regulation. So, it is a little different than some user fees in other instances.

I don't feel that it is unreasonable for private pilots, commercial pilots, nonscheduled pilots, to have, as I expressed earlier, some points within reason where they could check through without these fees being assessed them.

Now, of course, you can get unreasonable the other way. A person who might want to come through at 3 in the morning at an isolated

point where the customs people would be required to drive an officer 20 or 30 or 60 miles, this is unreasonable and I don't think that——

Senator LAUSCHE. How would you cope with that?

Mr. MEEDS. By regulations. I think that the Customs Bureau has ample regulation, ample power under their regulatory power to do so.

Senator DOMINICK. There are, aren't there, designated points of entry for all aircraft coming into the country? You can't land any other place so this is where the checkout point would be. It is not very difficult to get full-time service at those ports of entry.

Mr. MEEDS. Senator Dominick, they are required to go through certain places. I am not saying that we would even have to make all of those places, but at least some within reason that we could land airplanes so that people didn't have to fly half way across the State to be checked in or stay in Canada.

Senator LAUSCHE. I am thinking about your statement here on page 9. I would think it might be unreasonable for a boater or aircraft operator to come through a checkpoint at 3 a.m. Sunday morning and expect a customs officer to be waiting for him. You feel that under the regulations they could adopt provisions that would require—would eliminate such unreasonable entry and make it free from the payment of the extra expense?

Mr. MEEDS. Yes, Senator Lausche. I think the customs service could adopt under their regulation—I have forgotten, I think it is 1159—it is in their report in any event—could adopt a regulation which would designate places and would even designate off-day hours in which they would be open above and beyond the normal 40 hours a week and make the boaters and the aircraft pilots look to these regulations. I think, assuming they were reasonable, they could do this. And I think they could do this under the chairman's bill.

As a matter of fact, I had my administrative assistant go to a place in our Second Congressional District, a little place called Roche Harbor where a lot of boats come in from the San Juan Islands, which is a boating area, and come in from Canada. Now, the Treasury Department talks about a saving or a cost of this service, assuming that it were—I think they are assuming it were unlimited—a cost of $10 million in 1968, I think.

I would like to just report to you what my administrative assistant found when he went there and discussed this matter with the customs official. Here is what happened: A boat comes into Roche Harbor from Canada at 5:15 on Friday afternoon or Saturday afternoon or Sunday afternoon. The customs officer charges that person at that time and place $60 because that is the entire overtime fee. The customs officer at that time has no way of knowing whether someone else would come through on that off-duty period or not so he charges the first one $60. If another comes through, he is charged half because there are now two. If another comes through, it is halved again and so on. The day that my administrative assistant was there happened to be a relatively busy day and it got down to the point where some toward the end were paying only $1 to go through, but the customs officials then had to turn around and take all of those people who had overpaid, make out an original and 20 copies, send them a check for the overage which they paid and there was enormous amount of paper-

work involved in this procedure and this, I assume, is the type of procedure that is followed.

So, from the standpoint of paperwork, the fewer people that go through at a given time the better it is for the Government, but the worse it is for the individual who happens to get in this unfortunate position of being rather alone.

It would seem to me that a good share of the money we are talking about is either evened up in paperwork by the very procedure which we observed in Roche Harbor. Secondly, I think, and certainly the letters, statements of the people from our chambers of commerce, our cities, our commercial nonscheduled airlines, indicate to us very clearly that they are losing, the cities are losing money. The Canadians are not traveling, for instance, to the State of Washington on weekends when they can travel. I assume that this is occurring along our southern border with Mexico and along the rest of our northern border with Canada. And, of course, I don't know what it is in other States but we have a rule of thumb in our State that a tourist is worth at least $4 a day in our community and I would hate to speculate as to how much money we are losing from the fact that these people simply are not coming to our area because they don't want to be caught in this outmoded law.

Senator DOMINICK. To keep the record clear, is it a 5-day week that these are open on a 40-hour basis?

Mr. MEEDS. Yes.

Senator DOMINICK. So, where Monday is a legal holiday, anyone coming into the country on Saturday, Sunday, or Monday would have to pay overtime for all day on any of those days; is that correct?

Mr. MEEDS. That is correct.

Senator DOMINICK. One further point to clarify the record. How do you notify or get the customs man out to the airport or to the inspection area at a harbor?

Mr. MEEDS. I have talked with pilots about this. In some instances they called them when they leave Canada, for instance, they call ahead to the airport and the airport will notify them, the customs man, to be there. They do this with flight planes and in some instances, they call them after they arrive but as Senator Dominick pointed out, they have to go to certain airports.

Senator DOMINICK. I want to know, if when a plane flies to a certain area there is a customs man there, or whether a plane must wait 2 or 3 hours until a customs man is summoned from his home.

Mr. MEEDS. This would depend, I think, upon the circumstances but assuming he was the only one and phoned ahead and told the airport, they would call the customs official and he would come down and check them when they arrived. He might also have notice at that time that someone else was coming and might stay there and then we go through this proration system that we had in the way I explained about the boats.

Well, I think, Mr. Chairman and members of the committee, that this is about the extent of my testimony. I again reiterate that I think one of the remarks quoted in a letter which I received from a person in Bellingham was particularly appropriate when he talked about the flying machine being regarded with horror and fear by horse

mounted border patrol, because this is the status of our present law with regard to the inhibitions or the restrictions it is placing on our commerce with other nations, our sister nations to the north and south.

Senator MONRONEY. Any further questions?

Senator LAUSCHE. Yes. I have a letter here addressed to the chairman of this committee dated May 11, 1965, and it points out that the costs of such extra compensation inspection services are not uniform. Under law, the costs differ because some employees are allowed greater payment for overtime than others.

Mr. MEEDS. That may well be.

Senator LAUSCHE. The letter states:

> The Department of Agriculture pays its inspectors overtime pay based on the Federal Employees Act of 1945 as amended, which is generally applicable to employees subject to the Classification Act of 1949. Now, then, on the other hand, inspector of the Bureau of Customs, inspector of Immigration and Naturalization Service, and inspectors of the Quarantine Division of the Public Health Service are paid overtime at a higher rate pursuant to special legislation.

Have you given any thought as to whether there ought to be studied this disparity in the overtime pay in connection with this proposal? The Comptroller General's Office recommends that we do it in connection with this bill.

Mr. MEEDS. I hadn't, Senator, approached it from this position. It is my understanding that there have been bills submitted in the past with regard to this matter that would attempt to do this and that they have met with failure.

Senator LAUSCHE. Well, I do want to read what the Comptroller General says——

Mr. MEEDS. I certainly think what the Senator brings out is actually happening and that something ought to be done about it.

Senator LAUSCHE. He states:

> In view of the fact that there are a number of separate provisions of law regarding the matter of transportation companies reimbursing the Government for extra compensation inspection services, if the purpose that S. 1596 would accomplish, receives favorable consideration. It would appear desirable to accomplish such purpose by amending the existing provisions of law relating to the Bureau of Customs, Immigration and Naturalization Service, Foreign Quarantine Division of the Public Health Service, and the Department of Agriculture.

You think that that ought to be done, whether it should be done in this bill or not? Do you have an opinion on that?

Mr. MEEDS. Assuming that the service which they are all performing and which, in my area, is the same, it would seem to me they should be receiving the same——

Senator LAUSCHE. You don't think there is any justification in having a difference of pay for the different agencies of Government in the performance of this service?

Mr. MEEDS. Not if it is the same service.

Senator LAUSCHE. Thank you very much. That is all.

Senator BARTLETT. Having come into the room belatedly, I didn't have the benefit of hearing the Congressman's statement, but if I infer

correctly from what he has remarked extemporaneously as to the drift and direction of the thrust of his recommendations, I want to reply to that statement without having to read it that I was rather intrigued, Mr. Chairman, by the adverse report of the Treasury Department submitted June 30 last when it was stated that for fiscal 1964 extra compensation amounting to $8 million-plus of which $7 million and more was reimbursed to the Government. In fiscal 1965 it was estimated that the figure would be over $9 million; 1966, over $10 million, and then in the next concluding paragraph of this adverse report from the Treasury it is said, "because of the tremendous increase in cost to the Government for overtime services, this Department opposes the proposed legislation."

If we are going to use the adjective "tremendous" for this amount of money, I wonder what we will bring to bear when shortly we vote upon a $12.7 billion appropriation for another project. I have nothing further.

Senator MONRONEY. Anything further?

Senator BARTLETT. No.

Senator MONRONEY. Senator Dominick?

Senator DOMINICK. I have nothing further.

I would like to make a statement, though.

Senator MONRONEY. We will call on you next.

You have been very helpful to the committee. We appreciate your appearance here and will seriously consider your thoughts.

Mr. MEEDS. I thank the chairman and members of the committee for the privilege of appearing here.

Senator MONRONEY. Senator Dominick, a member of the committee, is recognized for his statement.

Senator DOMINICK. I have a prepared statement which, if I may, I will put in the record and summarize my own viewpoint on this if I can. I also have exhibits which are attached to the statement:

(The statement referred to follows:)

SENATOR PETER H. DOMINICK'S STATEMENT IN SUPPORT OF S. 1596

We are commencing hearings today on a bill which I consider extremely important. I have introduced similar bills in the past in both the 88th Congress and in the first session of this Congress. I am happy to support this bill as introduced by the distinguished senior Senator from Oklahoma.

I have always been at a loss to determine why people traveling by automobile, ferry, trolley car, or even on foot, receive regular custom service without extra custom charges, but people who travel by private aircraft, commercial airline, steamship, or railroad must pay special charges on weekends and holidays and oftentimes after 5 p.m.

The customs law under the Tariff Act of 1930, provides that no merchandise, baggage, or passengers arriving in the United States from any foreign port shall be unloaded on a Sunday, a holiday, or at night, except under a special license granted by the collector of customs. Before any such license to load or unload is granted, owners of private or commercial aircraft, vessels, and other vehicles must agree to pay the compensation of customs officers assigned to duty on Sunday, a holiday, or at night. The Bureau of Customs estimates that payments to customs employees of the Government by the private flyers and the U.S. transport industry in 1962 amounted to between $6 and $8 million. I think the extra charges are unjust and inequitable, and in many cases excessive. According to figures supplied to me, a typical GS–9 inspector, whose regular pay is $3.34 per hour, receives $28.42 for 1 hour of call back overtime work between 7 and 8 p.m. For 1 hour of work between 10 p.m. and 11 p.m. this employee receives $42.48.

He can receive $56.64 for 1 hour of work on a Sunday or holiday. In fact, I am told by reliable sources that many customs inspectors receive overtime pay which equals or exceeds their annual base pay. I would like to emphasize that I am in no way casting blame on the customs employees. They are receiving these payments pursuant to law. It is the Federal law that is to blame, not the employees.

The Bureau of Customs justifies these extra customs charges on the grounds that people traveling by private aircraft, commercial airline, steamship, or railroad are not specifically exempt persons; that it has no discretionary authority in the application of the statute; that its job is to enforce expressed congressional intent. The legislative history behind the Tariff Act of 1930, however, shows no congressional intent to require extra customs charges of people traveling by private and commercial airline, steamship, or railroad. On the contrary, the legislative history shows that exemption of such people was not even considered by Congress. These overtime laws were enacted in an era when the small aircraft's future as a common means of transportation was unknown. They were enacted in an era when the future significance of transportation and foreign commerce to our Nation's economy was not fully visualized. In fact, current customs overtime requirements are based on a statute which is over 50 years old, specifically one enacted in 1911. Today, when more and more people are flying and utilizing small aircraft as a common means of transportation; when approximately 80 percent of today's total aviation travel in the United States is conducted by private aircraft; and when more and more people are using commercial airlines, steamships, and railroads for transportation and foreign commerce, it seems to me the law should be amended to meet the need for full-time inspection services without special charges. This travel and commerce will undoubtedly increase as time goes by, and it seems to me that it is inequitable to require only special groups to pay for the cost of necessary governmental services.

The existing tariff law admittedly was enacted in order to discourage foreign commerce transactions at other than so-called regular 8 to 5 business hours then established, and because inspection personnel work schedules could not be predicted in view of the unpredictable operating schedules of transport companies then in operation. But our trade policies, public service demands, and transportation systems and techniques have changed in the last 50 years, and changed radically, and the law should be changed to reflect this.

Many public service functions of both private industry and our Government are now required 24 hours a day, 7 days a week. Although the 40-hour week is the general rule for employees of both private industry and Government, both have found it better and desirable to rotate and schedule employees on work shifts covering days, nights, weekends, and holidays. We have all seen such scheduling work, and our country prospers under it. I have before me a recent article from the Wall Street Journal which cites examples of how more and more Government agencies are attempting to accommodate the public by remainnig open nights and Saturdays. This article illustrates what the various agencies are attempting to do to accommodate the public, and in my view it is a refreshing change in policy from one of "public be damned" to one of "public be served." The agencies mentioned in this article are to be commended, and it would seem that their example is one which could be recommended to the Burau of the Customs for its consideration. Mr. Chairman, I ask that the article be included as part of my statement at this point:

"THE PUBLIC BE SERVED: MORE FEDERAL OFFICES OPEN NIGHTS, SATURDAY—AGENCIES TAKE STEPS TO HELP CITIZENS IN OTHER WAYS, TOO; SUCCESS AT THE SMITHSONIAN

(By Frederick Taylor)

"WASHINGTON.—Uncle Sam finally has realized that most of his citizens have to work for a living and that it's hard for them to do business with the Government during the day. So Federal agencies are beginning to keep their offices open during hours that are convenient for the public instead of for their own employees.

"Citizens around the country now can do business with a variety of agencies as late as 9 p.m. 1 or 2 nights a week and Saturday mornings as well. No longer do the doors close promptly at 5 p.m. and offices remain dark all weekend. Among those experimenting with the extended hours are:

"The Social Security Administration, whose 616 offices around the Nation are open 1 night a week plus Saturday morning; the Federal Housing Administration, which is trying Saturday morning hours in Baltimore, San Antonio, and Sacramento; the Veterans' Administratoin's contact offices in Cleveland, St. Louis, and San Francisco, which are open 1 night a wek until 9 p.m. as well as Saturday morning; the Labor Department's Wages, Hours and Public Contract offices in 32 cities, also open 1 night a week plus Saturday morning.

SUCCESS AT THE SMITHSONIAN

"One Government organization that has had considerable success with extended hours is the Smithsonian Institute, which first tried them in 1964. For July and August of that year, four museums under the Smithsonian's wing, which normally were open from 9 a.m. to 4:30 p.m., extended their closing hours until 10 p.m.; 450,000 people visited them during the late hours in those 2 months. Last summer the museums tried the longer hours from April through August and 1,377,000 people took advantage of them. The Smithsonian found, in a casual survey, that lots of the night visitors were not sightseers from out of town but residents of the Washington area, and concluded that many were doing their museum visiting after their working day was over.

"To meet a recent emergency, one Government office went so far as to open on Sunday—and got a rousing reaction. The Small Business Administration responded to an economic crisis caused by the transit strike by opening its New York City office on Sunday, January 9, when the walkout was 9 days old. When the day was over, more than 600 operators of small trucking firms, bookshops, clothing stores, and other businesses had applied for loans to bail themselves out of financial jams caused by the tieup.

"On a regular basis, the Internal Revenue Service, which had done nothing of the sort in the past few years, is trying an experimental program of extra hours in 14 cities to help people with tax problems. The test, which started in November, will run through May. In Buffalo, taxpayers can get help until 8:30 p.m on Mondays and Thursdays and all day on Saturdays. In St. Louis, the tax office is open until 9 p.m. on Thursdays, as well as all day on Saturdays. Besides answering taxpayers' questions, the afterhours staff conducts audits and receives tax payments.

"Although only 15 of 56 Government agencies checked are thus far experimenting with the longer hours, the drive is gaining and more offices are going to do likewise. The agencies' interest in better serving the public is undoubtedly stimulated by the knowledge that President Johnson is regularly getting reports on progress being made in this direction.

LBJ: "SERVE" THE PUBLIC

"This push is a little-noted byproduct of the President's 'war on gobbledygook' in the Government. At a Cabinet meeting last February, Mr. Johnson, besides demanding clearer communication within the Government, expressed his concern about Federal employees' responsiveness to public inquiries and requests for service. In November he followed up with a memo to Government agencies containing a statement that may have struck some bureaucrats as novel: 'The task of Government is to serve the public.' He assigned John Macy, Chairman of the Civil Service Commission, to ride herd on efforts to improve that service. A first report on improvements underway was made December 15, another is due tomorrow, and there will be others every 90 days thereafter.

"So far the results of the longer hours are inconclusive for most agencies. One reason is that the extended hours are in effect only in scattered areas and scattered agencies. Another is simply that 'it is difficult for the general public, after being conditioned by so many years of "8 to 5, Monday through Friday," to conceive that a Government office could be open evenings and Saturdays,' comments Irving Kator, executive vice chairman of the Government's Interagency Advisory Group, who is monitoring the program for Mr. Macy.

"Longer hours are only part of a current drive to serve the public better. Other phases include establishing the information centers in large cities at which citizens may find out which Federal agency can provide the service or assistance they are seeking. Mr. Macy has described what usually happens now:

'Somebody with a housing problem comes into a Federal building in a city and he looks at a menu board next to the elevator; unless he has taken an advanced degree in political science, he has no idea which of the outfits with those names he ought to see about his particular problem.' He suggests it's possible to have an information clerk in the lobby—'I'd even say an attractive as well as an informed one'—who could answer questions on the spot or direct people to the proper source.

"Another step under consideration is a 'one-stop shopping service' for people having business with the Government—a single place where anyone can have his affairs attended to whether he's inquiring about medicare benefits or applying for a Federal loan or seeking a Government job.

"A move in that direction is the establishment of interagency boards of civil service examiners in 65 cities across the country. At those locations, prospective Government employees will be able to get all needed information and take the tests of all agencies; the 65 consolidate nearly 700 separate boards. The interagency boards will start opening for business in July and all 65 are to be in operation by next January.

"Better service to the public won't necessarily be cost-free to Uncle Sam, of course. The Smithsonian found that staying open the longer hours cost about $170,000 a month for additional guards and extra upkeep. The Post Office Department, which in 1964 curtailed the hours its mail windows were open in 15,000 post offices, is proposing to go back to the old hours of 8 a.m. to 6 p.m. as well as to reestablish Saturday parcel post deliveries in 6,000 cities; it's asking $15.5 million to pay for the added service.

"But so far most agencies have found that the longer hours have not cost any more. They simply have reassigned workers to cover the longer hours, spreading the workload. The IRS, surprisingly enough, has found that it has more than enough volunteers to work evenings and Saturdays."

In many areas the Bureau of Customs is closed 60 days a year and at night unless private parties enter labor contracts with Government custom employees for what is considered special services. This condition is allowed by laws which assume that our international transportation system can likewise shut down and stop on Sundays, holiday, or at night. It is inferred from these laws that our Government has no public service obligations and duties with respect to foreign commerce except during so-called regular business hours, Monday through Saturday. The truth of it is that the public services which the Bureau of Customs provides are necessary 24 hours a day, 7 days a week for the benefit of the people returning to the United States by private aircraft, commercial airline, steamship, or railroad. This inspection service is performed in the national interest, and not in the interest of one portion of the public. We are all affected by foreign travel and commerce. It seems fair that we should all bear such an inspection expense just as we do for returns to the United States by automobile, ferry, train, or by foot, on a Sunday, a holiday, or at night.

There are many specific examples that I could give which would illustrate the gross inequities caused by our current overtime customs policies. I have received dozens of letters from all over the United States recounting frustrating and often expensive, personal experiences with our overtime customs policy.

For example, a very typical letter expressing a general concern over our overtime custom policy reads in part as follows:

"Operating a flight service, as I do, within 10 miles of the United States-Canadian border, I have many occasions to witness the terrible embarrassment, cost, and confusion wrought upon the unwary air traveler who hasn't until that moment learned that the air traveler is truly a minority group not extended the same privileges enjoyed by the car traveler. He must cross the border between 8 a.m. and 5 p.m., and never on holidays or Sundays. In fact, even the wary can sometimes get trapped. The charges for such service, off hours, is totally out of proportion to the time required."

Another letter which I feel is of interest states in part:

"A few years ago, with my wife, we did a bit of island hopping in the Caribbean and were quite astonished to find that we had to pay rather outrageous fees at Harry Truman Airport, Virgin Islands, for three separate agencies, namely, Immigration, Public Health, and Customs, because we landed a few minutes after quitting time. We were even more astonished when clearing from the Virgin Islands (a U.S. possession) to San Juan, P.R. (a U.S. possession) on Washington's Birthday (a legal holiday) to pay similar overtime charges when flying from one point in the United States (or its territories) to another point in the United States (or its territories). We could not understand why we had to clear Customs, Public Health, and Immigration when going from one U.S. possession to another, nor could we understand why, when these people were already servicing the airlines every hour, we had to pay an additional fee even though they were on the field anyway.

"I, likewise, was astonished to come into the States from Mexico at Laredo, Tex., once to find that, although Laredo was a port of entry for commercial airliners, it was considered to be not a port of entry for private planes. This was despite the fact that the customs people outbound from Miami had told me that Laredo, Tex., was a port of entry. They did not tell me of the fine and delicate distinction between a port of entry for a commercial airliner and an ordinary private pilot. As a result, after several months of haggling and after having been arrested and a threat of confiscation of my airplane, I finally had to pay a $50 fine merely because I had not written for prior permission to use the Laredo port of entry. Braniff was using the field at the time on their flights between Mexico City and Dallas, and a Braniff plane had landed only half an hour ahead of me and had been properly cleared."

Next, Mr. Chairman, I would like to have included in the record copies of a series of letters between a very frustrated private citizen and the U.S. Department of Justice, Immigration and Naturalization Service, along with his letter to me and copies of his receipts for overtime customs charges.

These exhibits graphically illustrate some of the shocking fees charged for customs inspections on private aircraft. One of these exhibits indicates that a fee of $60 was charged for an inspection which took only 53 minutes. Assuming these figures are correct, the customs inspector collected approximately $1.13 per minute for his time and trouble:

CROW, INC.,
Swanton, Ohio, January 22, 1964.

Hon. PETER H. DOMINICK,
U.S. Senate,
Washington, D.C.

DEAR SENATOR: I certainly agree with your efforts to eliminate the customs regulations necessitating overtime charges which are often catastrophic in their size.

Please also be informed on the immigration laws which are now being put to play only since customs have been put on the spot.

Enclosed are copies of some of my sad experiences in the operation of my aircraft:

(1) Immigration bill for $60 (chartered aircraft).
(2) Immigration bill for $46.32 (chartered aircraft).
(3) Immigration bill for $30.88 (chartered aircraft).

And customs bill for $4.10. First time in my life both hopped on the wagon for a fee.

Your action is urgently needed.

Sincerely,

LEON E. BARNUM, *Vice President.*

PLEASE QUOTE BILL NO. ON REMITTANCE

UNITED STATES DEPARTMENT OF JUSTICE

IMMIGRATION AND NATURALIZATION SERVICE
790 SO. CLEVELAND AVENUE
ST. PAUL 16, MINNESOTA

BILL NO. STP-63-3921
DATE May 23, 1963
ACCOUNT SYMBOL 1531217
AUTHORITY ACT OF MARCH 2, 1931
AMOUNT 60.00
TERMS: NET
DRAW REMITTANCE TO ORDER OF:
Immigration and Naturalization Service, Department of Justice

BILL TO:
L. E. Barnum
Rte. 4 Box 268
Swanton, Ohio

TO INSURE CREDIT, PLEASE CITE BILL NUMBER ON YOUR REMITTANCE

PERIOD FROM	PERIOD TO	DATE	DESCRIPTION	INSPECTORS NO.	INSPECTORS GRADE	DAILY SALARY RATE	CHARGE
2140	2233	5/19/63	Inspection of passengers and crew on N 40021, Detroit, Mich.	1	9	30.00	60.00

AC Case #44174

CK 7135 7/9/63

MAY 26 1963

MAIL TO: PAYER

TOTAL 60.00

Form G-261
(Rev. 2-1-62)

UNITED STATES DEPARTMENT OF JUSTICE

IMMIGRATION AND NATURALIZATION SERVICE
BOX 8898, RICHMOND 25, VA.

BILL NO.
RIC-63-11745
DATE
June 6, 1963
ACCOUNT SYMBOL
1531217
AUTHORITY
ACT OF MARCH 2, 1931
AMOUNT
46.32
TERMS: NET
DRAW REMITTANCE TO ORDER OF:

Immigration and Naturalization Service, Department of Justice

TO INSURE CREDIT, PLEASE CITE BILL NUMBER ON YOUR REMITTANCE

BILL TO:
Crow, Incorporated
Toledo Express Airport
Swanton, Ohio

PERIOD FROM	PERIOD TO	DATE	DESCRIPTION	INSPECTORS NO.	INSPECTORS GRADE	***** SALARY RATE	CHARGE
						Sunday	
10:30pm		6/1/63					
	1:30am	6/2/63					
12:30pm	9:00pm	6/2/63	Inspection of passengers and crew - CROW INC. CHTR. Plane Reg. N 4377 P., Sandusky, O.	1	9-7	61.76	46.32
			Prorated with bill No. RIC-63-11746 for JOHN E.F. MISENER, Scott Misener Steamships Ltd., Port Colborne, Ont., same date.				
			Crook Charter				

UNITED STATES DEPARTMENT OF JUSTICE

IMMIGRATION AND NATURALIZATION SERVICE
BOX 8898, RICHMOND 25, VA.

BILL NO. RIC-64-247
DATE July 10, 1963
ACCOUNT SYMBOL 1541217
AUTHORITY ACT OF MARCH 2, 1931
AMOUNT 30.88
TERMS: NET
DRAW REMITTANCE TO ORDER OF:

Immigration and Naturalization Service,
Department of Justice

TO INSURE CREDIT, PLEASE CITE BILL NUMBER ON YOUR REMITTANCE

BILL TO:

Crow, Incorporated
Toledo Express Airport
Route 4
Swanton, Ohio

PERIOD FROM	PERIOD TO	DATE	DESCRIPTION	INSPECTORS NO.	INSPECTORS GRADE	RATE	CHARGE
						Sunday	
7:45am 1:30pm	12:45pm 9:00pm	7/7/63	Inspection of passengers and crew - Crow, Inc. Chartered Plane, Reg. No. N 4829 F., Sandusky, O.	1	9-7	61.76	30.88
			Prorated with the following bills, same date: No. RIC-64-245 for J. M. PATTERSON, Quebec & Ontario Transportation Co., Ltd. Montreal, Quebec No. RIC-64-246 for AVONDALE, Leadale Shipping Limited, Montreal, Quebec				

Ck #7372 9-3-63

JUL 15 1963

MAIL TO: PAYER

TOTAL 30.88

Form G-261
(Rev. 3-1-62)

Customs Form 3858-A (Revised)
TREASURY DEPARTMENT
37, C. A. M. 1948
March 19..

No. 1

BILL FOR REIMBURSABLE CUSTOMS OVERTIME SERVICES RENDERED

BUREAU OF CUSTOMS

Crow Inc.
Route # 4
Swanton, Ohio

Port of Sandusky, Ohio July 31, 1963
Permit No. 5
U. S. Plane No. N 4829 P
(Vessel warehouse etc.)
Airport, Sandusky, Ohio

NOTE: This bill should accompany remittance payable to the Collector of Customs at the port named.

	DATE OF SERVICE	NATURE OF SERVICE	TIME EMPLOYED	NUMBER OF PERIODS	RATE PER PERIOD	FRACTIONAL CHARGE TO APPLICANT	AMOUNT	SIGNATURES
1	7/7	Ent. Exam.	5:00 PM to	4	13.32	1/13of4	4 10	Joseph S Brenna
2		Pass. Bagg.	5:1[illegible]					
3		Sunday						
4		Continuous service and Pro-rated						
5		with Permit Nos. 1 & 2						
6								

PLEASE MAKE CHECK OR MONEY ORDER IN AMOUNT OF $ 4.10

PAYABLE TO THE TREASURER OF UNITED STATES AND FORWARD TO

THE DEPUTY COLLECTOR OF CUSTOMS IN CHARGE

SANDUSKY, OHIO

17
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NOTICE
This Bill is due upon receipt thereof.

(Cashier's stamp)

I [illegible] and the amount charged are correct.

[illegible] Deputy Collector in Charge
(Title)

[illegible] 1963.

CROW, INC.,
June 4, 1963.

U.S. DEPARTMENT OF JUSTICE,
Immigration and Naturalization Service, St. Paul, Minn.

GENTLEMEN: Regarding your bill No. STP–63–3921 dated May 23, 1963. I would like to be informed of the number of entries and departures handled by that particular agent during his duty period, and if he was on duty during this period at any other location.

I certainly ought to be entitled to the above information in view of the charge for less than 1 hour's work.

Sincerely,

LEON E. BARUM, *Vice President.*

U.S. DEPARTMENT OF JUSTICE,
IMMIGRATION AND NATURALIZATION SERVICE,
St. Paul, Minn., June 10, 1963.

CROW, INC.,
Route No. 4, Swanton, Ohio.
(Attention: Leon E. Barnum, vice president).

GENTLEMEN: I refer to your letter of June 4, 1963, regarding bill No. STP–63–3921, in the amount of $60, for inspection of your aircraft N–40021 on Sunday, May 19, 1963.

Your plane was the only commercial aircraft inspected by Immigrant Inspec- for Thomas Grady on that date. Had there been additional commercial aircraft for him to inspect that day, the charge of $60 would have been prorated among such aircraft. It is unfortunate that your plane was the only commercial aircraft inspected during Mr. Grady's tour of duty, requiring us to bill your company accordingly.

Very truly yours,

A. H. REED,
Acting Associate Deputy,
Regional Commissioner, Management.

CROW, INC.,
July 9, 1963.

U.S. DEPARTMENT OF JUSTICE,
Immigration and Naturalization Service,
St. Paul, Minn.

GENTLEMEN: First, I am informed that immigration does not charge overtime fees for services, would appreciate an explanation. Second, I may have been the only aircraft inspected during Mr. Grady's 53 minutes on duty, but I'd appreciate knowing how many other inspectors were used on aircraft and how many aircraft made customs or immigration inspections for entry or departure at the Detroit Wayne Major Airport between 12 noon, May 19, 1963, and 2400 hours midnight that date.

Your considerate reply will be appreciated.

Sincerely,

LEON E. BARNUM, *Vice President.*

UNITED STATES DEPARTMENT OF JUSTICE,
IMMIGRATION AND NATURALIZATION SERVICE,
Detroit, Mich., July 18, 1963.

MR. LEON E. BARNUM,
Vice President, Crow, Inc.,
Scranton, Ohio.

DEAR MR. BARNUM: Your letter of July 9 has been referred to this office for reply.

Under certain circumstances, this Service does not charge overtime fees for inspectional services. Without going into great detail, commercial aircraft, vessels, trains, etc., operating on a regular schedule, and private aircraft, are

exempt from overtime liability. However, such carriers arriving 1 hour or more after the time stipulated on the schedule, and in the case of private planes used in the business of selling transportation (either passenger or cargo), arriving between the hours of 5 p.m. and 8 a.m. or on Sundays and holidays are liable for payment of overtime compensation.

According to the records, the following aircraft arrived at Detroit Metropolitan Airport between the hours of 12 noon and midnight on May 19, 1963, in addition to Inspector Grady's inspection of your aircraft:

BOAC (scheduled airline) arriving 1330.
Private aircraft arriving 1430.
Private aircraft arriving 1443.
Pan American (scheduled arrival) arriving 1445.

These inspections were covered by an inspector, other than Mr. Grady, who was on duty from 11 a.m. until 7 p.m. Inspector Grady was on duty from 4 p.m. until midnight and inspected your aircraft arriving at 9:40 p.m.

I trust the above resolves any questions you may have on this matter.

Very truly yours,

JOHN M. BONDS,
Acting District Director.

CROW, INC.,
August 13, 1963.

(Attention Mr. John M. Bonds, Acting District Director).

U.S. DEPARTMENT OF JUSTICE,
Immigration and Naturalization Service,
Detroit, Michigan.

DEAR MR. BONDS: Regarding your reply of July 18, 1963, I have crossed the border about 50 times a year for at least 35 years with aircraft and your $60 billing is still a shock to me and I am determined to hear many answers before dropping the matter.

Please advise me of the name of the inspector who was on duty from 11 a.m. to 7 p.m. referred to in your letter and the charges assessed to each of the four entries named.

Also advise me if there were any other aircraft entries at Detroit Metropolitan Airport between 4 p.m. and midnight.

Also, since Mr. Grady came from home to the airport, did he return there after our inspection and was that his only duty during this period?

All of the above may seem silly to you, but of course I have good reason to know the answers as a taxpayer and in view of the necessity of a change in the statutes causing such ridiculous charges.

In order for us to promote aviation we cannot close our international borders by outrageous charges which in some cases will equal 10 percent of the value of the vehicle used.

Your consideration is therefore appreciated.

Sincerely,

LEON E. BARNUM, *Vice President.*

U.S. DEPARTMENT OF JUSTICE,
IMMIGRATION AND NATURALIZATION SERVICE,
St. Paul, Minn., August 22, 1963.

Mr. LEON E. BARNUM,
Vice President, Crow, Inc.,
Swanton, Ohio.

DEAR MR. BARNUM: Your letter of August 13 to the district office at Detroit has been referred to me for reply. I appreciate your concern about this overtime charge. The simple fact, however, is that our overtime statute requires the charge under the circumstances. All of the four planes mentioned in the district letter of July 18 arrived before Mr. Grady's tour of duty began. So far as I know, there were no other arrivals. Mr. Grady was on duty from 4 p.m. to midnight at the tunnel. He interrupted that duty only to inspect your plane. He made no other aircraft inspections during that time because none were required.

I assure you that there is and has been no effort to levy an unnecessarily heavy charge for this inspection. Under the circumstances we cannot prorate or mitigate the billing.

Sincerely,

HAROLD E. HULSING,
Associate Deputy Regional Commissioner, Management.

I also have an article which appeared in the Chicago Tribune on August 9, 1965, which I would like to read:

"MERCY PILOT COMPLAINS OF CUSTOMS FEES—FLIES DYING MAN INTO UNITED STATES, CHARGED $50

"(By Wayne Thomis)

"Kenneth V. Schmid, 38, printing firm executive here, complained yesterday about customs regulations that cost him $50 to fly a dying passenger from a Bahamas island to West Palm Beach, Fla., for emergency hospital treatment.

"The trip was made in Schmid's private single-engined airplane at the suggestion of the Coast Guard and of John Marino, British commissioner on Greater Abaco. Special authorization was provided by U.S. authorities for Schmid's plane to penetrate the Florida air defense identification zone at 2:30 a.m. July 9.

"HOSPITAL CREW WAITS

"At West Palm Beach, a crew from St. Mary's Hospital was waiting at the ramp. The patient, Robert H. Thompson of Fort Lauderdale, Fla., was in coma and was given a blood transfusion. After Thompson was taken away in the hospital ambulance, Schmid was invited into the U.S. customs office, he reported.

" 'We now attend to the matter of overtime customs fees for your entry," he was told by Inspector S. E. Mestrezat, who had been summoned to the field for the emergency arrival about 1 hour earlier.

" 'During normal daylight hours there is no customs fee here since West Palm is an airport of entry,' the inspector told Schmid. 'But our office closes at 7 in the evening and you are subject to a scale of fees depending on how long after that you enter the United States.'

"HE PROTESTS CHARGE

"Schmid, who lives at 189 Signal Hill Road, Barrington, protested. He reported that his was a mercy flight, that the fee was not his responsibility, and that he would return to Greater Abaco at daylight "because there are no lights on the landing strip there.' He also told the inspector he had no money.

"At this point, Schmid said, the inspector told him he must pay or the plane, a $35,000 Beech Bonanza, would be impounded.

"Inspector Mestrezat has since told the Tribune by telephone that 'no such remark was made.' Mestrezat also denied having told Schmid he could charge $500 for the customs clearance but would charge him the minimum of $50.16.

"HE SIGNS A CHECK

"The latter sum was actually charged. Schmid signed a check made from a standard blank check form supplied by the customs man. He then was permitted to fly back to his wife and three children at Treasure Cay Inn on Abaco.

"Thomas underwent an operation for a perforated ulcer within 15 minutes of his arrival at the hospital. He is convalescing. His physician told him afterward that he would not have survived 'another 2 hours.'

"It was because of this danger that Schmid had agreed to make the flight. At Abaco, Commissioner Marino told Schmid that the local doctor had reported Thomas 'was dying of a perforated ulcer and would not live until morning.' U.S. Coast Guard air transportation had been sought but was refused because of lack of lights on the Greater Abaco strip. Marino said that 'unless Thomas is flown out at once he will die.'

"Schmid holds a private license and a single engine rating for his S–35 Beechcraft Bonanza. He says he has done very little night flying and was worried about West Palm Beach weather because he had only the fuel in his tanks—there being none available at Abaco.

"Thomas was in a coma throughout the trip."

Finally, I would like to read portions of two letters I received from employees of the Customs Bureau. The first letter reads as follows:

"I am a participant in customs overtime under the act of February 13, 1911, but I want to say that I believe you are on the right track. The present overtime setup is all out of reason.

"I do not think that the Government should be put to the expense of maintaining 24-hour service for the public; but I believe the rates should be brought down to normal limits for the good of the service. As it is, after 25 or 30 years of participation in overtime, inspectors, and perhaps others, can retire wealthy. I don't regard this as a good thing, and we are racketeers in the eyes of the public.

"I should be quite happy if the rates were reduced to time and one-half, with a minimum of one-half day's pay for Saturday, and 1 day for Sundays and holidays, the callback time for night work reduced from 4 to 2 hours. Saturday overtime would resolve one inequity, as we do not receive overtime for work 8 to 5 on that day, but do get compensatory time off. This results in an inconvenience for us.

"Please consider this my secret ballot, as I have to live with the other employees; but I believe I have a right to express my views confidentially. I would sign this if I were certain its contents would not go beyond your committee. I know some participants agree with me, but, of course, other do not, and, again, I have to live with all of them."

The second letter reads as follows:

"The bill to amend the overtime act is long past due. On many occasions I have received $50.08 for less than 1 hour's work. I feel that the expensive overtime paid by the carriers is restrictive and another example of featherbedding. While the amendment will hurt me personally and will hurt all customs inspectors financially, I think it in the interest of good government and good economics to amend the bill. Presently almost all inspectors pay 1 percent of their overtime into a 'slush' fund for lobbying against such a bill."

I am confident that these hearings will clearly demonstrate a need for remedial legislation in the area of overtime customs fees. This is an area where, in my view, legislation has long been overdue. As a consequence, I am happy to support S. 1596.

Senator DOMINICK. As the chairman knows, I introduced a bill in the 88th Congress and also in the 1st session of the 89th Congress which is similar to this bill but which was referred to the Finance Committee. I am happy to say that my colleague, Senator Monroney, was the cosponsor of that bill, as was Senator Bartlett and Senator Lausche, all of whom are here at the moment, as well as several other Senators.

What I thought I would do, if I can, at this moment, is to emphasize some of the problems that arise in the process of our present system. At this point, I would like to state that I don't think we should be critical of the customs inspectors themselves, as they are required to make these overtime charges under the law. Thus it seems to me this is where the particular thrust of our remarks should go, namely to the law as opposed to inferences that the conduct of the inspectors is improper in this regard.

I have, however, something which I think dramatizes the issue that we are faced with here. It is an article from the Chicago Tribune which I would like to read, dated August 9, 1965, and it is called "Mercy Pilot Complains of Customs Fees, Flew Dying Man Into the United States and Is Charged $50."

It reads as follows—I think this is unbelievable.

Kenneth Schmid, 38, a printing firm executive here complained yesterday about customs regulations that cost him $50 to fly a dying passenger from a Bahamas island to West Palm Beach, Fla., for emergency hospital treatment.

The trip was made in Schmid's private single-engined airplane at the suggestion of the Coast Guard and of John Marino, British Commissioner on Greater Abaco. Special authorization was provided by U.S. authorities for Schmid's plane to penetrate the Florida air defense identification zone at 2:30 a.m. on July 9.

At West Palm Beach, a crew from St. Mary's Hospital was waiting at the ramp. The patient, Robert H. Thompson of Fort Lauderdale, Fla., was in coma and was given a blood transfusion. After Thompson was taken away in the hospital ambulance, Schmid was invited into the U.S. customs office, he reported.

"We now attend to the matter of overtime customs fees for your entry," he was told by Inspector S. E. Mestrezat, who had been summoned to the field for the emergency arrival about 1 hour earlier.

"During normal daylight hours there is no customs fees here since West Palm is an airport of entry," the inspector told Schmid. "But our office closes at 7 in the evening and you are subject to a scale of fees depending on how long after that you enter the United States."

Schmid, who lives at 189 Signal Hill Road, Barrington, protested. He reported that his was a mercy flight, that the fee was not his responsibility, and that he would return to Greater Abaco at daylight "because there are no lights on the landing strip there." He also told the inspector he had no money.

At this point, Schmid said, the inspector told him he must pay or the plane, a $35,000 Beach Bonanza, would be impounded.

Inspector Mestrezat has since told the Tribune by telephone that "no such remark was made." Mestrezat also denied having told Schmid he could charge $500 for the customs clearance but would charge him the minimum of $50.16.

The latter sum was actually charged. Schmid signed a check made from a standard blank check form supplied by the customs man. He then was permitted to fly back to his wife and three children at Treasure Cay Inn on Abaco.

Thomas underwent an operation for a perforated ulcer within 15 minutes of his arrival at the hospital. He is convalescing. His physician told him afterward that he would not have survived "another 2 hours."

It was because of this danger that Schmid had agreed to make the flight. At Abaco, Commissioner Marino told Schmid that the local doctor had reported Thomas "was dying of a perforated ulcer and would not live until morning." U.S. Coast Guard air transportation had been sought but was refused because of lack of lights on the Greater Abaco strip. Marino said that "unless Thomas is flown out at once he will die."

Schmid holds a private license and a single-engine rating for his S–35 Beechcraft Bonanza. He says he has done very little night flying and was worried about West Palm Beach weather because he had only the fuel in his tanks—there being none available at Abaco.

Thomas was in a coma throughout the trip.

That is the end of the article.

It strikes me that this is a typical example of what many of our people have to face. They have to come into a certain port of entry when they are on a trip for weather reasons, for business reasons, or for personal reasons. It may be impossible for them to come into a particular area during the 8 to 5 time period. When you finally reach the point where even the Coast Guard has been unable to land because of their regulations and a person volunteers to try and save a life, and then this Government, which has urged him through our commissioners to make a flight and the Government has made special dispensation for him to land and then charges him overtime, I just think it is unconscionable.

I point out a number of other things of the same tenor in my statement which I have already introduced. But I do think it might be of interest to this group to hear this particular letter which I also have included in my statement. It is on the bottom of a publication entitled "The Customs Service News," appearing in the November 1963 issue. This is headed "1911 Act Faces Most Serious Attack

Since 1951." S. 2173 gains many cosponsors. S. 2173 is a bill I introduced.

At the bottom of this is a note to me which reads as follows:

> The bill to amend the overtime act is long past due. On many occasions I have received $50.08 for less than 1 hour's work. I feel that the expensive overtime paid by the carriers is restrictive and another example of featherbedding. While the amendment will hurt me personally and will hurt all customs inspectors financially, I think it in the interest of good government and good economics to amend the bill. Presently almost all inspectors pay 1 percent of their overtime into a "slush" fund for lobbying against such a bill.

And I haven't added his name because I don't think this would do him any good, I might say, among the service and among his confreres.

The thing we are faced with it seems to me, is trying to update an outdated law, as Congressman Meeds stated so graphically.

We have a law which was enacted in 1911, reincorporated in 1930 and which simply doesn't fit our foreign commerce situation today. I heartily support Senator Monroney's bill and I certainly hope we can get action on this is this session.

Senator LAUSCHE. Would the Senator yield?

Senator DOMINICK. I would be happy to.

Senator LAUSCHE. Wouldn't it be advisable to find out from the appropriate governmental agencies how many duplications of that situation have arisen where the pay received by the customs collector for a very brief period of service has been large and the burden of it put upon the person seeking the services of that particular agency?

Senator DOMINICK. I can say to the Senator from Ohio that I think this would be helpful. I can give a number of examples of my own personal experiences coming in from either Canada or from Mexico while flying my own plane. It is a situation where that you either get there by 5 o'clock or you get clobbered with a fee.

Senator LAUSCHE. I didn't ask the Department of Customs to give us a tabulation of situations that support this illustration that you have just described.

Senator MONRONEY. The next witness will be the Assistant Commissioner of Customs.

Senator DOMINICK. I think we can say in further response that these overtime fees amount from $6 to $8 million a year. I think we had a figure of over $4 million for the commercial airlines, not speaking about the private aircraft and the other methods of transportation which have to pay for these overtime services.

It is extraordinary to me that there haven't been more public complaints than there already have been.

Senator MONRONEY. On page 1 of your statement you list the regulation overtime pay for GS–9 inspector. He receives $28.42 for 1 hour called back to work between 7 and 8 p.m.; 1 hour of work between 10 and 11 p.m., $42.48; is that correct?

Senator DOMINICK. Yes.

Senator MONRONEY. He can receive $56.54 for 1 hour's work on Sunday or holiday.

Senator DOMINICK. That is correct and it can go as high as $60 in some cases as I understand it.

Any further questions?

Senator BARTLETT. No.

Senator MONRONEY. Thank you very much. Are there any other Congressmen or Senators wishing to be heard? If not we would like to hear from Norbert G. Strub, Assistant Commissioner of Customs for Administration, Bureau of Customs, Treasury Department. We are happy to have you.

You have a prepared statement?

STATEMENT OF NORBERT G. STRUB, ASSISTANT COMMISSIONER OF CUSTOMS (ADMINISTRATION), BUREAU OF CUSTOMS, TREASURY DEPARTMENT

Mr. STRUB. Yes. I distributed copies of it now.

Senator MONRONEY. You may proceed.

Mr. STRUB. Thank you.

In order to clarify the record I would like to say in the beginning that the inspection or quarantine services we are speaking about here particularly are those performed by the Bureau of Customs of the Treasury Department, the Immigration and Naturalization Service of the Department of Justice, Public Health Service of the Departmentment of Health, Education, and Welfare, and the Quarantine Division of the Department of Agriculture.

On July 16, 1965, the Treasury Department submitted a report to the chairman of this committee in which it opposed passage of the bill S. 1596 now being considered by the committee.

Three basic reasons underlie the Department's position: (1) The cost of overtime compensation which the Government would have to bear—an amount in excess of $8 million for the Bureau of Customs alone if vehicles, vessels, and aircraft continue to arrive after regular hours and on Sundays and holidays in approximately the same numbers as they do now; (2) a belief that this cost would increase substantially if overtime services were required to be rendered without charge, since many more overtime and holiday arrivals could be expected under these circumstances; and (3) the problems of administration which would result from demands for overtime services at times and places where such services cannot now be obtained. In addition, the Department has experienced some difficulty in determining how some of the provisions of the bill might be interpreted.

I shall endeavor to give the committee some additional information which prompted the Department's report on the bill.

The total amount collected by customs for reimbursable overtime services under the customs overtime laws in fiscal year 1965 was $8,174,000. This sum does not include any charges for overhead expenses; in fact, no charge is made to reimburse customs for this expense. Thus, the total amount collected is the amount paid to the employees who actually rendered the overtime services. We do not presently keep statistics which would show reimbursable overtime collections by types of carriers. However, we believe that based on test data obtained from selected ports, a fair estimate of the collections from carriers by types for fiscal year 1965 would be:

Airlines (commercial and military)	$2,500,000
Private aircraft	100,000
Vessels	4,500,000
Railroad and other	1,074,000
Total	8,174,000

Senator DOMINICK. Could I interrupt the testimony?

Do you mean to tell me this act also applies to military aircraft of the United States returning to this country?

Mr. STRUB. When they are carrying cargo and civilian passengers; yes, sir.

Senator DOMINICK. So that a——

Mr. STRUB. Not those military planes that are strictly military in operation carrying military crew and military equipment.

Senator MONRONEY. They are not inspected at all.

Mr. STRUB. No, sir. They are not.

Senator DOMINICK. What type of military plane are you talking about?

Mr. STRUB. For example, a MATS plane carrying civilian passengers may be cargo that is commercial in nature but destined for the military, for example.

Senator DOMINICK. If they land at Anchorage the customs officers are paid by the Air Force?

Mr. STRUB. That is correct; yes, sir. The military are paid for overtime just as well as any foreign airlines or any foreign plane which is not exempted under some diplomatic arrangement.

Senator DOMINICK. And all this money goes to the inspectors. It doesn't go to the Government.

Mr. STRUB. That is correct.

(Review of the foregoing testimony with respect to military aircraft indicates some clarification is required. The following description of the manner in which military aircraft are given customs treatment has been submitted by the Bureau of Customs:)

Military aircraft, as such, are not subject to the usual entrance and clearance requirements applicable to civil aircraft. However, the persons on board those aircraft, whether military or civilian, are subject to inspection as individuals, the same as any other person arriving from outside the United States. Further, military aircraft engaged in the transportation of passengers and cargo in what is essentially a civil or commercial type of operation are subject to certain additional requirements. By agreement with the military departments, such aircraft comply with all requirements applicable to civil commercial aircraft. Specific types of military aircraft movements are treated as follows:

Military aircraft arriving at a civil airport are generally treated as any other aircraft, i.e., the crew and passengers and their baggage are inspected by regular U.S. Customs officers, and the cargo either entered or placed in bond for transportation to another port. Reimbursable overtime changes may or may not be involved depending upon the airport and the time of arrival.

Air transport aircraft carrying passengers and cargo normally land at an established MATS terminal (e.g., McGuire Air Force Base, N.J., or Travis Air Force Base, Calif.). These bases are staffed by regular customs officers and the inspection procedure is similar to that at any large civil air terminal. The major MATS terminals are staffed 24 hours daily and reimbursable overtime charges would only accrue on a Sunday or holiday.

Combat aircraft returning from operational missions normally land at their own bases where they are inspected by military personnel who have been designated as acting customs officers for this purpose. Overtime charges are not involved in these activities since all services are performed by military personnel.

Very large troop movements involving the airlift of entire military formations (e.g., a regiment of infantry) are always permitted to return directly to their home stations. In these cases, regular customs officers are detailed from a customs district to carry out the necessary inspection assisted by military personnel designated as acting customs officers. Travel expenses, per diem, and any overtime charges are reimbursed by the military agency requesting the service.)

Senator MONRONEY. You may proceed.

Mr. STRUB. The total number of hours of reimbursable overtime services which were paid for in fiscal year 1965 is substantially less than it was 15 years ago. And yet, during this same period the total number of aircraft arrivals from foreign ports, to use only one index of customs workload, increased from 80,500 to 210,200 or 160 percent. We attribute the reduction in the volume of reimbursable overtime service in large part to the standards which were prescribed by the Bureau of Customs over 10 years ago for the staffing of inspectional activities. These standards limit the number of persons assigned to the minimum required to perform the service regardless of whether the service is rendered during regular or overtime hours. Likewise, we established regular tours of duty on week nights within the limits of available funds whenever such tours were justified by the volume of regularly recurring scheduled workload.

Senator MONRONEY. You do have in some of these entry points two shifts, for example.

Mr. STRUB. Yes, sir. At John F. Kennedy International we have three shifts, 24-hour service. We also have 24-hour service at Miami International Airport and at several other airports.

Senator MONRONEY. Will you put in the record all the airports that you have 24-hour service for?

Mr. STRUB. Yes, I will.

(The list follows:)

LIST OF AIRPORTS WHERE FREE 24-HOUR INSPECTION SERVICE IS PROVIDED ON WEEKDAYS

Baudette, Minn., International Airport.[1]
Calexico, Calif., Municipal Airport.[1]
Del Rio, Tex., International Airport.[1]
Eagle Pass, Tex., Airport.[1]
International Falls/Falls International, Minn., Airport.[1]
Laredo, Tex., Municipal Airport.[1]
Miami, Fla., International Airport.
New York, N.Y., Kennedy International Airport.
Oroville, Wash., Scott Municipal Airport.[1]
Oroville, Wash., Scott Seaplane Base.[1]
Pembina/Fort Pembina, N. Dak., Airport.[1]
Portal, N. Dak., Airport.[1]
Port Huron/St. Clair County, Mich., Airport.[1]
Ranier, Minn., International Seaplane Base.[1]
San Juan, P.R., International Airport.

Senator BARTLETT. May I ask a question at that point?

Senator MONRONEY. I had one other question.

How about Sunday? Does this include 24-hour service plus Sundays and holidays?

[1] No permanent staffing at this airport. Free service to the fullest extent possible is provided by the detail of an inspector from the border crossing.

Mr. STRUB. No, sir. Under the law we can't establish a tour of duty within the basic workweek of the employee unless we pay him 3 days' pay because the law requires us to give him 2 days extra compensation for service on a Sunday and if that day were scheduled as a regular workday he would then be receiving 3 days' pay.

Senator MONRONEY. Three days pay for Sundays because Sunday is not classified in customs law, it is in most other civil service law, as a part of the week.

Mr. STRUB. Yes.

Senator MONRONEY. If my memory serves me correctly, I think Federal employes get time-and-half or double time for their Sunday work when assigned to that.

Mr. STRUB. That is correct. I think it was mentioned here earlier and the agricultural employees can be scheduled on Sunday.

Senator MONRONEY. I think all other Federal employees can be scheduled on Sundays. Given a choice of seniority to get off the Sunday period but recognizing that there are certain performances of duty such as carrying the mail and other things that can't wait over a period of 3 days, perhaps, Saturday, Sunday, and holidays. Sunday is the only day that is out of bounds, is that correct?

Mr. STRUB. Sundays and holidays.

Senator MONRONEY. How about Saturdays?

Mr. STRUB. No, sir. A little later on I will explain what our services are on weekdays and I will bring that point out.

Senator DOMINICK. It would be helpful when he is supplying the ones that are on 24-hour service if he would also supply the ports of entry that are not. Then we will have a comparison between the number of stations on 24 hours and the ones where you have to pay overtime when you land.

(The information follows:)

HOURS OF SERVICE AT DESIGNATED INTERNATIONAL AND LANDING RIGHTS AIRPORTS

DESIGNATED INTERNATIONAL AIRPORTS

A designated international airport is an airport that has been officially designated by the Secretary of the Treasury as an airport of entry for civil aircraft and merchandise carried thereon arriving from outside the United States or from a territory or possession outside the customs territory of the United States. Such aircraft must land at a designated international airport unless permission to land elsewhere is granted.

The designations of international airports are made under the authority of section 11.09(b) of the Federal Aviation Act of 1958 (49 U.S.C. 1509(b)) with the concurrence of the Commissioner of Immigration and Naturalization, the Chief, Division of Foreign Quarantine, Public Health Service, and the Director, Plant Quarantine Division, Agricultural Research Service.

In the attached table, designated international airports are shown in capital letters, thus: "JUNEAU MUNICIPAL."

LANDING RIGHTS AIRPORTS

A landing rights airport is an airport which has not been officially designated as an international airport of entry, but at which permission for aircraft to land is normally granted by the Commissioner of Customs in the case of scheduled aircraft and by the local customs officer in charge in the case of all other aircraft.

In the attached table, landing rights airports are shown in upper and lower case type, thus: "Anchorage International."

At certain landing rights airports, permission to land is normally restricted to aircraft arriving from quarantine-exempt areas and because such aircraft are not subjected to quarantine inspection by the Public Health Service. These airports are identified in the attached table with an asterisk, thus: "Haines Municipal*."

ADVANCE NOTICE OF ARRIVAL

All aircraft arriving from outside the United States or from a territory or possession outside the customs territory of the United States are required to furnish advance notice of arrival. At landing rights airports, the advance notice of arrival is also considered as a request for permission to land .

HOURS OF SERVICE

Generally, the hours of service at airports are the same as the port of entry or customs station having jurisdiction. However, at major airports, the hours of service are both adjusted and, when necessary, extended insofar as possible to meet the needs of regular recurring arrivals when to do so will not result in undue waste of customs manpower. All major gateway airports have 16- to 24-hour service, Monday through Saturday.

At very small customs ports and stations, where the volume of traffic does not warrant the assignment of a full-time customs officer, services are provided by a part-time officer or the port is not staffed and is serviced from another port on an "on call" basis. The airports in these areas are serviced on the same basis.

The attached table shows the hours of service presently maintained at international and landing rights airports. All times are local standard time. In areas where daylight time is in effect during summer months, the hours of service are also daylight time.

Airport	*Hours of service*
Alabama: Mobile/Bates	8 a.m. to 5 p.m.
Alaska:	
Anchorage International	9 a.m. to 6 p.m.
Annette Island	On call.
Fairbanks International	8 a.m. to 5 p.m.
Haines Municipal*	8 a.m. to 6 p.m.
JUNEAU AIRPORT (Seaplanes only)	8 a.m. to 5 p.m.
JUNEAU MUNICIPAL	Do.
KETCHIKAN (Seaplane base only)	Do.
Northway/F.A.A.	On call.
Petersburg Seaplane Base*	Do.
Sitka Seaplane Base*	9 a.m. to 5 p.m.
Skagway Municipal*	8 a.m. to 5 p.m.
WRANGELL SEAPLANE BASE	Do.
Arizona:	
DOUGLASS/BISBEE-DOUGLAS	Do.
NOGALES INTERNATIONAL	Do.
TUCSON INTERNATIONAL	Do.
YUMA INTERNATIONAL	On call.
California:	
CALEXICO MUNICIPAL	24 hours.
Los Angeles International	5 a.m. to 8 p.m.
SAN DIEGO MUNICIPAL	8 a.m. to 5 p.m.
San Francisco International	7 a.m. to 12 p.m.
Colorado: Denver/Stapleton	8 a.m. to 5 p.m.
Connecticut:	
East Hartford/Rentschler	Do.
Groton/Trumbull	Do.
Hartford/Brainard	Do.
New Haven Municipal	Do.
Stratford/Bridgeport Municipal	Do.
Windsor Locks/Bradley	Do.
District of Columbia:	
Washington/Dulles International	8 a.m. to 6 p.m.
Washington National	8 a.m. to 5 p.m.

Airport	*Hours of service*
Florida:	
FORT LAUDERDALE-HOLLYWOOD INTERNATIONAL	8 a.m. to 5 p.m.
Jacksonville/Imeson	Do.
KEY WEST/MEACHAM	Do.
MIAMI/CHALK SEAPLANE BASE	Do.
MIAMI INTERNATIONAL	24 hours.
St. Petersburg/Clearwater International	1 p.m. to 9 p.m.
TAMPA INTERNATIONAL	8 a.m. to 5 p.m.
WEST PALM BEACH/PALM BEACH INTERNATIONAL	8 a.m. to 7 p.m.
Hawaii: Honolulu International	8 a.m. to 12 p.m.
Idaho: Porthill/Seaplane Base*	7 a.m. to 11 p.m.
Illinois:	
Chicago-O'Hare International	8 a.m. to 11 p.m.
Chicago/Meigs	8 a.m. to 5 p.m.
CHICAGO MIDWAY	Do.
Indiana: Indianapolis/Weir Cook	Do.
Louisiana: New Orleans/Moisant International	7 a.m. to 11 p.m.
Maine:	
Bar Harbor Municipal:	
Winter	8 a.m. to 5 p.m.
Summer	8 a.m. to 12 p.m.
CARIBOU MUNICIPAL	8 a.m. to 5 p.m.
Eastport Municipal*	Do.
Houlton Municipal	Do.
Jackman Municipal	Do.
Portland Municipal	Do.
Maryland:	
Baltimore/Friendship International	Do.
Baltimore/Harbor	Do.
Massachusetts:	
Bedford/Hanscom	Do.
Beverly Municipal	Do.
Boston/Logan International	8 a.m. to 12 p.m.
Lawrence Municipal	8 a.m. to 5 p.m.
New Bedford Municipal	Do.
Westfield/Barnes	Do.
Worcester Muncipal	Do.
Michigan:	
Alpena/Phelps-Collins*	On call.
Bay City/James Clements:	
Monday, Wednesday, Friday	8 a.m. to 5 p.m.
Tuesday, Thursday	1 p.m. to 4 p.m.
DETROIT METROPOLITAN	8 a.m. to 10 p.m.
Detroit Motor Boat Sales Seaplane Base	8 a.m. to 5 p.m.
DETROIT MUNICIPAL	Do.
Houghton/Houghton County Memorial*	Do.
Marquette/County*	Do.
Pellston/Emmet County*	On call.
Port Huron/Baker	8 a.m. to 5 p.m.
PORT HURON/ST. CLAIR COUNTY	24 hours
SAULT STE. MARIE	8 a.m. to 5 p.m.
Minnesota:	
BAUDETTE INTERNATIONAL	24 hours
Crane Lake/Mohr & Handberg's Base (Seaplanes only)*	On call
DULUTH INTERNATIONAL	8 a.m. to 5 p.m.
DULUTH/SKY HARBOR	Do.
Ely/Leithold Seaplane Base*	9 a.m. to 6 p.m.
INTERNATIONAL FALLS/FALLS INTERNATIONAL	24 hours

Airport	*Hours of service*
Minnesota—Continued	
Minneapolis-St. Paul International	8 a.m. to 5 p.m.
Pinecreek*	8 a.m. to 9 p.m.
RANIER/INTERNATIONAL SEAPLANE BASE	24 hours
Warroad Municipal*	8 a.m. to 12 p.m.
Missouri: St. Louis/Lambert	8 a.m. to 5 p.m.
Montana:	
CUT BANK	Do.
Glasgow* [1]	On call.
GREAT FALLS INTERNATIONAL	8 a.m. to 6 p.m.
HAVRE-HILL COUNTY	8 a.m. to 5 p.m.
Scobey/State County*	9 a.m. to 6 p.m.
Nebraska: Omaha/Municipal*	On call.
New Jersey: Newark	8 a.m. to 5 p.m.
New Mexico: Columbus	7 a.m. to 9 p.m.
New York:	
ALBANY MUNICIPAL	8 a.m. to 5 p.m.
BUFFALO/GREATER BUFFALO INTERNATIONAL	7 a.m. to 11 p.m.
Malone/Malone Dufort	On call.
MASSENA	8 a.m. to 5 p.m.
New York/Kennedy International	24 hours.
New York/LaGuardia	8 a.m. to 5 p.m.
Niagara Falls	Do.
OGDENSBURG HARBOR	On call.
OGDENSBURG MUNICIPAL	Do.
Point Pleasant Seaplane Base	8 a.m. to 5 p.m.
ROCHESTER MUNICIPAL	Do.
ROUSES POINT SEAPLANE BASE	On call.
Syracuse/Hancock	8 a.m. to 7 p.m.
WATERTOWN MUNICIPAL	On call.
North Dakota:	
GRAND FORKS MUNICIPAL	8 a.m. to 12 p.m.
MINOT INTERNATIONAL	7 a.m. to 5 p.m.
Noonan/Border*	9 a.m. to 10 p.m.
PEMBINA/FORT PEMBIAN	24 hours.
PORTAL	Do.
WILLISTON/SLOULIN	8 a.m. to 5 p.m.
Ohio:	
Akron-Canton	On call.
AKRON MUNICIPAL	8 a.m. to 5 p.m.
Akron/Wingfoot Lake	On call.
Cincinnati/Lunken	8 a.m. to 5 p.m.
CLEVELAND HOPKINS	7 a.m. to 11 p.m.
Cleveland/Lakefront (Seaplanes only)	8 a.m. to 5 p.m.
Dayton/Cox-Dayton Municipal	Do.
Kent/Kent State	On call.
PUT-IN-BAY	8 a.m. to 5 p.m.
SANDUSKY/HINDE	Do.
Toledo Express	Do.
Toledo National	Do.
Oregon: Portland International	Do.
Pennsylvania:	
Erie/Port Erie	Do.
Philadelphia International	Do.
Pittsburgh/Greater Pittsburgh	Do.
Puerto Rico:	
San Juan/Isla Grande	Do.
San Juan/Puerto Rico International	24 hours.
Rhode Island: Providence/Green	8 a.m. to 5 p.m.
South Carolina: Charleston Municipal	8 a.m. to 12 p.m.

[1] Authorized but not operational pending recruiting of staff.

Airport	*Hours of service*
Texas:	
BROWNSVILLE/RIO GRANDE VALLEY	8 a.m. to 5 p.m.
Corpus Christi International	Do.
Dallas/Love	Do.
DEL RIO INTERNATIONAL	24 hours.
EAGLE PASS	Do.
EL PASO INTERNATIONAL	8 a.m. to 5 p.m.
Houston International	Do.
LAREDO MUNICIPAL	24 hours.
McALLEN/MILLER INTERNATIONAL	8 a.m. to 12 p.m.
San Antonio International	8 a.m. to 6:30 p.m.
Vermont:	
BURLINGTON MUNICIPAL:	
Winter	8 a.m. to 5 p.m.
Summer	8 a.m. to 8 p.m.
Newport Municipal	8 a.m. to 5 p.m.
Swanton/Austin[1]	On call.
Virgin Islands: St. Thomas/Truman	8 a.m. to 5 p.m.
Virginia: Norfolk Municipal	Do.
Washington:	
BELLINGHAM	Do.
FRIDAY HARBOR (summer only)	Do.
Northport/Lowry	8 a.m. to 12 a.m.
OROVILLE/SCOTT MUNICIPAL	24 hours.
OROVILLE/SCOTT SEAPLANE BASE	Do.
Port Angeles/Clallum County	8 a.m. to 5 p.m.
Port Angeles Boat Haven	Do.
PORT TOWNSEND AIRPORT	9 a.m. to 5 p.m.
Port Townsend Bay	Do.
SEATTLE/BOEING MUNICIPAL	8 a.m. to 5 p.m.
SEATTLE/LAKE UNION	Do.
Seattle-Tacoma International	6 a.m. to 11 p.m.
SPOKANE/FELTS	8 a.m. to 5 p.m.
Spokane/Geiger	Do.
Wisconsin:	
Green Bay/Austin Straubel	Do.
Milwaukee/Mitchell	Do.

[1] Authorized but not operational pending recruiting of staff.

Senator MONRONEY. But these major stations are on 24-hour service and Saturday, Sunday, and holidays, is that correct? But they are charged, if they come in, for Sunday and holidays.

Mr. STRUB. They are charged for Sunday and holidays; yes, sir. There is only one exception to the Sunday and holiday overtime pay as far as reimbursement is concerned. That is, the border ports on the Canadian and Mexican border where the service must be rendered without charge. The same amount of compensation is payable to the employees for Sunday service as it is elsewhere but it is not reimbursable. I will mention that too.

Senator MONRONEY. You will bring that out?

Mr. STRUB. I will bring that out also.

Senator BARTLETT. I would like also a statement showing the exact standards that the Bureau uses in determining whether a port of entry is entitled to one shift, two shifts or three shifts.

(The statement follows:)

GENERAL STATEMENT ON HOURS OF SERVICE AT CUSTOMS PORTS OF ENTRY AND CUSTOMS STATIONS, AND PROVIDING SERVICE AFTER 5 P.M.

CUSTOMS OFFICES

Customs offices are open for the transaction of general customs business between the hours of 8:30 a.m. and 5 p.m. on all days of the year except Saturdays, Sundays, and national holidays. Different, but equivalent hours may be observed if required for maintenance of adequate service because of local conditions.

At a port or station where there is no full-time customs employee, the hours during which the customs office will be open are fixed by the officer in charge of the district and notice thereof displayed prominently at the entrance to the office.

OUTSIDE SERVICES

Customs services required to be performed outside a customs office (for example, the entrance and clearance of vessels, aircraft, trains, and vehicles; release of cargo; and the inspection of passengers and their baggage) are furnished between 8 a.m. and 5 p.m. (or between corresponding hours where different but equivalent hours have been established) on all days when the customs office is open for the transaction of general customs business. Upon reasonable advance notice, such services may be furnished between the same hours on Saturday.

SERVICE AFTER 5 P.M.

When there is a regularly recurring need for customs services outside the above prescribed hours, and the volume and duration of the required services are uniformily such as to require, of themselves or in immediately consecutive combination with other essential customs activities, the full time of one or more customs employees, the necessary number of regular tours of duty to furnish such services on all days of the year except Sundays and national holidays may be established with the approval of the Commissioner of Customs.

In the application of this policy, it is necessary to strike a balance between the need for the service on the one hand, and a reasonable utilization of manpower on the other. Before establishing a tour of duty that would provide service after 5 p.m. without charge, three general conditions must be satisfied:

(1) The need for the service must be regular and recurring. This means that a vessel, train, or aircraft must arrive or depart at approximately the same hour of the day, and with sufficient frequency, to justify the assignment of an officer on a regular basis. Generally speaking, only trains and commercial aircraft operating on fixed schedules meet these criteria, and even these carriers cannot always meet the frequency requirement. For example, arrivals of scheduled aircraft at 9 p.m. on Mondays and Thursdays would be considered regular arrivals, but they would not be considered sufficiently recurring arrivals to justify establishing a tour of duty to provide free service. On the other hand, a daily arrival or an arrival on 4 or 5 days each week might be considered frequent enough to justify a tour of duty.

(2) There must be sufficient activity to reasonably occupy the services of one or more officers during that part of a tour of duty extending after 5 p.m. In applying this requirement, it is considered that an officer cannot be permitted to be idle for more than 2 hours at a time. Therefore, if there was a frequent train or aircraft arrival at 7 p.m., and no further activity the remainder of the night, a tour of duty from 12 noon to 8 p.m. would normally be established to cover the arrival. An arrival at 9 p.m., however, with no other activity requiring customs attention between 5 p.m. and 9 p.m. would normally be covered on overtime since it would be difficult to justify the assignment of an officer to a tour of duty where he would remain idle for 50 percent of his time.

(3) Sufficient funds are available to finance the manpower necessary to provide the service.

Mr. STRUB. Yes, sir.

Senator MONRONEY. You may proceed.

One question before you do.

The amount of the overtime that you pay depends a good deal on the GS level of the inspector. I would like to have you put in the

record or if you have it handy the statistics on the regular pay and overtime pay for customs officials broken down into GS levels. We have a good example of that by the statement just put in the record by Senator Dominick on the GS–9.

Mr. STRUB. This may be a little difficult to furnish because we don't actually have these statistics in the Washington office and, as I have explained previously here, we base this breakdown by carriers on the basis of test data which we have received but we don't receive statistics to be able to supply this——

Senator MONRONEY. It is all figured on a GS–9 or something like that?

Mr. STRUB. No, sir; but we will see what we can provide for the record.

Senator MONRONEY. We would like to have it reflected. If it is higher for one than another it ought to show up.

Mr. STRUB. The rate of overtime?

Senator MONRONEY. Yes.

Mr. STRUB. Oh, yes, sir; we can furnish that.

Senator MONRONEY. We would like the regular pay and the rate of overtime pay for customs officials broken down in GS grades.

Mr. STRUB. Yes, sir; we can furnish that.

(The information follows:)

Employees earning customs overtime—1965, showing grades, annual salaries, and customs overtime earnings

Grade	Number	Annual salaries	Customs overtime earnings		
			Reimbursable	Nonreimbursable	Total
GS–2	1	$4,975	$211.12		$211.12
GS–3	4	20,656	6,278.48		6,278.48
GS–4	7	35,935	3,748.38	$343.70	4,092.08
GS–5	29	161,012	8,911.84	3,583.73	12,495.57
GS–6	164	1,050,405	149,170.68	218.16	149,388.84
GS–7	387	2,502,157	525,358.75	55,635.00	580,993.75
GS–8	53	354,987	94,974.51	13,314.50	108,289.01
GS–9	2,278	19,512,329	5,826,310.62	1,108,780.14	6,935,090.76
GS–10	252	2,447,813	603,502.58	180,965.70	784,468.28
GS–11	292	2,918,925	719,113.21	76,352.32	795,465.53
GS–12	119	1,243,466	109,392.21	19,055.44	128,447.65
GS–13	25	325,806	26,225.00	5,700.60	31,925.60
GS–14	2	32,408	6,011.68		6,011.68
Wage Board employees	164	950,151	94,508.04		94,508.04
Total	3,777	31,561,025	8,173,717.10	1,463,949.29	9,637,666.39

There are approximately 290 ports of entry, 65 customs stations, 62 airports designated as international airports of entry, and 97 so-called landing-rights airports. At 22 landing-rights airports, permission has been granted for the planes of one or more commercial airlines to arrive and customs will grant permission to private aircraft to enter if requested. At the other 75 landing-rights airports, only private and nonscheduled aircraft have requested permission to enter. Designated international airports, with few exceptions, are within the geographical limits of ports of entry where customs personnel are stationed. Many of the airports used by private aircraft are outside ports of entry and are not staffed with customs personnel.

Senator BARTLETT. What happens there?

Mr. STRUB. We have to send a man from the nearest port of entry in order to provide the service.

Senator DOMINICK. Mr. Chairman, in my statement, I attached as an exhibit a letter from a man who said he received information from customs in Miami, Fla., indicating that he could land in Laredo, Tex., for inspection upon his return from Mexico. When he landed he found out that it was not a proper point of entry and was forced to pay a $50 fine, was threatened with confiscation of his plane even though Braniff was landing there regularly.

What is the rationale behind this?

Mr. STRUB. Is this at a designated international airport?

Senator DOMINICK. Laredo, Tex. It is evidently a port of entry for commercial airlines.

Mr. STRUB. And this was done on a week night or Sunday or holiday?

Senator DOMINICK. He just doesn't say in the letter. As far as I know he just said he landed there and had to pay a $50 fine because he didn't have prior permission to use the port of entry.

Mr. STRUB. Then it must not have been a designated international airport. The difference between these two airports, Mr. Chairman, is that at a designated international airport, aircraft have the right to enter whereas at the nondesignated ones they must get permission from the inspection agencies to land. If the inspection agencies are not in a position to provide that service then they can't permit the aircraft to land.

This, however, would not apply in any case to an emergency landing or any landing in which the lives of individuals may be at stake.

Senator DOMINICK. Going on further than that, how do you reconcile that with a case where the commercial airliners are coming in regularly, so obviously they do have inspection services?

Mr. STRUB. I would have to have a few more facts, Senator Dominick, to be able to answer that.

Senator MONRONEY. Would you yield?

Senator DOMINICK. Yes.

Senator MONRONEY. Let's get this straight. This testimony is so fuzzy that it is impossible I think for any member of the committee sitting here to get any idea of where you can come and where you can't come in. Can you supply a map to this committee showing the various types of entry ports that people can come in by airplane, commercial or private, or where the various entry rights are on the highway? Surely you serve these highway stations 24 hours a day and Saturday, Sunday, and holidays, do you not?

Mr. STRUB. Not all of the highway stations are open 24 hours.

Senator MONRONEY. How many? What percent?

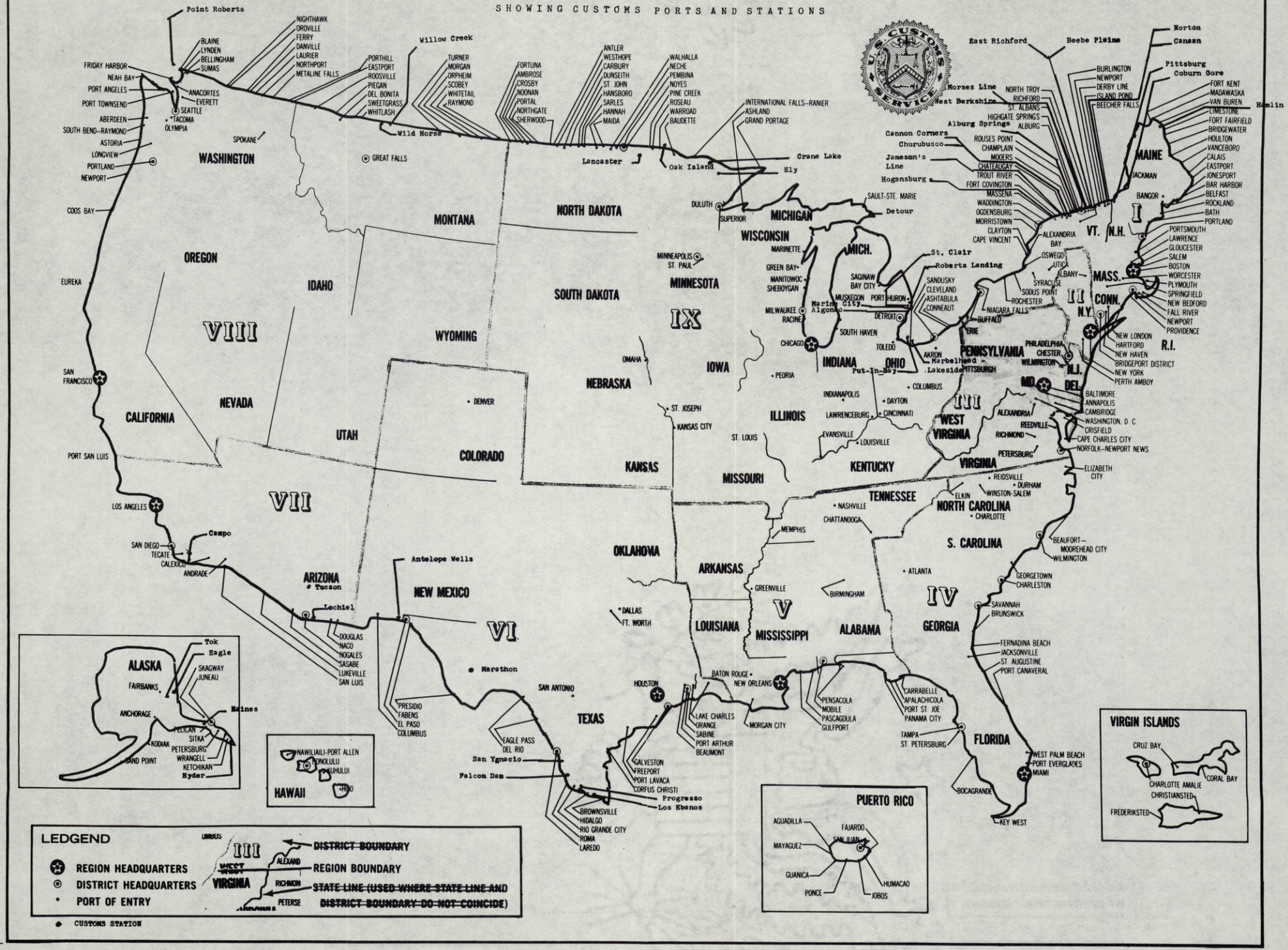
Mr. STRUB. Oh, I have no idea at the moment but there are many, shall we say, up on the Canadian border, particularly, which are only open for 13 hours. Generally from 8 to 9 p.m., 7 days a week.

Senator MONRONEY. You pay the same high rate of overtime for those?

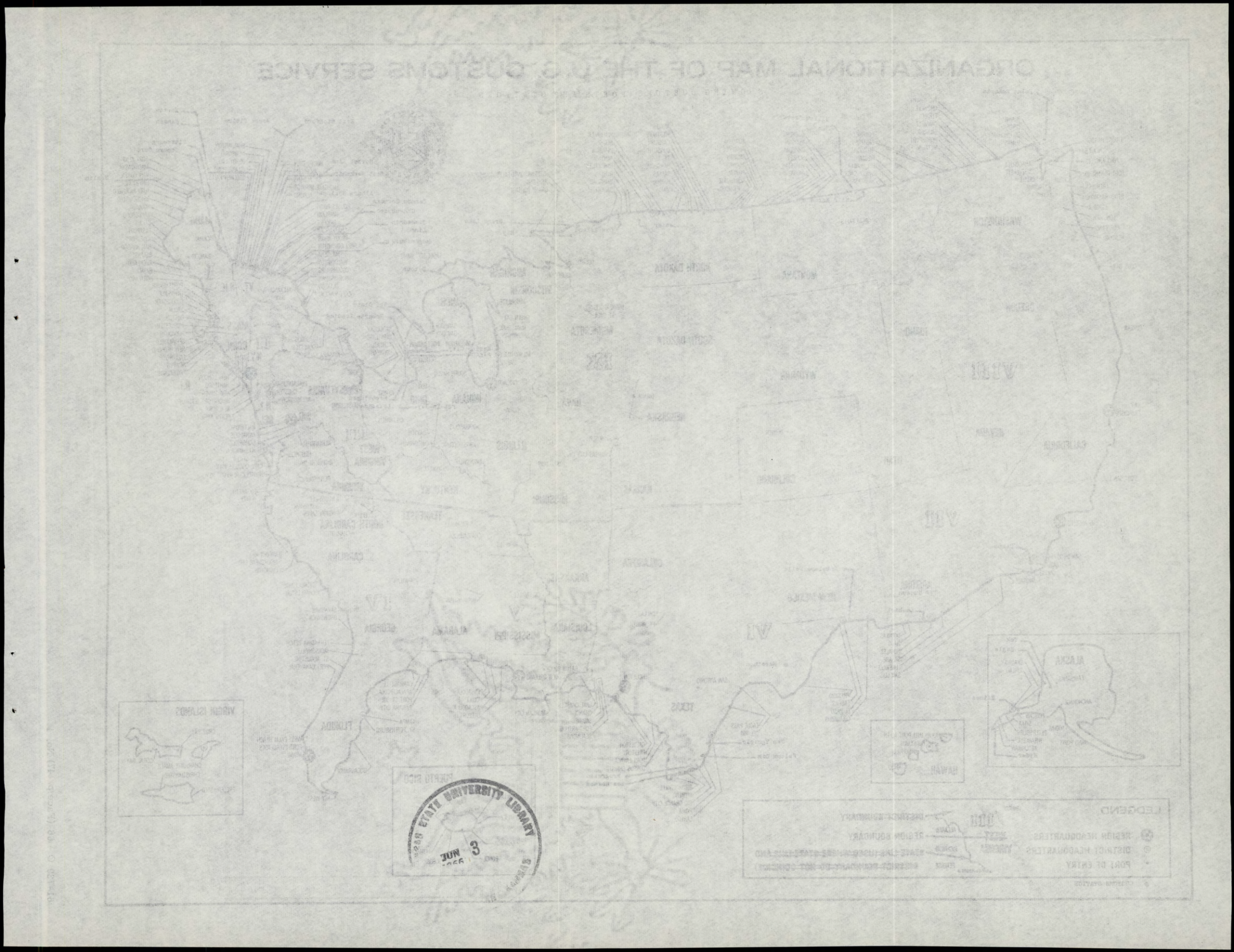
Mr. STRUB. We pay the 2 days' pay for the Sunday service; yes, sir.

ORGANIZATIONAL MAP OF THE U.S. CUSTOMS SERVICE

SHOWING CUSTOMS PORTS AND STATIONS



61-739 O - 66 (Face p. 47) No. 1



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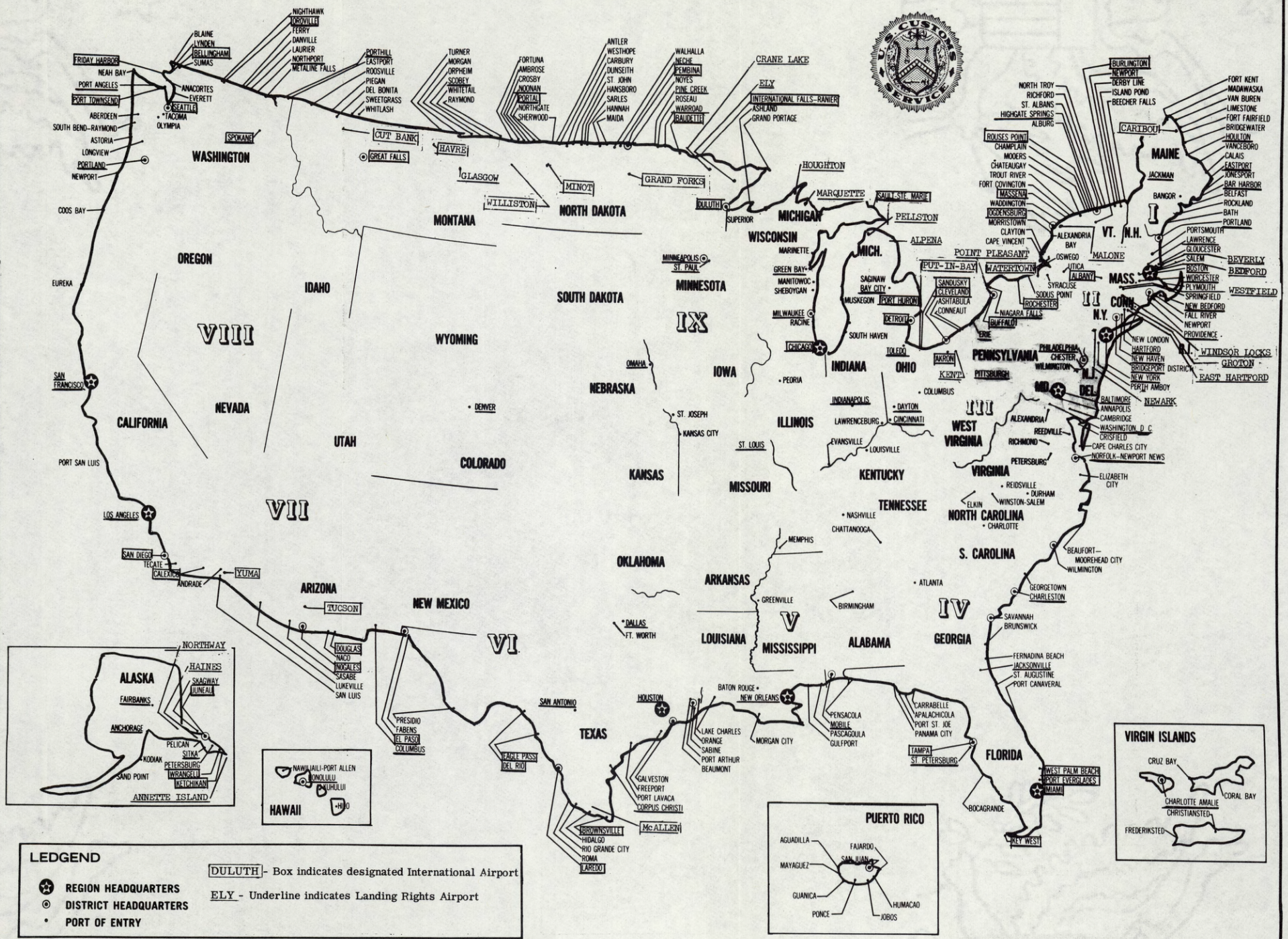
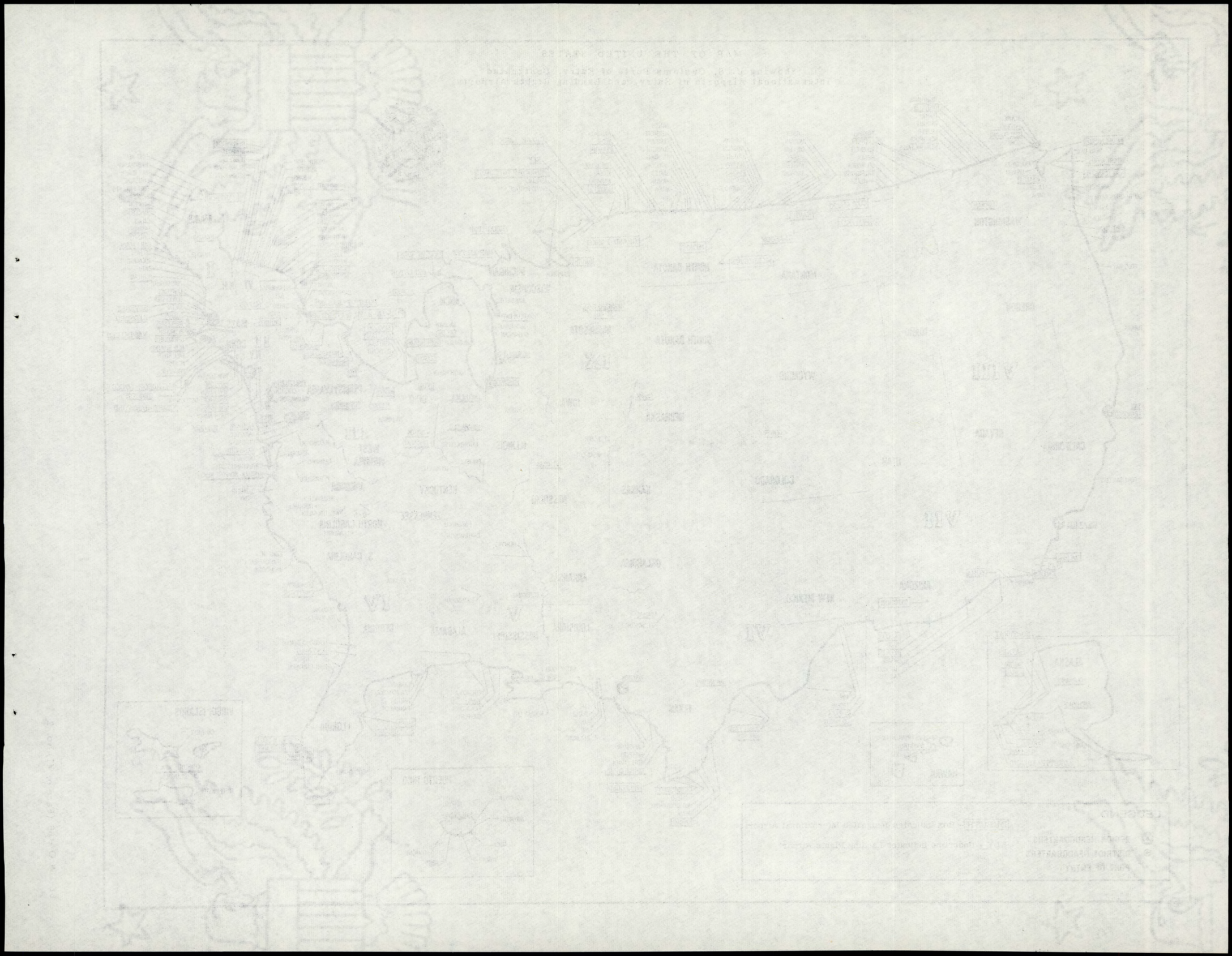
MAP OF THE UNITED STATES

Showing U. S. Customs Ports of Entry, Designated
International Airports of Entry, and Landing Rights Airports



61-739 O - 66 (Face p. 47) No. 2



Senator MONRONEY. For the life of me I can't see why other modes of transportation are not important too, when you can keep these open without concern. What is the cost of maintaining those?

Mr. STRUB. The cost of maintaining those—in fiscal year 1965—was $1,565,000. Our estimate for this year is $1,625,000. This is the cost of the overtime compensation to the Government for the border ports and stations.

Senator MONRONEY. That is for the Mexican and Canadian borders.

Mr. STRUB. Yes, sir.

Senator MONRONEY. Why would it be so much more to keep the few airports of entry opened? There are certainly fewer than that and you say it cost $8 million.

Mr. STRUB. This is the total for the vessels, airlines, railroads, importers, and others who require overtime service. The airlines estimate is $2½ million.

Senator DOMINICK. I am not quite sure, Mr. Chairman, on this difference referred to in the testimony between an international airport of entry, the ports of entry, the customs stations, and the landing-right airports. What is the difference between them?

Mr. STRUB. I have and I can furnish for the record if you would like a list of these designated international airports of entry and the other airports of entry where service can be obtained between 8 a.m. and 5 p.m. on weekdays. These nondesignated airports of entry are airports where normally speaking we can permit aircraft to land—I am speaking of the private aircraft now—we can permit them to land and provide service during weekdays, 8 a.m. to 5 p.m.

The designated airports of entry are those where planes have the right to arrive but unless there is a scheduled tour of duty to accommodate them after 5 p.m., then overtime is charged. They do have the right to enter at the designated airport of entry. They don't have that right at the other airports.

INTERNATIONAL AND LANDING RIGHTS AIRPORTS SERVICED IN WHOLE OR IN PART BY PART-TIME (W.A.E.) CUSTOMS OFFICERS

The following table lists, by State, the airports at which customs services are provided, in whole or in part, by part-time (w.a.e.) customs officers.

Airports serviced exclusively by w.a.e. officers are designated by an asterisk, thus: "Petersburg Seaplane Base*." All other airports are serviced by a combined staff of regular full-time and w.a.e. officers.

Alaska:
- Haines Municipal.
- Juneau Airport (seaplanes only).
- Juneau Municipal.
- Petersburg Seaplane Base*.

Arizona:
- Nogales International.
- Tuma International.

Florida:
- Fort Lauderdale-Hollywood International.
- Key West/Meacham.
- Miami/Chalk Seaplane Base.
- Miami International.

Illinois: Chicago-O'Hare International.

Maine: Bar Harbor Municipal.

Michigan:
- Alpana/Phelps-Collins*.
- Detroit Metropolitan.
- Detroit Motor Boat Sales Seaplane Base.
- Detroit Municipal.
- Houghton/Houghton County Memorial.
- Marquette/County*.
- Port Huron/Baker.
- Sault Ste. Marie.

Minnesota:
- Crane Lake/Mohr & Handberg's Base (seaplanes)*.
- Duluth International.
- Duluth/Sky Harbor.
- International Falls/Falls International.

Montana:
- Cut Bank*.
- Glasgow*.[1]
- Great Falls International.

New Mexico: Columbus.

New York:
- Buffalo/Greater Buffalo International.
- Massena.
- Niagara Falls.
- Watertown Municipal*.

North Dakota:
- Grand Forks Municipal.
- Minot International*.
- Pembina/Fort Pembina.
- Portal.
- Williston/Sloulin*.

Ohio:
- Cleveland Hopkins.
- Cleveland/Lakefront (seaplanes only).
- Put-In-Bay*.
- Sandusky/Hinde.
- Toledo Express.
- Toledo National.

Vermont:
- Burlington Municipal.
- Swanton/Austin.

Washington:
- Friday Harbor.
- Port Angeles/Clallum County.
- Port Angeles Boat Haven.

Senator DOMINICK. If I may can I follow through on this?

Senator MONRONEY. Yes, develop that.

Senator DOMINICK. Let me ask a couple of questions here. Suppose I come in from Mexico on Saturday afternoon at 6 o'clock at El Paso, which is an international airport. Do I get charged overtime?

Mr. STRUB. If we do not have a tour of duty operating after 5 p.m. you would be charged overtime, yes, sir.

Senator DOMINICK. Even at an international airport?

Mr. STRUB. Yes, sir.

Senator DOMINICK. Suppose I came in at Laredo, Tex., as this guy did, which is a port of entry and which is serving regularly the commercial airlines, and I come in at the same time. What happens to me then?

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[1] Authorized but not operational pending recruiting of staff.

Mr. STRUB. If you come in during an overtime hour, that is after 5 p.m. and we do not have a tour of duty at the airport, you will have to pay overtime.

Senator DOMINICK. How does anybody know whether you have a tour of duty?

Mr. STRUB. We establish the hours of service generally speaking in these locales. In other words when we establish a tour of duty let us say to provide free service to 8 p.m. or 10 p.m. we advertise that the airport is open for service during those particular hours.

Senator DOMINICK. I am a tourist and I am flying down to Mexico with my family on a vacation and I am coming back.

How do I know where to land?

Mr. STRUB. I believe that there is a publication of the Federal Aviation Agency for pilots that lists these airports and their hours of service.

Senator DOMINICK. It lists the designated ports, this is absolutely correct, and it lists the international airports for ports of entry in general but this doesn't show what overtime you have to pay.

Mr. STRUB. It wouldn't show the amount but does it not show the hours of service at those places?

Senator DOMINICK. Some of them.

Mr. STRUB. We do put out a pamphlet also to private aircraft pilots when they request it to show where these designated airports are located and the other airports where we hold ourselves open to granting service. These are the media use for advertising our——

Senator DOMINICK. What is a landing-rights port?

Mr. STRUB. A landing-rights port is an airport where we normally will grant permission for a private aircraft to land and service it between 8 a.m. and 5 p.m. 6 days a week. They don't have the right to enter.

Senator BASS. May I ask a question? If this man lands at Laredo as he says at 6 o'clock in the evening and you don't have a regular tour of duty, how does he get an inspector?

Mr. STRUB. When he leaves Mexico, the general practice is to file a flight plan and the words ADCUS, advise customs, is added to the flight plan and the tower in Laredo will notify customs as soon as it receives this message and will call customs.

Senator DOMINICK. And call a customs inspector.

Mr. STRUB. Yes.

Senator DOMINICK. And he comes back to the airport.

Mr. STRUB. Yes, sir.

Senator DOMINICK. And makes the inspection and charges the aircraft on a fee basis?

Mr. STRUB. He charges them in accordance with the formula that is set down in the overtime laws and at 6 p.m. if this is the only transaction, this would constitute a half day's pay or I suppose about $15, $12 to $15.

Senator DOMINICK. What about his expenses coming back and forth from his home to the airport? Who pays that?

Mr. STRUB. If it is outside the port limits, the pilot of the plane would also have to pay the travel expenses, the mileage for the use of the automobile of the inspector.

Senator BASS. They operate now like a JP. If you get arrested at night and court is not open the JP comes down and has a trial and you have to pay him a fee because you had to call him at 6 o'clock instead of when court is in session.

Mr. STRUB. It is only because the law requires us to pay the employees and in turn another law requires us to obtain reimbursement. There are two laws we are talking about here. One that requires payments of certain amounts to employees and another law that requires us to obtain reimbursement for those services.

Senator DOMINICK. If you landed in Laredo at 10 o'clock Sunday night it can be as high as $60?

Mr. STRUB. Yes. Any time on Sunday if this was the only transaction, it could be $60; yes, sir.

Senator BASS. Isn't the tourist rate, people going in and out of the country, is it higher on weekends than any other time?

Mr. STRUB. What was that question again?

Senator BASS. Don't we have more tourists traveling going in and out of the country on weekends than Monday or Tuesday?

Mr. STRUB. I would say if they had free service this would probably be true but on the basis of some statistics we obtained last year——

Senator BASS. In other words, we scare the hell out of them with the cost so they wouldn't go off on the weekend.

Mr. STRUB. To a certain extent that may be true; yes, sir. What I was about to say was that about 70,000 private aircraft came in during fiscal year 1965 and of these approximately 10,000 pay overtime in amounts ranging probably from $2 on up. We have no exact figures on this.

Senator MONRONEY. He can't tell. If he is the only one who comes through he gets charged $60 or somewhere in that neighborhood. If it happens to be 10 coming through he gets charged $6.

Senator BASS. You were speaking a moment ago about Federal employments. Unless it has been changed, postal employees who work on Saturday or Sunday receive compensatory time, time off during some other part of the week. They don't get double time or overtime.

Senator MONRONEY. They don't. We have improved that in the last bill.

Senator BASS. Prior they got compensatory time.

Senator MONRONEY. I don't know exactly just how far that applies. We have the bill here. It was improved. In other words, private aircraft paid $100,000, that was because they had such limited access to airports, but I still think we want to define that clearly on this map I asked you to supply, so we will know on both borders which designation the ports of entry have and which ones are maintained on a basis of two shifts, three shifts, and charged for the Sundays and holidays.

Mr. STRUB. Sundays and holidays there is a charge always.

Senator MONRONEY. Everywhere?

Mr. STRUB. Everywhere.

Senator MONRONEY. The bill amounts to $2,500,000 for commercial airlines and $4,500,000 for vessels. Is that practically all ocean liners?

Mr. STRUB. The ocean liners—no, there is also quite a substantial amount of overtime compensation for the freighters too.

Senator MONRONEY. I see.

Mr. STRUB. Because they may come in and they may not be able to discharge all of their cargo during regular hours and may have to work through the night and may come in and have to discharge on Sunday or holiday, but outside of the highways——

Senator MONRONEY. You mean the time of a custom inspector runs on a freighter for the full time a vessel is discharging its complete cargo?

Mr. STRUB. Yes, sir.

Senator MONRONEY. Any further questions?

Senator DOMINICK. No.

Senator BASS. No.

Senator MONRONEY. You may proceed.

Mr. STRUB. I thought maybe I might make a statement with regard to our service now. Generally speaking, free customs inspection services may now be obtained on weekdays, that is Monday through Saturday——

Senator MONRONEY. Where are you reading?

Mr. STRUB. I am just inserting this at this point in the record in order to straighten it out. Free service is provided on weekdays between 8 a.m. and 5 p.m. at ports of entry, designated airports of entry, and at most customs stations. We do have customs stations on the border which are only open 1 or 2 days a week for the convenience of people moving between Mexico and the United States. Such free service is also provided after 5 p.m. on weekdays at airports and railroad terminals where the volume of regular recurring scheduled workload justifies the additional tours of duty required to provide such service.

The compensation paid to employees for all other inspection services on weekdays and for all services on Sundays and holidays is reimbursable except for services to arriving persons and highway vehicles crossing the Canadian and Mexican border and to vessel ferries operating between one of those countries and the United States. These latter services are expressly exempted from charge by 19 U.S.C. 1451 and I would like now if I may to go back in time to this provision which granted free service at the border ports so that we could see the circumstances that we were faced with then.

When the *Meyers* decision was rendered by the Supreme Court in 1944, and I am speaking of 320 U.S. 561, Customs was required to pay overtime compensation for inspection services on the border regardless of whether reimbursement for such compensation was obtained. The law, however, required reimbursement.

Congress quickly approved legislation to provide free service at border ports and stations for highway vehicles and ferries. Considering the millions of persons on foot and the millions of private vehicles and commercial vehicles crossing the borders even in 1944 and the impossible task of collecting overtime compensation for the inspection services rendered, as the law required, the action taken by Congress represented the only practical solution to the problem.

The exemption for carriers, however, was limited to highway vehicles and ferries, and in view of this action and the expression of Congress on the imposition of user charges for special services in 5 U.S.C.

140, we believe that services contemplated by this bill should not be rendered without reimbursement unless they can be rendered under the existing authority to establish tours of duty and, as I mentioned before, we don't have this authority with regard to Sundays and holidays unless we want to toss in an additional day's pay.

At a time when every——

Senator MONRONEY. There is more than that involved, isn't there, in the overtime scale?

Mr. STRUB. I mean, for example, on Sundays, where we now pay 2 days' pay for any work performed on a Sunday. If this were to be one of the 5 days in the basic workweek, the inspector would automatically draw an additional day's pay because the law requires the 2 days to be paid apart from any other compensation and for this reason we do not schedule any Sunday service. For example, at Kennedy Airport, within the 5 days——

Senator MONRONEY. The customs inspector then would get his regular pay and how many extra days?

Mr. STRUB. For Sunday service, if this were one of his 5 work days, he would receive 3 days' pay. One for his regular work day and 2 days that the law requires to pay for any service on Sunday.

Senator MONRONEY. Three days for a Sunday inspection. If he works overtime on that day. How much would he receive?

Mr. STRUB. It would be—at the present he only gets 2 day's pay for 8 hours service on Sunday. We don't schedule that tour of duty within his basic work week.

Senator MONRONEY. I see.

Mr. STRUB. At a time——

Senator DOMINICK. Isn't it true, if I may interrupt once more, Mr. Strub, that many of the customs inspectors receive more in overtime pay than they do in their base pay?

Mr. STRUB. I wouldn't say that many do, Senator, but I believe that there are some inspectors at some localities where they receive more than their basic compensation in overtime, but this is not the usual rule. It is just an exception. If you have a situation, for example, in a port, where there is demand for overtime at unscheduled periods during the night and there is only one employee there, he has to work maybe say day and night and as a result of that he can earn more compensation in overtime than his basic compensation. This has happened.

Senator MONRONEY. You may proceed.

Mr. STRUB. At a time when every major workload index of the Bureau of Customs is increasing sharply and even above our own estimates for budget purposes, we are hard pressed to meet demands for services during nonovertime hours at these ports, stations, and airports, and we could not absorb the present cost of the overtime services in our limited budget, let alone provide for the additional overtime services which we believe would result if this bill were enacted.

We do not want to burden the committee with our problems, but we think you should know that during the past 5 years incoming vessels have increased 17 percent, vehicles crossing our borders are up 30 percent, aircraft arrivals are 44 percent greater, the number of persons entering the United States has increased 21 percent, formal entries of imported merchandise are up 43 percent, and yet, during this same period customs employment has increased by only about 10 percent.

If customs were to be required to render the additional service which we believe this legislation would generate, we would not only have to have additional funds to pay for overtime compensation, but we would also need additional personnel at places where customs employees are not now stationed or where the demand for services would require us to increase the number of persons employed during regular hours.

Senator DOMINICK. I wonder if I could interrupt you again. You have a tourist bureau in the Commerce Department, at this point, for the specific purpose of persuading people and more people from our countries to come in.

Your statement here would indicate that you are not in agreement with that policy.

Mr. STRUB. Well, we are not trying to do anything, Senator, to interfere with the commerce. We are only discussing the question of who should pay for the overtime in this case.

Senator DOMINICK. What you are saying though is that you think you will be overburdened if we pass this which would increase the opportunity of people to come in here. You yourself said the imposition of these fees has held down weekend travel.

Mr. STRUB. It depends upon, Senator, I suppose, a point of view here. I mentioned the fact that we have some 290 ports of entry and these other airports and stations where we provide free service during regular hours and where we do provide the additional service after hours when there is a regular recurring need for it. The only question involved is in relation to the number of persons arriving during overtime hours as compared to the total arrivals. This just depends on the point of view.

It would be extremely difficult to estimate for budget or planning purposes the exact cost of the additional personnel and overtime compensation to meet the expected increase in requests for overtime services under this proposed legislation on the basis of present schedules, timetables, et cetera. This problem is further aggravated by the uncertainty as to whether the proposed legislation would include services for customs stations, which are not ports of entry, and airports which have not been designated under section 1109(b) of the Federal Aviation Act of 1958 as airports of entry.

The laws and regulations of each of the Federal inspection agencies differ widely in the authority to establish tours of duty on Sundays and holidays, in the amount of compensation paid to employees for overtime services, and in the requirements for reimbursement for such services. These were considered by a study group which recently evaluated the mission, organization, and management of the Bureau of Customs. This group submitted several recommendations to remove inequities in charges for and payment to employees of overtime compensation for inspection services, and these recommendations are now being studied by the Bureau of Customs.

If I may digress for a moment since the question came up when Congressman Meeds was testifying, Mr. Chairman, with regard to the difference between Immigration and customs overtime charges on the border, the Immigration and Naturalization Service, several years ago, undertook to make an administrative decision that it would not charge for overtime services to private aircraft and noncommercial vessels

under certain conditions, but the General Accounting Office, in effect, told them that they had to secure legislation or else discontinue this practice.

Now the legislation that we collectively, all four inspection agencies, are seeking, which is in response to this requirement, are the flat fee bills for private aircraft and noncommercial vessels which are H.R. 6433 and 6917 now before the House Ways and Means Committee. This would establish a uniform fee for each arrival of a private aircraft or noncommercial vessel regardless of which agency performed the service.

Senator MONRONEY. How much is that fee?

Mr. STRUB. At the present time, I would estimate that it would be something like $12.

Senator MONRONEY. You mean this is in the bill?

Mr. STRUB. No, sir; the bill gives the authority to the Secretary to establish the fee.

Senator MONRONEY. Establish a fee of about $12?

Mr. STRUB. Yes; I would say that would be—as I mentioned, there were about 10,000 private aircraft that paid $100,000 overtime. Roughly about an average of $10. It is in that vicinity.

Senator DOMINICK. What is the rationale behind that?

Mr. STRUB. To avoid these $60 charges for arrivals when some individual is stuck with the entire bill for Sunday, shall we say.

Senator DOMINICK. Why should a private or noncommercial operator be required to pay for a service that the Government requires him to go through?

Mr. STRUB. Well, the law begins with the requirement that, if he wants to come into this country or return from a foreign country, he must report and undergo these inspections.

Senator DOMINICK. That is correct. Why should he pay for it in addition to paying whatever duty he may have on goods he may be bringing in?

Mr. STRUB. This is simply a question, again, of point of view as to whether you consider this a special service which is rendered at odd times, because, as I mentioned before, when we have sufficient scheduled service to establish tours of duty, we do it, or whether you want to consider that an individual has the right to come in at any hours and for the Government to call out an inspector and pay him this compensation and absorb the cost.

Senator MONRONEY. Would you yield?

Senator DOMINICK. Yes.

Senator MONRONEY. This law requiring customs and immigration inspections is for the protection of the Government. A citizen visiting from a neighboring country, which we encourage, coming through perhaps without anything to declare, still would be charged as much as $60 under this archaic system unless he can meet the very rigid and restrictive working schedules of the inspection agencies. People like to go on holidays and they like to go to Latin America; they like to go to Canada, but coming back in they would like to come in on the last day of the holiday, I am sure, if they could, to arrive at their homes, to maximize their time off from work. Yet, you make it expensive and difficult.

I think it is time to update our practices and for customs to take a good careful look at its own system and try to devise ways of clearing this up. I don't think any of the interests seeking this legislation particularly want to open every byroad to a customs station but I think they would like to have more ports of entry that would be maintained on a minimum of a two-shift basis and on a Sunday and holiday basis without the exorbitant charge.

This is particularly true, I think, of private transportation in which there is no profit motive as there is with steamships, airlines, and all. They pay a substantial portion of this revenue, perhaps, because their time of arrival or their services do require a great deal of additional inspectors to certify the arrival of cargo or the huge passenger liners that do not make it in. They can, of course, elect to lie out in harbor and wait until 7 a.m., and unload during the free period.

Mr. STRUB. They try to avoid as much as possible the cost of overtime but I would suspect that perhaps the labor charge of the stevedores would be more of a restrictive cost than the cost of customs overtime, because if you have to pay for stevedores at the overtime rates for a number of employees as compared with one or two customs employees, why, I think the stevedoring rate is more restrictive. But let me say, Mr. Chairman, that as a result of these recommendations, which I referred to, I am fairly confident that there is going to be something coming out of this which will attack this problem.

Senator MONRONEY. Can you give this committee a little indication of what you are studying, then? We have legislation before us, strong complaints particularly from aviation demanding a change and less cumbersome and costly clearance through customs and we would like to know if it will improve or just keep on, as you say, doing the same thing we have done since the horse-and-buggy days.

Mr. STRUB. At this time I am not a member of the committee studying this and I don't have any details on it but there are a number of recommendations to improve the customs overtime situation and it may very well be, although I can't do anything more than express a personal opinion, that this may develop into an interdepartmental overtime bill such as we sent the Congress in 1956. This bill was the result of a study that was made by all of the inspection agencies under the leadership of the Civil Service Commission with an effort to do a good deal of what you are talking about today. Unfortunately, we didn't get a hearing.

Senator DOMINICK. On this other bill you have before the House Ways and Means Committee, would this mean that if you come into an airport in the proper hours of the day, 8 to 5, as you now have them defined, you would still have to pay a fee?

Mr. STRUB. No, sir. This is only a fee for overtime service.

Senator DOMINICK. Only for overtime service?

Mr. STRUB. That is right.

Senator MONRONEY. You are pooling most of that and then saying a private plane could come in on a basic charge of $5; is that correct, and this would average out over the year to cover the general level of what they pay?

Mr. STRUB. That is correct. We would take the total estimated number of planes arriving during overtime hours and divide it into

the total cost we pay to the employees and arrive at it that way. It would have to be reviewed every year.

Senator MONRONEY. It seems to me this service which is given for the protection of the Government, not for the protection of the incoming flier, should be carried by the Federal Government and not by the individual pilot and he should not be confined to banker's hours as to time of arrival. Transportation has to move a good deal longer than the 9-to-5 period and certainly has to move on Sundays and holidays.

Mr. STRUB. There have been demands for services at places where we do not now have ports, at airports where we have no personnel stationed, and it is difficult to attempt to restrict the places where services will be rendered, but if we didn't exercise some control, then we would have twice as many places as I have recited today to service.

Senator MONRONEY. Nobody is asking you for unlimited control. We are trying to find out where we can expand this to a reasonable degree—we don't want every grass runway covered by the customs office.

Have you ever made a study of this problem specifically as it relates to the border crossings?

Mr. STRUB. Oh, yes. I am just looking here—we have an airport of entry at Spokane and at Seattle and Port Townsend, at Oroville, Wash., which is up on the border; at Bellingham—these are designated international airports—and then——

Senator MONRONEY. Let's stay right with that.

The hours that these would be are daily excepting Sundays and holidays from 9 to 5?

Mr. STRUB. Eight a.m. to five p.m. at most of those that I mentioned. But in addition to that, we have a landing rights airport at Northport, Wash.; one at Port Angeles—I think I already mentioned Port Townsend, so we have two landing rights airports and those others——

Senator DOMINICK. Picking that up right there, no pilot, in any kind of airplane, can come into this country from east, west, north, or south without filing a flight plan. Otherwise, they are subject to being shot down by the border defenses. So you have to follow a flight plan and tell them where you are going.

If you have designated airports where they will have to land, then you are not saying you will open all the highways and byways to this type of pattern. They have got to fly on a flight plan, land in a certain spot in order to be cleared. This is a requirement of the Government. This doesn't seem to me it will make it any more difficult if we pass this. We are simply saying we will let them come into the country without being charged for complying with the laws.

Mr. STRUB. What I had in mind was that we would probably have twice as many of these small airports where services would have to be rendered if the service had to be rendered free.

Senator DOMINICK. Why?

Mr. STRUB. Because, Senator Dominick, I know of no reason why we could say, for example, that a plane having been cleared for a certain airport would not have to receive service.

Senator DOMINICK. You can't clear for a certain airport unless it is a designated airport. I can't clear, for example, to go into Billings, Mont., out of Saskatchewan. I have either got to land in Great Falls

or Havre, Mont., and I can't overfly unless I get prior permission. I can be shot down. I saw one fellow come into Havre and he was so mad he was busting at the seams because he had two or three jets all around him on the whole trip and they came right on down with him into Havre, apparently because the clearance didn't get in fast enough to the air defense control. He was coming into a travel area; he does it regularly two or three times a week. I never saw such a mad person in all my born days. He was mad at the customs, and at the air defense and mad at the communications system.

All I am trying to say is that unless you go into an airport which is designated on your flight plan, and it must be a designated airport where customs service is available, you can't come into the country.

Mr. STRUB. But what I had in mind was that we have these landing rights airports; I forget the number.

Senator MONRONEY. This would be like putting a fancy station on a country road, would it not, in these landing rights airports? Your traffic flows on your main airways and it is very simple to find out the volume of traffic on those. You could write very simply, I would think, the standards in which if you needed more designated airports they could be established without going out and saying, because we have landing right airports at certain places it will require the establishment of full-time custom officers on those. Let us have those names again in the State of Washington you mentioned?

Mr. STRUB. The designated airports are Bellingham Airport; the Dorothy Scott Municipal Airport at Oroville, plus the Dorothy Scott Seaplane Base at Oroville; the Port Townsend Airport; the Boeing Municipal Airfield at Seattle. Then, of course, Lake Union at Seattle and Felts Field at Spokane. And in addition to that—wait a minute—in addition to that we have the James A. Lowry Airport at Northport and the Port Angeles Clallam County Airport at Port Angeles.

Senator MONRONEY. Those are all designated?

Mr. STRUB. These last two are the landing rights airports. I don't believe I read Port Townsend Bay at Port Townsend which is also a landing rights airport.

Of course, Seattle-Tacoma International is not—the Seattle-Tacoma is not a designated international airport.

Senator MONRONEY. For the purpose of the record, describe what services are available at the landing rights airports?

Mr. STRUB. At a landing rights airport, we will provide service ordinarily between 8 a.m. and 5 p.m. on weekdays.

Senator MONRONEY. On the designated airports, it would be 3-shift basis?

Mr. STRUB. No, sir. It would be also 8 a.m. to 5 p.m. during weekdays but if we had a volume of regular recurring service that would justify additional tours of duty and if we had the funds to finance it, we would put on additional tours, as we do at Kennedy International which is not designated international airport. It is not a designated international airport. But we do have tours of duty around the clock.

Senator DOMINICK. What is it, a landing rights airport?

Mr. STRUB. It is.

Senator DOMINICK. Then, I don't see the difference between them at all. I have a problem.

Senator MONRONEY. Somebody hasn't gotten around to designating it as an airport.

Mr. STRUB. My understanding is the port authority does not want to designate it and therefore make it available to any aircraft to enter. As it is now all of the commercial airliners that operate in there have blanket authority to land and the private aircraft have to obtain permission to come in. But it is the authority that operates the airport that seeks the designation, not the customers.

Senator MONRONEY. You may proceed.

Mr. STRUB. Although I don't intend to discuss the provisions of the bill in detail, we are concerned with the interpretation to be given to operations conducted pursuant to a notice such as a schedule or timetable. Schedules for the arrival of aircraft, vehicles, and vessels often are not adhered to because of weather conditions or other factors. Some arrivals may be hours and even days behind schedule; aircraft and vessels normally scheduled for service during regular hours of the morning may arrive during night hours when regular service is not available; and there are times when bad weather will force scheduled aircraft to abandon their original destinations and discharge their passengers in other places. In these circumstances, the question arises as to whether the cost of any overtime services that may be required would be borne by the carrier or by the Government.

Senator DOMINICK. What is your position on that?

Mr. STRUB. Well, our position has been in the past that all overtime services for which we can't provide additional tours of duty which applies, of course, only to weekdays, should not be borne by the Government.

Senator DOMINICK. Do you mean to say, then, that your policy position is that if a regular scheduled airliner coming into Kennedy by reason of bad weather has to go to Chicago or some place like that, that the overtime created should be charged to the carrier and you therefore blame the carrier for the bad weather problem?

Mr. STRUB. That has been our practice; yes, sir. That is our policy.

Senator DOMINICK. Let me say, I don't agree.

Senator MONRONEY. You may proceed.

Mr. STRUB. In summary, Mr. Chairman, in view of the broad coverage of the bill, the cost which would be incurred by the Government, and the administrative and other problems which I have described, we do not favor passage of S. 1596.

Senator MONRONEY. In other words, the position of the Bureau of Customs, in this age of aviation, jets able to fly from New York to Paris in 6 to 7 hours and with supersonics coming up that will cost in the neighborhood of $2 billion to develop, we are going to have to land this plane between the hours of 9 and 5 and if it should happen to arrive after that time, why, we will be subject to all these overtime schedules running up as much as double and triple the rate of hourly pay for the customs inspectors.

Mr. STRUB. I would say, Mr. Chairman, that until such time as we have had an opportunity to go into these recommendations here and see what we can develop, that that would be the policy; yes, sir.

Senator MONRONEY. What you are suggesting is merely the overtime policy, isn't it?

Mr. STRUB. It relates to both the charges being made, the tours of duty that might be established, the rates of pay and any number of other recommendations that are in this study-group report.

You are familiar with this report, are you not, Mr. Chairman?

Senator MONRONEY. I have not seen it. I have heard of it. When do you expect action on it?

Mr. STRUB. I really can't say. It depends on whether this will——

Senator MONRONEY. How long have you had it?

Mr. STRUB. The report was submitted 5 or 6 months ago, somewhere along there, but in the meantime we have been devoting our entire energies to the reorganization of the customs service and some of these recommendations haven't received the attention that we otherwise would have given them.

Senator DOMINICK. You mean the study recommends changes in the customs services but you have reorganized it without reviewing what the recommendations are?

Mr. STRUB. No. The reorganization which was planned, which was approved by Congress last May, provided for the institution of regional forms of organization in the field service, the first of which went into effect on November 1. The preparation for such a major reorganization of the service has been quite a drain on our personnel and we haven't been able to give attention to some of these recommendations in the study-group report.

Senator DOMINICK. When did you start this study?

Mr. STRUB. The study was made over a period of about 2 years and was submitted to us a few months ago; containing something like 260 recommendations, some of which involved this reorganization.

Senator MONRONEY. Is that the mission organization management?

Mr. STRUB. Yes, sir.

Senator MONRONEY. December 1964 was when that was apparently produced. So you have had a year and 1 month—2 years on it, and still no action?

Mr. STRUB. Not on this particular phase of the recommendations we are discussing now, and I would venture to say that it will probably encompass the studies of all of the inspection agencies before action on the recommendations is completed.

Senator MONRONEY. Do you have any questions?

Senator DOMINICK. I wonder if it wouldn't be helpful, and I am not sure Mr. Strub can get it to us but perhaps he can, if we can get a report from him on the estimated number of additional personnel he would need at existing airports and shipping stations to handle the present overtime travel and the estimated overtime travel for the next couple of years without cost to the person who was creating the overtime.

Senator MONRONEY. Would you include in that the steamship freighters and things of that type?

Senator DOMINICK. I think we should.

Mr. STRUB. Everything.

Senator MONRONEY. I would like to have it broken down by user.

Senator DOMINICK. Yes.

Senator MONRONEY. I do think that the customs clearance of ocean freighters are a little different from the passing through of private aircraft.

Senator DOMINICK. I agree.

(The report follows:)

Additional customs employees for regular tours of duty on week days required to render inspection service to aircraft, trains, motor vehicles, pipelines, and vessels contemplated in S. 1596, 89th Congress

	Fiscal year 1968 [1] (6 months)	Fiscal year 1969 [2]	Fiscal year 1970 [2]
Aircraft:			
1. Number of employees (man-years)	29	60	63
2. Salaries, personnel fringe benefits, night differential, and other costs	$263,000	$502,000	$581,000
3. Estimated reduction of overtime compensation when services rendered by employees (item No. 1) on regular tours	$285,000	$600,000	$630,000
4. Net reduction in total cost of overtime services through additional tours	$22,000	$98,000	$49,000
Railroads:			
1. Number of employees (man-years)	1.5	3	3
2. Salaries, personnel fringe benefits, night differential, and other costs	$14,150	$25,550	$28,260
3. Estimated reduction of overtime compensation when services rendered by employees (item No. 1) on regular tours	$15,000	$30,000	$30,000
4. Net reduction in total cost of overtime services through additional tours	$850	$4,450	$1,740
Motor vehicles:			
1. Number of employees (man-years)	12	23	23
2. Salaries, personnel fringe benefits, night differential, and other costs	$102,750	$184,400	$205,160
3. Estimated reduction of overtime compensation when services rendered by employees (item No. 1) on regular tours [3]	0	0	0
4. Net cost of additional overtime services	$102,750	$184,400	$205,160
Pipelines: [4] None.			
Vessels: [5]			
1. Number of employees (man-years)	89	187	196
2. Salaries, personnel fringe benefits, night differential, and other costs	$839,600	$1,601,100	$1,846,450
3. Estimated reduction of overtime compensation when services rendered by employees (item No. 1) on regular tours	$890,000	$1,870,000	$1,960,000
4. Net reduction in total cost of overtime services through additional tours	$50,400	$268,900	$113,550
Summary (all activities):			
1. Number of employees (man-years)	131.5	273	285
2. Salaries, personnel fringe benefits, night differential, and other costs	$1,219,500	$2,313,050	$2,660,870
3. Estimated reduction of overtime compensation when services rendered by employees (item No. 1) on regular tours	$1,190,000	$2,500,000	$2,620,000
4. Net reduction in total cost of overtime services through additional tours	−$29,500	$186,950	−$40,870
5. Estimated cost of overtime services in addition to cost in item No. 2	$3,510,000	$8,000,000	$8,380,000
6. Total estimated cost of overtime services (item No. 2 plus item No. 5)	$4,729,500	$10,313,050	$11,040,870

[1] Assumes legislation would not be effective prior to Jan. 1, 1968.

[2] Reflects estimated workload increases, and trainee to journeyman grade increases and step increases based on current salary tables.

[3] Inspection services for motor vehicles on Canadian and Mexican borders are rendered without charge from regular tours of duty, as statute exempts such vehicles from overtime charges.

[4] Where tour estimated to be able to service more than one activity, such as air and vessel or vessel and pipeline, it has been allocated to activity receiving major portion of services.

[5] Assumes legislation would require free service on basis of regular recurring work pattern, rather than on basis of scheduled operations. If not, this portion of statement should be ignored, as vessel overtime services cannot be predicted from published schedules.

Senator MONRONEY. If there are no further questions, we thank you for your testimony, Mr. Strub. Stand by, because we will probably want to call you back.

Who is head of the Customs?

Mr. STRUB. Mr. Lester D. Johnson is the Commissioner of Customs.

Senator MONRONEY. He is in Washington and available?

Mr. STRUB. At the moment, yes, sir.

Senator MONRONEY. Next witness is Eugene P. Reagan, Assistant Deputy Administrator, Agricultural Research Service, Department of Agriculture.

Mr. Reagan, do you have a prepared statement?

STATEMENT OF EUGENE P. REAGAN, ASSISTANT DEPUTY ADMINISTRATOR, AGRICULTURAL RESEARCH SERVICE, DEPARTMENT OF AGRICULTURE

Mr. REAGAN. No, I don't. I am sorry, I don't. Our inspection overtime problems are quite similar to Customs' in some ways but in other ways they are materially different.

Senator MONRONEY. Why didn't you have a statement prepared? The rules of the Senate are that we have them.

Mr. REAGAN. I just learned about this Monday, and I am sorry. We would be very happy to furnish one.

Senator MONRONEY. That is all right. You may proceed.

Mr. REAGAN. Would you like us to furnish a written statement for the committee?

Senator MONRONEY. Yes, but you may proceed with your oral statement.

Mr. REAGAN. In staffing ports of entry, inasmuch as the purpose of our inspection is to prevent the entry of animal diseases, we set up staffs from our available inspection personnel based on what is likely to come in from the various parts of the world.

On the Canadian border, for example, Canada does not have many pests that we are concerned about or diseases, so our staffing is lighter along that border. We use our people in other areas where we can give more protection with the people we have.

Last year, for example, the Agriculture Quarantine Inspection Service, both plant and animal quarantine service, had some 580 people at these ports of supply. In some ports where the inspection load was heavy enough, we have people stationed around the clock. This is limited to relatively few ports because the inspection workload is such that we have to spread these people out quite a bit.

At Kennedy International Airport we have around-the-clock service. At Miami International Airport and Honolulu International Airport—well, it varies from port to port. In some places we will have two shifts in a 24-hour period. In some smaller ports, we will have only one.

We get a great deal of assistance and have excellent working relationships with the other inspection agencies, Customs, Immigration, and Public Health, and during these periods when they have people available and we do not have, they look after our quarantine interests.

Senator MONRONEY. Who is that, the customs inspectors will look after your quarantine interests?

Mr. REAGAN. That is right.

Senator MONRONEY. So if they have a three-shift basis you don't necessarily have to staff for that?

Mr. REAGAN. It depends on what the traffic is.

In a place like Kennedy, for example, where traffic is coming in around the clock, I should have mentioned that we are quite concerned about agriculture material, meats, plants, and things brought in in passengers' baggage, so in places like that we keep people on duty around the clock to work with customs. We may have only one man per seven or eight customs inspectors, for example, but we keep people in places like that.

Senator MONRONEY. You perform inspections when customs officers are not at the stations?

Mr. REAGAN. I beg your pardon?

Senator MONRONEY. Do you perform customs inspection for the Customs Bureau when they have no inspector there?

Mr. REAGAN. In one situation, down on the Mexican border we have worked out with the other inspection agencies, Customs, Immigration, and Public Health, a multiple screening arrangement whereby the inspection services form part of the inspection service for each other.

Senator MONRONEY. You may proceed.

Mr. REAGAN. These ports are staffed, as I said, on the basis of the period of the day in which the heaviest traffic and also the traffic that is most likely to bring agricultural material in which we are interested comes in. Then arrivals outside of those hours are inspected either by the other agencies for us or if there is an agricultural problem involved, then we would inspect on a reimbursible overtime basis.

Last fiscal year for both the plant and animal agricultural quarantine there was roughly about $650,000 of reimbursible inspection time worked. I don't have a breakdown as to how much of that applied to the inspection of aircraft, but it was a relatively small percentage of it. Most of it was in ships arriving at these ports and then quite a bit of it was the inspection of cargo, someone importing agricultural material he wants inspected outside of hours or in the early morning to get it on the auction market and he requests special services to get that cleared.

Senator MONRONEY. How many airports would you estimate you have your agriculture inspectors stationed at?

Mr. REAGAN. I don't have a breakdown on that immediately. It is at all of the major airports. We don't have any on the airports on the Canadian border.

Senator MONRONEY. You don't mean to say you have them at the interior airports. Most of these are——

Mr. REAGAN. That is right. At the international airports is what I should say. I'm sorry.

Senator MONRONEY. At most of them?

Mr. REAGAN. That is right.

Senator MONRONEY. And you operate according to the customs pattern. In other words, if they operate on a three-shift basis, you operate on a three-shift basis?

Mr. REAGAN. Not to that extent. We don't have the people to do it. We may, where customs operates on a three-shift basis, we may be able to schedule only two shifts and through this cooperative arrangement with customs they would look after our interests on that third shift.

Senator MONRONEY. You look after some of theirs then on later shifts?

Mr. REAGAN. Not to take over the entire shift for them; no, sir. We do, as I mentioned, on the Mexican border, have an arrangement there where each service performs certain services for the others.

Senator MONRONEY. In the absence of the customs inspector, can you clear a private plane through customs on the Mexican border?

Mr. REAGAN. We can't perform a customs service in a case like that.

Senator DOMINICK. You have really organized your work to such an extent that you simply ask in a customs declaration whether anybody is bringing in this stuff by and large, do you not?

Mr. REAGAN. Yes, sir.

Senator DOMINICK. Doesn't this eliminate most of your problems?

Mr. REAGAN. Yes; except when restricted material comes in, and I should explain that the interest status of these products varies a great deal from country to country and product to product. It is strictly based on what pest or disease is likely to be found on a product in a specific country.

Senator DOMINICK. Is most of your $650,000 that you referred to applicable to aircraft or to steam shipping?

Mr. REAGAN. I am sure the bulk of it is for steamships.

Senator DOMINICK. Do you have any breakdown at all that you can give us as to how much reimbursable expense in aircraft was involved?

Mr. REAGAN. We would be happy to get that.

Senator DOMINICK. In the question of aircraft, again, is most of your work in connection with commercial aircraft coming across the borders?

Mr. REAGAN. I believe that would be right, Senator. On John Kennedy International, for example, they have the cargo terminal as well as the passenger arrival terminal. We keep the passenger arrival terminal staff around the clock and the cargo terminal 8 hours a day but during off hours, the cargo plane, if it comes in the passenger terminal, we can't clear it there.

Senator DOMINICK. Without reimbursement?

Mr. REAGAN. That is right, where we have a man there.

Senator DOMINICK. Is this true on Sundays as well?

Mr. REAGAN. Yes. At John Kennedy, the cargo terminal is some 2 miles from the regular passenger arrival terminal so if they go down to the cargo terminal we have no alternative other than to call someone in who is off duty at the time to check that because the one man we have at the passenger terminal does have to remain in this immediate area for arrival of passengers.

Senator MONRONEY. What is the rate of overtime pay for your employees during the week and pay on Sundays and holidays?

Mr. REAGAN. For Sundays, well——

Senator MONRONEY. First, the overtime rate of pay on weekdays.

Mr. REAGAN. $6.60 per hour regardless of what day of the week it is.

Senator MONRONEY. That would be equivalent probably to double——

Mr. REAGAN. It is just about the time and a half at the entrance rate of a GS–9.

Senator MONRONEY. Is that the grade most of your inspectors are in?

Mr. REAGAN. That is about right, our inspection staff.

Senator MONRONEY. Roughly, the general rule is time and a half for weekday overtime pay?

Mr. REAGAN. Yes.

Senator MONRONEY. What is the pay for Sundays and holidays?

Mr. REAGAN. The same. This amount, Mr. Chairman, includes some administrative costs. The inspector himself does not get all of that $6.60. I can't give you the exact figure. He gets almost $6.

Senator MONRONEY. It will roughly amount to about time and a half?

Mr. REAGAN. That is right.

Senator MONRONEY. And on Sundays it is the same?

Mr. REAGAN. Yes.

Senator MONRONEY. You are not restricted on that, are you?

Mr. REAGAN. That is right. There is one difference. I mentioned we work similar to Customs. On Saturday and Sunday we have a different pay legislation where, on the Mexican border, for example, our people are scheduled on duty for Saturday and Sunday and given other days off——

Senator MONRONEY. Compensatory time?

Mr. REAGAN. Yes.

Senator MONRONEY. If they are scheduled, you don't necessarily pay time and a half. You can exchange that for extra time, Mondays or something like that?

Mr. REAGAN. That is right.

Senator MONRONEY. Do you have any further questions?

Senator DOMINICK. No.

Senator MONRONEY. Thank you very much for your information. Please file the statement. We have a statement from the Department in response to a committee request for comment on the bill, but we would also like to have a written statement from you for the record.

Mr. REAGAN. Thank you.

(Mr. Reagan's statement follows:)

STATEMENT OF MR. E. P. REAGAN, ASSISTANT DEPUTY ADMINISTRATOR, AGRICULTURAL RESEARCH SERVICE, U.S. DEPARTMENT OF AGRICULTURE

Mr. Chairman and members of the committee, I am Eugene P. Reagan, Assistant Deputy Administrator, Agricultural Research Service of the U.S. Department of Agriculture. I am pleased to have an invitation from your committee to present a statement regarding S. 1596.

The bill would provide that any inspection or quarantine service required to be performed by the U.S. Government, or any agency thereof, at ports and airports of entry, as a result of the operation of aircraft, railroad trains, motor vehicles, pipelines, or vessels, shall be performed without reimbursement from the owners or operators thereof, whenever such operations are conducted pursuant to or in accordance with notices such as, but not limited to, schedules,

timetables, tariffs, or flight plans. The bill would become effective the first day of the 18th month following the date of enactment.

The purpose of inspections performed by agricultural quarantine inspectors at ports of entry is to prevent the introduction and spread of destructive pests and diseases of crops, livestock, forests, pasture lands, and ornamental plants. Inspections are made of incoming aircraft, vessels, ships, vehicles, cargoes, and personal baggage.

Agricultural quarantine inspectors are stationed at approximately 75 ports of entry. These include major air, maritime, and Mexican border ports and some smaller ports where the danger of pest and disease introduction requires regular staffing. We cooperate closely with the other Federal inspection agencies and receive a great deal of assistance from them in the enforcement of agricultural quarantines, particularly from the Customs Service.

It is the policy of the Department of Agriculture to establish hours of duty for the assignment of inspection personnel to the extent that funds will permit and commensurate with reasonable need, whenever it is determined that there is sufficient and substantially continuous demand for inspection service. Hours of service at land border crossings and most airports have been established to cover scheduled operations to the maximum extent possible.

Most maritime operations, particularly the arrival of passenger lines and cruise ships, are timed to fall within normal daytime hours. For that reason, coverage at maritime ports is limited to normal daylight hours of duty on Monday through Friday with a reduced force normally assigned to the same hours on Saturdays. Inspections outside these hours are made upon request on a reimbursable basis. Any extension of maritime port coverage beyond that cited would be difficult to justify on the basis of a substantially continuous demand for inspection service.

Hours of duty at land border ports are established to conform to traffic density. At most land border ports, tours of duty are established on Saturdays, Sundays, and holidays which are often days of peak traffic.

Established hours of service at principal airports of entry include the vast majority of all scheduled flights. At the John F. Kennedy International Airport in New York, the Miami International Airport in Florida, and the Honolulu International Airport in Hawaii this Department maintains round-the-clock coverage 7 days a week without reimbursement from the airlines.

Cargo aircraft and the inspection of aircargo normally is restricted to 40 hours per week, 0830 to 1700 Monday through Friday. At airports having more extensive coverage of passenger aircraft, such as the John F. Kennedy International Airport in New York, cargo planes are cleared in the air terminal area during all scheduled hours. Clearance in a separate cargo area, and inspection of air cargo as such is available outside the scheduled 40-hour week on a reimbursable basis in accordance with the act of August 28, 1950 (64 Stat. 561).

In fiscal year 1965, agricultural quarantine inspectors performed reimbursable overtime services in the amount of approximately $650,000. We do not have information readily available on how much of this total was paid for the inspection of incoming aircraft, but it was a relatively small portion of the total. For example, Pan American Airways, one of the major international carriers, paid approximately $13,638 for agricultural quarantine inspection for the period January 1 to June 30, 1965.

The average overtime rate for agricultural quarantine inspection is $6.84 per hour. Of this amount, the maximum an inspector receives is $5.40 per hour, the remainder being applied to administrative costs. When an inspector must be called back to duty for an overtime assignment or he is required to work overtime on a holiday or on a nonscheduled workday, he is entitled to compensation for a minimum of 2 hours. In addition, he may be compensated for travel time required in connection with performing the overtime service.

When a substantial traffic peak exists whereby the services of the inspector can be fully utilized for a continuous period of time, inspection services are furnished without cost to the owner or operator. However, the independence with which schedules of arrivals are established creates a need for special services when a community of arrivals does not exist and, therefore, we believe such service properly falls within the category for which "user charges" should be assessed the recipient of the service. For these reasons, we do not recommend enactment of the bill.

It is estimated that this Department would require additional annual appropriations of $1 million if the subject legislation were enacted.

Mr. Chairman, I will be pleased to respond to any questions which you may have.

Senator MONRONEY. Next we have Robert L. Randall, Deputy General Counsel, Federal Aviation Agency.

You may proceed in your own way, Mr. Randall.

STATEMENT OF ROBERT L. RANDALL, DEPUTY GENERAL COUNSEL, FEDERAL AVIATION AGENCY

Mr. RANDALL. Mr. Chairman and members of the committee, for Administrator McKee, whom I represent here, and for myself, I want to thank the committee for the opportunity to appear today and comment on S. 1596.

It is our position that many of the fees in question are unreasonable in amount due to overtime rates and are discriminatory in application. The Federal Aviation Agency believes that the problem is particularly acute for aircraft entering the United States at other than regular 8 to 5 weekday duty hours of the inspectors. The problem is created by inequities in the laws as they are now written.

The first is the pay of the border inspectors. For example, customs inspectors are statutorily entitled to a startlingly high rate of pay for nighttime, Sunday, and holiday work. A step 5 GS–9 inspector, whose straight-time hourly rate is $3.60 per hour, receives $31.68 for 1 hour of callback overtime work from 7 p.m. to 8 p.m. This same employee who is called back again for an hour of work from 10 p.m. to 11 p.m. receives $47.52. The same statute goes on to provide that the inspector will be paid a full 2 days' salary for duty on a Sunday or holiday, whether or not any work is actually performed, and irrespective of the amount of time that the inspector is required to remain at his post. Thus, if an inspector reports for duty on a Sunday or a holiday, he receives $63.36, even if the inspection takes 2 minutes, or, in fact, no work at all is actually performed.

We do not know the factual basis for the 1911 amendment that established——

Senator MONRONEY. How long would he work if he reported Saturdays and Sundays? Would he be on duty for 8 hours?

Mr. RANDALL. He might be on duty for 10 minutes.

Senator MONRONEY. If he is called back down or assigned to that duty on Sunday, he would not be kept on duty for 15 minutes; he would probably be kept on duty for 8 hours. This is a special call.

Mr. RANDALL. Suppose one plane comes in, one small Beechcraft. He inspects it. That is all he does all day.

Senator MONRONEY. But he would be called back on duty all day. You may only have one Beechcraft come in for service for 15 minutes. He is there for the service that might come in during the entire tour of duty.

Mr. RANDALL. That is correct.

Senator MONRONEY. This is the same way this inspector would be paid if he were called back by the Government and assigned to Sunday duty, speaking in terms of what this bill is seeking to do.

Mr. RANDALL. I was speaking in terms of the actual inspection work he performs.

Senator MONRONEY. You are speaking of the condition that exists today. An airplane coming in calls this man back to duty on Sunday. He would have his overtime pay at $63.36 regardless of whether he cleared one Beechcraft through or whether he had a lot of other planes coming in.

Mr. RANDALL. True.

Senator DOMINICK. Mr. Randall, is it not also true that in practice what happens is that you file a flight plan and come in on Sunday; the inspector comes out from his home, inspects you for 10 minutes and goes back home again?

Mr. RANDALL. I have no personal knowledge of what the inspector does after he has inspected the plane.

Senator DOMINICK. I can testify on personal knowledge that this is exactly what happens, because I have seen it happen in Havre, Mont., among other places—and there are nice people there; I do not criticize them—but they come out, inspect for 15 minutes and go home.

Senator MONRONEY. What if another plane comes in?

Senator DOMINICK. They have to come out again.

Senator MONRONEY. Then they share the $63.36 cost between the two planes.

Senator DOMINICK. That is correct.

Senator MONRONEY. You may proceed.

Mr. RANDALL. We assume these rates enacted in 1911 were predicated on the fact that there were relatively few ports of entry, not a great deal of passenger traffic, and, in general, much less foreign commerce which could not be conducted during normal hours of work. The limited number of night, Sunday, and holiday arrivals may have made a 24-hour, 7-day-a-week service impractical. In 1911, special fees were apparently regarded as a reasonable method of compensating inspectors occasionally called to duty at irregular times on horseback or other difficult means of transportation. This, of course, is not true today.

These same laws require that the Government be reimbursed for the cost of these services by the parties being inspected at other than these regular duty hours. The present practice of customs is to collect from aircraft operators the maximum amount which would be due if there were no subsequent arrivals. This is the point Senator Dominick just made. For example, during a tour of duty on a Sunday or a holiday, the first arrival is charged the full amount of the customs officers' compensation for 1 day, the second arrival one-half of this amount, and then this is prorated with the first arrival, the third arrival one-third of this amount, and so on. Where there are subsequent arrivals, those who arrived earlier receive a refund of excess amounts paid. Therefore, for a Sunday inspection by one GS–9 step-five customs inspector, the first arrival pays $63.36. The second arrival pays $31.68. The third arrival pays $21.12. If, however, more than one inspector is employed to make the inspection, each one receives his full 2 days' premium pay. Therefore, an arriving pilot can never anticipate the amount he will be charged since it depends on the number of aircraft arriving that day, the number of inspectors employed to make the inspection, and the grade level of the inspectors. This results in an uncertain, cumbersome and, I think, expensive method of assessing charges.

Another inequity consists in the discrimination between modes of travel which is built into current statutes. In 1944 a proviso was added to the customs reimbursement statutes that exempts ferries and highway travel, including motor vehicle, trolley car, on foot or other means of highway travel from paying the otherwise required reimbursement when arriving from Canada or Mexico. This amendment was simply recognition that on our northern and southern borders, the conditions of 1911 had changed insofar as highway traffic was concerned.

Senator DOMINICK. This brings up an interesting problem. Suppose someone should land an airplane on the highway and then taxi it in?

Mr. RANDALL. We would probably file a violation.

Senator DOMINICK. It would seem, under the wording of this, you could come in free.

Mr. RANDALL. That is right.

Senator DOMINICK. That is because it is highway travel at that point.

Mr. RANDALL. You could purchase one of these planes that permit you to take the wings off and use it as a vehicle, land in Canada, come across with this, put the wings on again and take off.

Senator MONRONEY. You do not even have to do that, as I understand it. You can land at this airport with an continuing runway, touch down in Canada and roll out in the United States, arriving there by surface and you get through customs clearance without this difficulty.

Mr. RANDALL. Well, obviously, now the conditions of 1911 have changed with regard to all means of moving people in foreign commerce, most particularly aviation. In 1911 the airplane was a novelty, to say the least. As of January 1, 1965, there were over 137,189 registered aircraft and 431,041 active pilots in the United States. International air travel has become an everyday way of life in commerce and recreation, including Sundays and holidays.

We are not suggesting that under no circumstances could valid distinctions be drawn between highway, air, rail or sea traffic. It may well be that a particular ports of entry, the nature or volume of traffic, administrative scheduling of personnel or other factors will be present which contribute valid grounds for distinction. We doubt, however, that such distinctions exist at major air terminals such as John F. Kennedy, San Francisco, Los Angeles or Miami; only two of which, by the way, are international airport points of entry.

The problems are not confined to customs inspections. There are separate statutes dealing with overtime charges for inspections conducted by agriculture, public health and immigration officials. There is very little consistency among these statutes in the treatment of modes of carriers or overtime compensation.

Another issue basic to the problem of developing as equitable scheme of assessing costs for border inspections is the issue of whether, and, if so, to what extent, the costs of making the inspections should be borne by the general public or borne by the individuals inspected. The existing statutes are confused on this point. They now view the function as a burden on the general taxpayer from 8 to 5 on weekdays,

but as a special benefit to be borne by the individuals being inspected on nights, Sundays and holidays. The statutes are further confused in that inspections for some modes of transport are entirely borne by the general taxpayer at all times.

Even if the statutes relating to inspections did not require reimbursement of the cost of performing the inspection, there is the general user charge statute in the Independent Offices Appropriation Act of 1952 which requires each Government body performing special services to collect a fee for the services. Some agencies might interpret that staute as requiring them to collect a "user" fee for the inspection, viewing the inspection as a special service under certain circumstances.

We believe that because of the many inconsistencies and discriminations in the present statutory policies, the problem here requires a comprehensive legislative solution. This should be done only after a thorough study is made of existing practices. The study should include the question of the level of the overtime wages paid to inspectors, the validity of the discriminations between modes of travel and the question of whether the costs of overtime services should be borne by the taxpayer, the party inspected, or should be shared.

The Bureau of the Budget informs us that the inspection agencies estimate that the enactment of S. 1596 would increase their budget requirements by some $14 million annually. In view of this and in view of the desirability of a comprehensive legislative solution to the problem, we recommend that S. 1596 not be enacted at this time, until such study is conducted.

Senator MONRONEY. Thank you very much for your statement. I would doubt if we could wait that long to have a study made. I would presume you are suggesting it be made by the Congress.

Mr. RANDALL. Well, I think Senator Dominick suggested when he introduced his bill last March that the study might be undertaken by this committee. I think a study should be undertaken. Maybe one exists that I have not seen, I do not know.

Senator MONRONEY. Under the Federal Aviation Act, the FAA is charged with the responsibility of promoting aviation. Have any studies been made other than a cursory examination of the problem in that agency?

Mr. RANDALL. Well, Mr. Chairman, there has been no study made by the FAA which is broad enough in scope to cover the number of points we feel must be considered or should be considered. This is not just an FAA or an aviation problem.

Senator MONRONEY. It seems to me, looking at this whole picture, that the motivation for better service, particularly for aviation, is not present with the Bureau of the Customs. Certainly, an agency charged with promotion of aviation, should take some initiative to find administrative answers.

Mr. RANDALL. Yes, Senator, I see your point.

Senator MONRONEY. In other words, we would like to know how many airports the FAA considers to be necessary on the Canadian and Mexican border in order to adequately serve the incoming and outgoing traffic that would be clearing customs. There is probably a magic number that would carry 80 or 85 or 90 percent of the traffic without difficulty or without reference to overtime pay.

In other words, if we could establish these points and establish, by administrative action, the operation of these on an adequate shift basis and get some adjustment for the Sundays and holidays which is necessary, according to your testimony, I believe, to reduce the amount of so-called overtime pay, we would be opening up, then, this free entry by air transportation and it would be on an adequate but not unlimited basis.

You are familiar with the estimated costs in which the Bureau of the Customs show in their statement that the commercial and military airlines now pay $2½ million for this service; private aircraft, not operating for a profit, pay $100,000; our steamship vessels pay $4½ million; and railroads and others pay $1,074,000; so the problem of aviation is one of the lesser problems actually, in the cost of legislation to correct it. Yet they are the ones who I think are most in need of more adequate, fast clearance at more points of entry in the United States.

Mr. RANDALL. I think, in any such study, the FAA would have a great deal to contribute re the kind of information you just suggested.

I think, also, though, that such study would necessarily require digging into the records of other agencies to find out the justifications for the various rates of overtime and so on which really contribute to the problem and I think we felt we did note have the authority to do this.

Senator MONRONEY. What is your rate for overtime in the agency for control tower operators? I mean a percentage.

Mr. RANDALL. Well, I think we staff most of our towers, when the airport is open, on a full-time basis, which just requires three shifts with no overtime.

Senator MONRONEY. If they did work overtime, which some of them undoubtedly have had to do, what is the rate?

Mr. RANDALL. I think it is the regular rate; time and a half.

Senator MONRONEY. Verify that, if you will, for the testimony.

Mr. RANDALL. Fine.

Senator MONRONEY. Then your Sunday work receives no premium pay.

Mr. RANDALL. No, it does not.

Senator MONRONEY. The same rate as other days, if they are assigned to it. Assignment to Sunday work is probably on those having lower seniority than others.

Mr. RANDALL. That is correct. I am sure if our controllers learn of the overtime rate here, we will be hearing from them.

I have here something you may want to have in the record. It is a document put out by the Bureau of Customs and it lists all of the airports which are either port of entry airports or land rights airports.

Now, on the port of entry airports, nothing is shown as to the time the airport is open, but the landing rights airports are in a schedule which shows the period during which customs inspectors will be available on a nonovertime basis.

Senator DOMINICK. Why is the distinction made between the two?

Mr. RANDALL. I do not know. It is not an FAA document.

Senator DOMINICK. The general impression from this to an ordinary flyer would be that you do not have to pay overtime at the ports of entry at all.

Mr. RANDALL. No, this booklet is put out for private flyers making international flights.

Senator DOMINICK. I know, but if it showed specifically when you have to pay overtime at the landing rights airports, you would assume, would you not, on reading it, that you would not have to pay overtime, no matter when you landed, at the others.

Mr. RANDALL. Well, it was possible to draw that inference from the schedules, themselves, but in the language leading into the schedules it is stated that overtime charges are generally payable for night inspections on weekdays excluding national holidays and at any time on Sundays and national holidays.

Now, the only thing that is not shown is the time when the customs inspectors will be at the national airports. For instance—at the international airports, rather. For example, there are two international airports of entry in California. One is at Calexico and one is at San Diego, and nothing is shown there as to the time the customs inspectors will be available on a nonovertime basis.

The landing rights airports, however, do show this and——

Senator DOMINICK. Do you have any idea, Mr. Randall, or maybe Mr. Strub, if he is still here, as to how many ports of entry for automobiles there are in the United States?

Mr. RANDALL. I have no idea.

Mr. STRUB. Senator, we can supply that. The ports of entry for automobiles on the Canadian and Mexican border; we can supply that.

Senator DOMINICK. Thank you.

Thank you, Mr. Randall.

I must say, before we close up, because it looks like we will have to shortly, but I am somewhat surprised, after reading your testimony, to come out with your conclusion, because your testimony backs up everything that the chairman and I have been saying, and the other witnesses, and, yet, you say we ought to study it more before we do anything.

We have been trying to get some action on this. I, personally, introduced it, as I say, in the 88th Congress. I tried to work out a system before then. It seems to me, with 3 or more years having gone by, that something should be done.

Senator MONRONEY. Any further questions?

Senator DOMINICK. No.

Senator MONRONEY. I do not think, personally, that this is of such complicated magnitude that it requires a special study by the Congress.

I would like to know how many airports—perhaps this was asked while I was talking on the phone—would require this 24-hour service or two-shift service to accommodate the bulk of the traffic.

Mr. RANDALL. Mr. Chairman, if we have this information available, I will make it available.

Senator MONRONEY. Make a recommendation to this committee as to what you would consider to be adequate to meet this need on these border airports between Canada and the United States and between Mexico and the United States. I do not know whether we need to worry about the ocean traffic or not.

Senator DOMINICK. You would need it from the Bahamas and West Indies.

Senator MONRONEY. You would not necessarily need it on your major coastal airports in New York and Boston and places like that.

Let us have a report from FAA on the availability of major airports for international entry between Canada and the United States and

between Mexico and the United States and between the Caribbean and the United States. Would you do that?

Mr. RANDALL. Yes, sir.

Senator MONRONEY. Do you have any further questions?

Senator DOMINICK. No.

Senator MONRONEY. Are you recommending that an adjustment be made in the amount of overtime pay?

Mr. RANDALL. You mean the amount of overtime pay that the customs inspectors——

Senator MONRONEY. Yes; as one of the solutions.

Mr. RANDALL. Well, let me say I think these rates of pay are worthy of serious reflection; $63 to do one inspection sounds fairly high. It is really not within our——

Senator MONRONEY. I think your analogy is wrong on the 15 minutes. You have to assume he could work 15 minutes or he could work a full day.

Mr. RANDALL. I think the problem of the overtime rate is part of the whole problem.

Of course, the basic issue is whether or not the private person being inspected should have to pay this overtime rate.

Senator MONRONEY. Do you have a recommendation on that?

Mr. RANDALL. Well, as the last paragraph of the statement says, I think it is the FAA position that this matter needs study. I am not prepared to say that all of these costs are user charges in any sense of the word. In certain circumstances it may be that there is a user charge on them in sending a man out a long way to give a pilot a service he could have just as well have gotten by coming to a port of entry; I do not know.

Senator MONRONEY. Do you think we are in the same position with a private plane owner who is traveling and not carrying for hire, not a common carrier, to be charged for his clearance as it would be for a common carrier who is carrying for hire? The common carrier figured this cost into his cost for doing business and it is paid for in the fare that he charges.

Mr. RANDALL. Well, so far as I am aware, Mr. Chairman, the exemption for highway traffic does not distinguish between buses and private automobiles. I think, if that analogy is taken, there would be no distinction between the carrier and private plane owner.

(The following information was subsequently received:)

FEDERAL AVIATION AGENCY,
OFFICE OF THE ADMINISTRATOR,
Washington, D.C., February 28, 1966.

Hon. A. S. MIKE MONRONEY,
Senate Commerce Committee,
U.S. Senate, Washington, D.C.

DEAR SENATOR MONRONEY: During the hearings on S. 1596, you requested that the FAA recommend to the committee how many airports should be open for free inspection of aircraft arriving in the United States from Canada, Mexico, and the Caribbean.

In attempting to develop a response to your request, we discovered that the only information available consists of two separate overtime inspection surveys made in 1964; one for a 3-month period and one for a 6-month period. The figures compiled from those surveys are enclosed.

Although these are the best data we know to be available, they are still not, in our opinion, adequate to provide the basis for making the kind of recommendation you requested. They do not show the hours of overtime arrivals, so that they do not indicate what overtime hours are the heaviest. One of the surveys does not contain a breakdown even as between nighttime arrivals and

Sunday and holiday arrivals. That survey, for purposes of indicating what if any airports ought to be open on Sundays and holidays, is of no help. Another major defect in both surveys is that neither includes air carrier and other commercial overtime inspections. Furthermore, the surveys are limited to customs overtime inspections and include none of the other various Government inspections performed.

Our efforts to develop a recommendation for you and our inability to do so have underscored for us our initial reaction as stated to you at the hearing. That is, that a thoroughgoing study of the problem involved must be made, including the taking of surveys specifically designed to determine what if any additional airports should be open on a free-time basis. We think any such survey should contain an accurate record of a number of overtime inspections being made on weekdays, on Sundays, and on holidays, with specific hours indicated. Another factor which would have to be considered in making a recommendation as to what airports ought to be open on a free basis is, of course, the question of what additional cost will be involved in providing the inspection services. Since we perform none of those services, we do not know what it would cost to provide them. A study of the type we recommend would develop that information.

You also asked what the FAA control tower operators are paid for overtime duty. The following is a brief summary of our overtime pay rates. A more complete and detailed analysis may be found in the FAA Handbook enclosed.

(1) *Overtime.*—FAA classified employees are entitled to overtime pay or compensatory time off for all hours of officially ordered or approved work performed in excess of 40 hours within the administrative workweek, which is Sunday through Saturday. The overtime rate is one and one-half times the employee's basic hourly rate, up to a maximum of the minimum rate of a GS–9. Employees at or below the maximum pay of a GS–9 are paid the time and a half. Employees above that grade are generally given compensatory time off instead of the overtime pay.

An employee called back to perform unscheduled overtime work is paid for at least 2 hours of work for each time he is called back to work. Therefore, an employee (GS–9, hourly rate of $3.60), who has worked from 8 to 5 and who is called back to work from 7 p.m. to 8 p.m. receives $10.80. If he is called back again from 10 p.m. to 11 p.m., he again receives $10.80. A customs inspector in the above circumstances would receive $31.68 and $47.52, respectively.

(2) *Sundays.*—The Agency operates on an administrative 40-hour workweek. An employee may be scheduled for work on a Sunday, and he receives no bonus for that, unless it is overtime work, in which case he receives his regular time and a half or compensatory time, as the case may be.

(3) *Holidays.*—Regularly scheduled work performed on a holiday, or on a day observed as a holiday in place of the actual holiday, is paid for at a rate which is twice the rate of basic compensation regularly received by the employee. Holiday pay is not paid over 8 hours. Overtime work performed on a holiday is compensated at the regular overtime rate.

Sincerely,

WILLIAM F. MCKEE, *Administrator.*

Senator MONRONEY. Thank you very much, Mr. Randall, for your testimony. We appreciate your appearance here.

We would like to take one more witness this morning; Mr. Charles Smith of Helena, Mont., representing the State of Montana, the Montana Aeronoutics Commission, and the Montana Flying Farmers.

We would be very happy to hear from you at this time, Mr. Smith.

At this point I would like to insert a letter from our distinguished colleague, the Honorable Lee Metcalf, Senator from Montana. The correspondence referred to in this letter will be placed in the official files of the committee:

U.S. SENATE,
COMMITTEE ON FINANCE,
February 8, 1966.

Hon. MIKE MONRONEY,
Senate Commerce Committee, New Senate Office Building,
Washington, D.C.

DEAR SENATOR MONRONEY: I appreciate very much the decision of the Commerce Committee to conduct hearings on S. 1596. I have authored similar leg-

islation in the past and am hopeful that these hearings will lead to legislation that will correct what I believe to be an abuse in the customs system.

Charles A. Smith of Helena, Mont., an attorney for the Montana Aeronautics Commission, will present a statement on behalf of the State of Montana requesting passage of S. 1596. I concur in that request. Mr. Smith is placing in the hearing record letters which Director Charles A. Lynch of the Montana Aeronautics Commission and I have received from private pilots and from pilot organizations in support of our request that this legislation be approved.

I regret that my departure early tomorrow for a longstanding commitment in Denver and Interior Committee hearings in Seattle will prevent my personal testimony at the hearing.

Attached, for inclusion in the record, is correspondence which I have received recently, in addition to that which Mr. Smith will put in the record, in support of our request.

Very truly yours,

LEE METCALF.

STATEMENT OF CHARLES SMITH, HELENA, MONT., REPRESENTING THE STATE OF MONTANA, THE MONTANA AERONAUTICS COMMISSION, AND THE MONTANA FLYING FARMERS

Senator MONRONEY. We are happy to have you here, Mr. Smith. You have a statement for the committee?

Mr. SMITH. Yes; I do.

Senator MONRONEY. It will be received and you may proceed in your own way.

Mr. SMITH. Mr. Chairman and members of the committee——

Senator MONRONEY. I would like to say, because of the long list of witnesses we have for tomorrow, we will try to hear one or two more witnesses. We understand there is a very important luncheon scheduled for the distinguished chairman of the House Interstate and Foreign Commerce Committee, any witness that is schedulde to appear there, we would be happy to excuse him and transfer him for the list for tomorrow.

I would doubt very much if we would reach Mr. Tipton's testimony. If you need to be there, that would be perfectly understandable. We could release Mr. Rathblott also. We would like to hear the next two witnesses, if we can—Mr. Smith and Mr. Van Schaick.

You may proceed.

Mr. SMITH. Thank you, Mr. Chairman.

My name is Charles A. Smith. I am an attorney, and my office address is 104 North Jackson, Helena, Mont. I am an attorney for the Montana Aeronautics Commission. The address of the Montana Aeronautics Commission is Post Office Box 1698, Helena, Mont. I appear with the authorization of the Commission and I speak on behalf of the commission and on behalf of the State of Montana.

Montana Aeronautics Commission is the State aviation agency of the State of Montana. It was created by legislative enactment of the Legislative Assembly of the State of Montana. Its general powers and duties are to supervise aeronautics within the State, to direct, encourage, foster——

Senator MONRONEY. You may skip any portions you would like to.

Mr. SMITH. All right.

It supports S. 1596 and urges its passage. However, the commission is hopeful that if the bill is enacted, it could become effective in

a much shorter time than the 18-month period provided in section 2 of the bill.

Montana is bordered on the north by the Canadian Provinces of Saskatchewan, Alberta, and British Columbia. The matter of exorbitant and excessive customs charges for after business hours inbound aircraft traffic from Canada has long been of deep concern to the Commission. These high customs inspection charges apply only to aircraft flying from Canada into the United States. Similar charges are not made by the Dominion or Provinces of Canada for flights from the United States into Canada. The only charges made by Canadian customs officials for afterhours or weekend clearances of aircraft arriving from the United States at Canadian cities is a small mileage or taxicab charge for conveying the Canadian official from his home to the Canadian airport where the inspection is to be made. On the other hand, inbound aircraft from Canada arriving at U.S. airports afterhours or on Sundays may incur a charge of as much as $60 to inspect one aircraft, and this may only involve less than 1 hour's time for the U.S. customs official making the inspection. The result of this is that a great deal of travel into the United States from Canada has been stopped with a resultant loss to the economy of the money that passengers on such aircraft would spend in this country.

Submitted with this testimony is an official Montana Aeronautics Commission aeronautical chart. We have affixed to this chart a legend and appropriate symbols so that the members of this committee can identify the customs clearance airports in Montana with which S. 1596 is concerned. The larger, and officially designated, international airports are Great Falls, and newly designated Glasgow. Although, to the best of my knowledge, the method of customs clearance and inspection at Glasgow has not yet been established; at Great Falls this is handled by regular employees of the U.S. customs. Great Falls International Airport is the departing point for Western Air Lines, and is also the point at which Western Air Lines has customs clearance when returning from Canada. Customs and immigration officials are on regular duty, and clear all types of flights, airline, air taxi, charter, private business, and private flights. At Great Falls, the charges vary on overtime as to the hours of clearance.

All inbound flights from Canada must be on a flight plan, and the overtime rates on Mondays through Saturdays range from $12.04 to $48.18. The Sunday rates can be as high as $56 to $60, which is prorated amongst the aircraft clearing in. However, as mentioned this morning, if only one aircraft should clear in on a Sunday, it would have to pay for the whole charge. On the pro rata basis, for example, and as an illustration, assuming three aircraft clearing, the first aircraft would pay 100 percent of the charge, the second aircraft 50 percent of the charge, and the third aircraft 33 percent of the charge. The first and second aircraft would then get pro rata refunds by mail at a later date. This involves considerable paperwork. We believe the Great Falls rates for inspection are probably based on a GS–9 rate, although we were not positive of this.

As mentioned above, Glasgow has only recently been established as an international airport, for which reason we have no specific data on Glasgow at this time.

61–739—66——6

Referring again to the aeronautical chart, the members of the committee will notice that the cities of Cut Bank and Havre are marked with a hexagon symbol. These are customs and immigration clearance points which are operated by designated civilians who are not regular U.S. custom personnel. In the case of both Cut Bank and Havre, the persons designated are the commercial flight operators on these airports. They are authorized to clear air taxi, general aviation, commerical and private business, and pleasure flights. There are no international airline flights at Cut Bank and Havre. We believe the overtime charges at these points are probably based upon a GS–7 scale. This scale is as follows:

Monday through Saturday:	
From—	
0800 to 1700	[1]
1700 to 1900	$12.04
1900 to 2100	24.08
2100 to 0600	36.12
0600 to 0800	12.04
Sunday	48.16

[1] No charge.

If there is more than one aircraft clearing, the charge is prorated among these aircraft. If there is only one aircraft clearing, as sometimes happen, it must absorb the entire charge. This could be, for a Sunday, $48.16 for work by the customs agent which might consume only about 30 minutes.

Referring again to the aeronautical chart, the members of the committee will note that the airports at Coutts-Sweet Grass, Morgan-Monchy, West Poplar, and East Poplar are marked with a triangle. These are small, sod airstrips for private business and pleasure aircraft. They are capable of handling single-engine aircraft and some light twins, but by no means all light twins. Some pilots refer to this type of strip as a "cow pasture strip." Many pilots prefer not to use this type of strip. Also, some light twin-engine aircraft cannot safely use these strips. The fields are unlighted, with little or no night traffic. They are private business and pleasure airstrips, which are on the border between the United States and Canada, near highway automobile customs clearance points which are operated by the Customs and Immigration Departments full-time for clearance of motor vehicle traffic.

The purpose of these strips is to permit these small aircraft to land close to the places where highway motor vehicle clearance is accomplished. Then, the airplane is taxied as close as possible to the highway clearance points, so that inspection can be had without involving any extra time on the part of the clearing agent. The strips at Coutts-Sweetgrass and East Poplar were constructed and are maintained by the Montana Aeronautics Commission and the Alberta Flying Farmers in a cooperative effort for the specific purpose of permitting this type of customs clearance. However, we are advised that even at East Poplar the customs officials still may make overtime charges, although they are already there to handle motor vehicle traffic. We are advised that customs officials staff this point every other Sunday and do make overtime charges. On Sunday, when U.S. customs of-

ficials are not there, East Poplar is staffed by U.S. immigration personnel who make no charge.

Probably the best way to illustrate the charges made is to cite specific instances. On March 28, 1965, three small U.S. aircraft, returning from Alberta, Canada, cleared customs through Havre, Mont. The pilots of these aircraft made prior arrangements by long distance telephone direct to the designated customs agent, advising her of the time of arrival. All three airplanes landed within 5 to 10 minutes of that time. One of the aircraft was owned and piloted by Mr. Clay Greening, the president of the Montana Flying Farmers and Ranchers. The other two planes involved were owned and piloted by Dayton Chisholm, president of International Flying Farmers, Fort Pierre, S. Dak., and Kenneth Liggett, region 9 director of International Flying Farmers, Limon, Colo. March 28, 1965, was a Sunday. The charge made was $46.56, which, we understand, was the full charge for an entire Sunday's work for the customs inspector. Mr. Greening advised us that approximately 30 minutes time was involved in clearing these aircraft. He further advised that each was charged for one-third of a day, or $15.52 for each aircraft. Had there been only one aircraft involved, the entire $46.56 would have been charged against that aircraft, and we assume it would have taken a shorter period of time to inspect and clear one aircraft than three. Attached and marked attachment 1 is a copy of the receipt given by the customs inspector on this particular occasion, which shows that the time involved for clearing Mr. Greening's aircraft was 20 minutes, for which a charge was made of $15.52:

ATTACHMENT 1

Customs Form 5111-B
TREASURY DEPARTMENT
30.60, C. A. M.
Sept. 1958
Form approved by
Comptroller General, U. S.
November 18, 1933

ACCOUNT FOR SERVICES OF OFFICERS, AND RECEIPT ORIGINAL

For night, Sunday, or holiday service under Sec. 451, Tariff Act of 1930, as amended; services in private bonded store; services on vessels exceeding time unlading, and other services.

BUREAU OF CUSTOMS No. 857051

District No. 33 Port of Havre, Mont. March 28, 1965
(Date)

To the UNITED STATES, Dr.,
for Sunday Clearance
(Nature of service, as night service, etc.)

Clay Greening
Laurel, Montana

Where rendered Airplane
(Vessel, warehouse, etc.)
Mooney 6502 U.

DATE	PARTICULARS OF SERVICE	RATE	AMOUNT	NOTATIONS
Mar. 28-'65	Sunday - 1/3 of day	$46.56	15 52	
	Time involved 20 min			

Cashier's stamp

Total, $ 15 52

I certify that this amount is correct. Frances L. Hensley
Collector of Customs.

INSTRUCTIONS

To be prepared in triplicate; original to be forwarded to party from whom the account is due; duplicate retained or delivered to cashier as collection account—when paid, to be so stamped and recorded as collection voucher; and triplicate retained as office record where prepared. When official receipt is requested by payer, or remittance does not identify the account for which payment is made, the original must accompany the remittance for that purpose.

On August 15, 1965, a pilot from Helena, Mont., cleared customs at Williston, N. Dak., in a small Tri-Pacer aircraft. One hour's time was involved in this clearance and he was charged $46.56. Apparently, in this case, no other aircraft cleared so that no pro rata reimbursement was made to this pilot. Only 1 hour's time was involved, and payment was made as if the customs inspector had worked, in fact, the entire day. Attached, as attachment 2, is a copy of the receipt given on this particular occasion:

ATTACHMENT 2

Customs Form 5111-B
TREASURY DEPARTMENT
Form Approved by
Comptroller General, U. S.
November 18, 1953

ACCOUNT FOR SERVICES OF OFFICERS, AND RECEIPT

ORIGINAL.

For night, Sunday, or holiday service under Sec. 451, Tariff Act of 1930, as amended; services in private bonded store; services on vessels exceeding time unlading, and other services.

BUREAU OF CUSTOMS No. 871522

District No. 34 Port of Williston, N.D. 8-15-65 (Date)

Roy Hudson
Helena, Montana

To the UNITED STATES, Dr.,
for Overtime (Nature of service, as night service, etc.)
Airport
Where rendered Tri-Pacer (Vessel, warehouse, etc.)
N1900F

DATE	PARTICULARS OF SERVICE	RATE	AMOUNT		NOTATIONS
8-15-65	Overtime 8:15 AM to 9:15 AM #5	46.56	46	56	100%
	Periods 3 Chg to Applicant 100%				
	Permit Number #5 Request for Overtime Services				
	I hereby request overtime service on 8-15 1965 at 7:15 a.m. in connection with the entry of my aircraft (vessel).				
	Roy Hudson (Pilot, Owner, or Person in Charge)				
Cashier's stamp		Total, $	46	56	

I certify that this amount is correct. C. Steve Molinar
Inspector of Customs.

INSTRUCTIONS

To be prepared in triplicate; original to be forwarded to party for whom the account is due; duplicate retained or delivered to cashier as collection account—when paid, to be so stamped and receipted as collection voucher; and triplicate retained as office record where prepared. When official receipt is requested by payer, or remittance does not identify the account for which payment is made, the original must accompany the remittance for that purpose.

During the summer of 1964, a newspaper article quoted the vehement remarks made by Gen. James H. Doolittle, concerning the excessive charges made on the American side of the border, when he crossed from Canada to Minot, N. Dak., on a Sunday. To the best of my remembrance, he was assessed something in excess of $43. This story made headlines in quite a number of papers around our Nation. He stated in that interview that he would never again land at Minot, N. Dak., as though it was peculiar with this particular point.

Attached, as attachment 3 is a tongue-in-cheek letter written by a Canadian citizen, Mr. I. Switzer, of Lethbridge, Alberta, Canada. This letter, although wryly humorous, illustrates the ill will created by these excessive customs charges among Canadian citizens desiring to visit the United States. The committee will note that Mr. Switzer

refers to the fact that Americans can fly into Lethbridge, Canada, at any time of the day or night, any of the days of the year, and pay only $1.32 for mileage for the customs inspector to come out to the airport. Mr. Switzer thought that if he timed his arrival in Great Falls to arrive at the same time as Western Air Lines' flight from Canada, this would probably eliminate the charge. However, he was mistaken.

TREASURY DEPARTMENT,
BUREAU OF CUSTOMS,
OFFICE OF THE COLLECTOR,
Great Falls, Mont., July 2, 1965.

I. SWITZER,
Lethbridge, Alberta.

DEAR MR. SWITZER: There is a customs overtime charge for aircraft arriving at Great Falls on nights, Sundays, or holidays. Free service is provided from 8 a.m. to 6 p.m., Monday through Saturday.

The overtime charge is prorated among the various arrivals during the overtime period. The fact that a plane would arrive soon after the daily Western Air Lines flight would not affect the overtime charge.

Sincerely yours,

W. H. CARPENTER,
Acting Assistant Collector.

THE MANAGER,
Great Falls International Airport,
Great Falls, Mont.:

Please add another protest to those you already have about Sunday customs service. Americans can arrive in Lethbridge at any time of day or night 365¼ days each year and pay only $1.32 for mileage for customs inspector to come out to airport.

I thought that arriving at same time as Western Air Lines would eliminate charge.

Yankees go home.

Your sincerely,

I. SWITZER.

JULY 5, 1965.

Senator MONRONEY. Would they pro rate the cost?

Mr. SMITH. I believe they pro rated the cost at that time, Mr. Chairman, but he thought this would completely eliminate the charge.

Senator MONRONEY. This would have saved Western a little money, because they would have had a partner in paying half of it.

Mr. SMITH. That is right.

Contrary to the belief of some people, those who own and fly private aircraft are generally persons of very moderate financial means. They cannot afford, be they Canadian or Americans, to pay $40, $50, or $60 if they want to fly from Canada to the United States after regular hours or on weekends. The only effect of these charges, in my opinion, is to dry up this traffic. Canadian and American pilots and private aircraft owners really move around. They like to fly, and they fly a lot. However, they are like the rest of us—their principal time to indulge their flying hobby is on weekends or after business hours. They fly everyplace, but they do not fly to the United States from Canada. The United States loses the money that would be spent by owners and passengers of pleasure aircraft who would otherwise make trips into this country. I am quite confident that the amount of money lost in this revenue is far in excess of any amount which is collected by means of these customs inspection charges. This reason alone would provide sufficient justification for the passage of this bill.

Furthermore, why should aircraft be discriminated against? Customs inspection is free at the Montana-Canadian border for any other type of travel. In this, I am referring to automobile travel, since we do not have any ships moving.

Senator MONRONEY. Do you have the number of customs inspection points on the Montana-Canadian border where the service is free?

Mr. SMITH. The automobile? No; I do not have any.

Senator MONRONEY. Would you supply that for the record?

Mr. SMITH. Yes; I can.

Senator MONRONEY. This is free on Sunday or on a 24-hour basis as well.

Mr. SMITH. To the best of my understanding, if you cross at any clearance point in an automobile, no matter what time of day or night, as long as it is open, there is no charge whatsoever.

Senator MONRONEY. I understand it is open 24 hours a day.

Mr. SMITH. I am not sure of all of them. I know some close down earlier than 24 hours. Just what exactly their hours are, I have no idea, but I can get that information for this committee.

(Subsequently, the following information was received:)

Hours of service at automobile ports and stations in Montana headquarters, Great Falls, Mont.

	Hours	Dates
Automobile ports of entry with 24-hour service:		
Raymond	24 hours	May 15 through Sept. 14.
Sweetgrass	do	
All other automobile ports and stations:		
1. Chief Mountain	9 a.m. to 6 p.m.	May 16 through May 31.
(Babb post office)	7 a.m. to 10 p.m.	June 1 through Sept. 15.
(Summer station only)	9 a.m. to 6 p.m.	Sept. 16 through Sept. 30.
2. Del Bonita	9 a.m. to 5 p.m.	Monday through Saturday.
(Cut Bank post office)	9 a.m. to 6 p.m.	Sundays and holidays.
3. Morgan (Loring post office)	9 a.m. to 6 p.m.	Sept. 10 through May 31.
Opheim	do	Do.
Turner	8 a.m. to 9 p.m.	June 1 through Sept. 15.
Whitetail	do	Do.
4. Piegan	9 a.m. to 6 p.m.	Nov. 1 through Apr. 30.
(Babb post office)	7 a.m. to 10 p.m.	May 1 through June 14.
	6 a.m. to 11 p.m.	June 15 through Sept. 14.
	7 a.m. to 10 p.m.	Sept. 15 through Oct. 31.
5. Raymond	7 a.m. to 11 p.m.	Sept. 15 through May 14.
6. Roosville	9 a.m. to 6 p.m.	Sept. 16 through June 14.
(Eureka post office)	8 a.m. to 12 midnight	June 15 through Sept. 15.
7. Scobey	9 a.m. to 6 p.m.	Oct. 1 through May 14.
	8 a.m. to 9 p.m.	May 15 through Sept. 30.
8. Trail Creek	9 a.m. to 12 noon	
(Polebridge post office)	1 p.m. to 6 p.m.	Monday through Friday.
9. Whitlash	9 a.m. to 6 p.m. daily	June 15 through Sept. 30.
	9 a.m. to 5 p.m., Monday through Friday.	Oct. 1 through June 14.
	9 a.m. to 3 p.m., Saturdays (on Sundays and holidays Oct. 1 through June 14 report to Sweetgrass).	Do.
10. Wild Horse	8 a.m. to 5 p.m.	Oct. 1 through May 14.
(Havre post office)	8 a.m. to 9 p.m.	May 15 through Sept. 30.
11. Willow Creek (Havre post office)	8 a.m. to 5 p.m.	Year around.

NOTE.—Mountain standard time (MST) unless noted.

Mr. SMITH. In addition, if the committee will receive it, we wish to submit, and I have passed around, the letters of support for this bill from various individuals and officials of Montana organizations. These include letters of support from such organizations as the Mon-

tana Chamber of Commerce, the Montana Pilots Association, the Montana Aviation Trades Association and the Montana Flying Farmers & Ranchers Association.

Senator MONRONEY. We will receive them, and unless there is objection, we will incorporate them in the files of the committee rather than have them printed in the record.

Mr. SMITH. In conclusion, I wish to express the gratitude of the Montana Aeronautics Commission and of the State of Montana for the opportunity of permitting us to present evidence at this Commerce Committee hearing concerning S. 1596. I also extend that gratitude on behalf of myself.

Senator MONRONEY. Thank you very much for your testimony. If the committee, in its study, and in its decision, were to try to provide for free services in fewer airports, Great Falls and the other one just established would probably be the choice of the State of Montana, would it not?

Mr. SMITH. Yes.

Senator MONRONEY. In other words, you get your free landing only during the time that the highway stations open on these sod fields and unlighted fields.

Mr. SMITH. To the best of my knowledge, that is correct.

Senator MONRONEY. Would these two points reasonably take care of your traffic?

Mr. SMITH. I rather doubt it, because, as I mentioned in my statement, there are not too many people that were landing at this particular type airfield. Because they are sod strips, they are not maintained as well as they should be and are usually in very remote areas of the State.

But, consequently, you have just the small single-engine-type private plane that can land at these particular strips and some of the pilots are very reluctant to do that.

Senator MONRONEY. In other words, it would be rather important to have Great Falls and this other major airport——

Mr. SMITH. Yes; one of the major airports with paved landing strips would be ideal.

Senator MONRONEY. Any questions?

Senator DOMINICK. For the record, Mr. Smith, I happened to have been through Havre on several occasions. Mrs. Hensley actually runs the base operation there and is not a Federal employee at all, is that not correct?

Mr. SMITH. That is my understanding.

Senator DOMINICK. She is designated by the customs service to supply this for the convenience of people clearing through Havre.

Mr. SMITH. That is true.

Senator DOMINICK. She is the one who signed this Bureau of Customs receipt that you have attached to your statement.

Mr. SMITH. That is correct.

Senator DOMINICK. I might say, in passing, that she does a very fine job of this. I think she is splendid in the way she handles the problems.

I am interested, in looking at your map, in the effort which you apparently made in Montana to do just what Senator Monroney and

I were talking about somewhat facetiously a minute ago, which is to try and travel across the border almost by highway so that you do not have to pay these charges.

Mr. SMITH. That is right.

Senator DOMINICK. Now, the range of the single and twin aircraft are increasing. Would you feel there was the need for customs service in either Billings or Miles City to handle aircraft coming in from Saskatchewan and Alberta?

Mr. SMITH. Do I feel there would be a need for it at this time?

Senator DOMINICK. Yes.

Mr. SMITH. To the best of my knowledge, I do not believe so. I believe that most of the travel is handled by these other airports at this particular time.

Senator DOMINICK. If we were going to put this on a free service basis, would you recommend that Glasgow, Great Falls, and Havre all be put on that basis, along with Cut Bank?

Mr. SMITH. Yes, we would, Senator.

Senator DOMINICK. In other words, those are the four clearance spots which you feel can handle the traffic as far as Montana is concerned rather efficiently.

Mr. SMITH. Right. That is correct.

Senator MONRONEY. Any further questions?

Senator DOMINICK. No.

Senator MONRONEY. Thank you very much for your helpful material.

The next witness will be Mr. Gerrit W. Van Schaick representing the Transportation and Distribution Division, American Cyanamid Co., director of the Transportation Association of America.

We are happy to have you.

Mr. VAN SCHAICK. Thank you very much.

I appreciate the opportunity of giving my testimony today so I can get back to New York.

Senator MONRONEY. Be seated and proceed in your own way. You may skip parts that you think are rather routine if you like.

Mr. VAN SCHAICK. Yes.

I have a prepared statement.

Senator MONRONEY. It will be included in full in the record.

Mr. VAN SCHAICK. Very good.

STATEMENT OF GERRIT W. VAN SCHAICK, DIRECTOR OF THE TRANSPORTATION ASSOCIATION OF AMERICA AND DIRECTOR OF THE TRANSPORTATION AND DISTRIBUTION DIVISION, AMERICAN CYANAMID CO.

Mr. VAN SCHAICK. My name is Gerrit W. Van Schaick. I am a director of the Transportation Association of America and also the director of the Transportation and Distribution Division of American Cyanamid Co.

I appear here today on behalf of the association to express our support for the enactment of legislation as embodied in S. 1596, introduced by Senator Monroney, to which this hearing pertains. Accompanying me is Robert E. Redding, vice president and general counsel of TAA.

In view of the fact that S. 1596 proposes to promote the domestic and foreign commerce of the United States, let me first comment on the extent of my interest in that purpose, and particularly the activities of my company in international matters. We engage in a large and growing worldwide business.

I have been responsible for our entire transportation activities since 1955, costing presently a total of $80 million annually including exports, imports, and customs. Therefore, I feel I am in a position to state that the long-overdue changes in overtime inspection practices will correct an inequity and are of direct concern to my company.

I believe the committee is familiar with the Transportation Association of America and its activities so I will skip the section headed II. However, I would like to comment on the last part of that section which states that the largest single voice of TAA is comprised of those of us who really pay the bill for transportation.

Speaking generally for the large volume of international shippers and more specifically for my own company, we strongly urge the facilitation of international trade and commerce combined with the continued maintenance of a private enterprise concept applicable to the carriers so engaged.

We wish the record to include also a summary of the development of TAA's position in support of "Federal inspection agency overtime" legislation. In November 1962, the air panel of TAA, comprised of the members of the board of directors of the Air Transport Association, formally requested TAA to consider this problem "as it affects the transportation industry and with the need for legislative action."

Within 2 months the request was reviewed by the other seven panels of TAA: user, investor, freight forwarder, highway, pipeline, rairoad, and domestic water carrier. All eight of the panels and the board of directors approved the following policy, and this was back in 1962:

> Present requirements that transport companies operating aircraft, motor vehicles, pipelines, trains, and vessels in foreign commerce must pay employees of U.S. inspection agencies special compensation for services, and functions performed when clearing inspection on Sundays, holidays, or at night, should be eliminated.

In other words, we feel that present requirements for overtime compensation should be eliminated.

Based on this policy, TAA, representing the broad spectrum of transportation—the principal function of our entire national economy—urges corrective action along the lines set forth in S. 1596.

I can skip the rest of that paragraph and just have it appear in the record. Then beginning again with IV:

Turning to the merits of the overtime problem, we recognize that there are three basic points of view apparent at this time. The executive branch currently takes the view that such costs should continue to be defrayed by the affected carriers and others using such inspection services, but at lower rates. We anticipate that labor witnesses scheduled to be heard will offer similar contentions, but principally to maintain the status quo of windfall compensation.

It is TAA and other organizations who are parties to this hearing who collectively urge legslative action to change the status quo by relieving carriers and others who now pay these charges.

We do not advocate that the language of S. 1596 is necessarily the full and complete solution. For example, it might be desirable to revise, to some extent, the language in the bill to make it applicable to other categories and locations of inspection service warranting similar treatment.

Senator DOMINICK. What do you refer to there?

Mr. VAN SCHAICK. Particularly tankers. I understand that reading the language of the bill that possibly tankers and also possibly dry freight carriers coming in won't be covered by the bill. In other words, that——

Senator DOMINICK. The question of whether there is a vessel or not, is that what you mean?

Mr. REDDING. Senator Dominick, if I may comment on this: It is felt by other interests in TAA that they operate tankers to and from refinery locations which are not officially designated as ports of entry, you see, and further, some questions in their mind exists as to whether they would operate pursuant to notices, schedules, and the like that are mentioned in this bill.

As a result of this, they have the current impression that the charges that they pay should also be eliminated.

Beyond this, we know that other interests who plan to testify before you in this hearing will advocate a few additional changes so our thought was not that the bill technically is the right answer but certain points in the rights direction could well be amended.

Mr. VAN SHAICK. Particularly to broaden it to include tankers and dry freight carriers that don't enter through recognized ports of entry.

Senator MONRONEY. You may proceed.

Mr. VAN SCHAICK. If they are in fact excluded.

I believe I can skip the next two paragraphs, and start in on VI:

It is our view that the overtime charges should not be levied against the carriers or others who now pay these charges. The record of this hearing will afford an opportunity to argue otherwise, but we contend that our basic position has real merit.

I believe again I can skip down to the middle of page 5 which makes one of the main points in our testimony:

Unless such Government services are rendered solely for the benefit of the carriers, which they are not, they should be financed by Federal funds. Such daytime inspection services 6 days a week are paid for by the general public. Hence, we question the different treatment of such services at other times, particularly in this era.

Then skipping to VII:

In closing, may I express, on behalf of the board of directors of TAA, our appreciation for the leadership of Senator Monroney and other Senators concerned with this overtime charge problem. We know it is also of concern to the executive branch. We stand ready to work with Government and private enterprise in achieving a solution which will serve the national interest.

Thank you for the privilege of giving my testimony. I hope that my statement will be received into the record of this hearing.

(The document referred to follows:)

STATEMENT OF GERRIT W. VAN SCHAICK ON BEHALF OF THE TRANSPORTATION ASSOCIATION OF AMERICA

Mr. Chairman and members of the Senate Commerce Committee, my name is Gerrit W. Van Schaick. I am a director of the Transportation Association of America and also the director of the Transportation and Distribution Division of American Cyanamid Co. I appear here today on behalf of the association to express our support for the enactment of legislation as embodied in S.1596, introduced by Senator Monroney, to which this hearing pertains. Accompanying me is Robert E. Redding, vice president and general counsel of TAA.

In view of the fact that S. 1596 proposes to promote the domestic and foreign commerce of the United States, let me first comment on the extent of my interest in that purpose, and particularly the activities of my company in international matters. We engage in a large and growing worldwide business. I have been responsible for our entire transportation activities since 1955, costing presently a total of $80 million annually including exports, imports, and customs. Therefore, I feel I am in a position to state that the long overdue changes in overtime inspection practices will correct an inequity and are of direct concern to my company.

We wish the record to include also a summary of the development of TAA's position in support of "Federal Inspection Agency Overtime" legislation. In November 1962 the Air Panel of TAA, comprised of the members of the Board of Directors of the Air Transport Association, formally requested TAA to consider this problem as it affects the transportation industry and with the need for legislative action. Within 2 months the request was reviewed by the other seven panels of TAA—user, investor, freight forwarder, highway, pipeline, railroad, and domestic water carrier. All eight of the panels and the board of directors approved the following policy:

"Present requirements that transport companies operating aircraft, motor vehicles, pipelines, trains, and vessels in foreign commerce must pay employees of U.S. inspection agencies special compensation for services, and functions performed when clearing inspection on Sundays, holidays, or at night, should be eliminated"

Based on this policy, TAA, representing the broad spectrum of transportation—the principal function of our entire national economy—urges corrective action along the lines set forth in S. 1596.

Turning to the merits of the overtime problem, we recognize that there are three basic points of view apparent at this time. The executive branch currently takes the view that such costs should continue to be defrayed by the affected carriers and others using such inspection services, but at lower rates. We anticipate that labor witnesses scheduled to be heard will offer similar contentions, but principally to maintain the status quo of windfall compensation. It is TAA and other organizations who are parties to this hearing who collectively urge legislative action to change the status quo by relieving carriers and others who now pay these charges.

We do not advocate that the language of S. 1596 is necessarily the full and complete solution. For example, it might be desirable to revise, to some extent, the language in the bill to make it applicable to other categories and locations of inspection service warranting similar treatment.

It is our view that the overtime charges should not be levied against the carriers or others who now pay these charges. The record of this hearing will afford an opportunity to argue otherwise, but we contend that our basic position has real merit.

Hence, we question the different treatment of such services at other times, particularly in this era.

In closing, may I express, on behalf of the board of directors of TAA, our appreciation for the leadership of Senator Monroney and other Senators concerned with this overtime charge problem. We know it is also of concern to the executive branch. We stand ready to work with Government and private enterprise in achieving a solution which will serve the national interest.

Thank you for the privilege of giving my testimony.

APPENDIX A

I. INTERNATIONAL TRAVEL BY AIR AND SEA

Approximately 1 million foreign visitors to the United States spent a record $1.1 billion for travel in 1964, an increase of 17 percent over that spent in 1963. Travelers from overseas spent $400 million in the United States, or 20 percent more than in the previous year, while Canadians spent $450 million, and Mexicans expenditures were $250 million. The percentage increase in the number of foreign visitors represented 31 percent over 1963, and 92 percent over 1961.

The total transocean transportation bill of U.S. travelers in 1964 was $1.165 million, an increase of 8 percent over 1963. In terms of total travel expenditures, American tourists abroad spent $300 million more in 1964 than they did in 1960. Approximately 2.2 million U.S. residents traveled abroad in 1964, an increase of 11½ percent over 1963, and 600,000 more than traveled in 1960. The number of air travelers increased by almost one-sixth to 1,943,000, while 277,000 traveled by sea. An additional 295,000 U.S. residents traveled on sea cruises in 1964.

II. INTERNATIONAL TRADE

In 1964, U.S. commercial exports to foreign countries exceeded $22 billion, representing an increase of 16 percent over 1963, and 27 percent over the 1960 level. Our commercial trade surplus increased from $2.3 billion in 1963 to $3.7 billion in 1964. U.S. airborne exports totaled more than 326 million pounds, a gain of 31 percent over 1963, while U.S. imports by air increased by 7 percent to 121 million pounds.

In ocean shipping, US. total imports and exports reached a record 347.7 million tons, or an increase of 32.8 million tons over 1963. U.S. flag vessels carried 34.3 million tons of our total trade, an increase of 5.5 million tons which were carried in 1963.

Source: Survey of Current Business, June 1965, vol. 45, No. 6, pp. 25–29; Air Transport Facts and Figures, Air Transport Association, 1965, p. 17.

Senator MONRONEY. Thank you very much for your helpful interest and for your representation of the leading shippers in business firms using these services.

Senator Dominick?

Senator DOMINICK. Mr. Van Schaick, we had some testimony before the Merchant Marine Committee last year at my request, really, on this same problem, in which specific mention was made of part of the problem of inspecting or having customs men on duty while a vessel is being unloaded even though, in fact, they weren't doing anything and even thought the wharf on many occasions was locked and nobody could get out because the stevedores weren't working that day or something of this kind.

Do you have any details of this which would buttress the need for some changes?

Mr. VAN SCHAICK. I don't have offhand, Senator, but I can certainly find out from our own experience and the experiences of other companies what the detailed practice is and supply it to you.

Senator DOMINICK. All right.

I might suggest, Mr. Chairman, that the record of that hearing might be available in this instance because many of the questions were based on the same thing we are going over right now.

Mr. VAN SCHAICK. I know this goes on.

Senator MONRONEY. You can have the staff excerpt it.

Senator DOMINICK. Fine.

That is all I have.

Senator MONRONEY. Thank you very much for your very helpful and interesting testimony in this matter. We appreciate your coming forward.

We would like to hear Mr. Albert Rathblott, representing the Lawyer-Pilots Association if we have time to hear him.

VOICE. Mr. Rathblott is unable to make it today. If he can be rescheduled for tomorrow we will appreciate it.

Senator MONRONEY. We will endeavor to take him tomorrow.

The committee will conclude its hearings for today and we will reconvene at 10 o'clock tomorrow in this room. We stand in recess until that time.

(Whereupon, at 1 o'clock the hearing was recessed to reconvene at 10 a.m. the following day.)

COSTS OF INSPECTION SERVICES AT PORTS OF ENTRY

THURSDAY, FEBRUARY 10, 1966

U.S. SENATE,
COMMITTEE ON COMMERCE,
Washington, D.C.

The committee met at 10 a.m. in room 5110, New Senate Office Building, the Honorable A. S. Mike Monroney presiding.

Senator MONRONEY. The Committee on Commerce, on the hearing on bill S. 1596, will be in session.

We apologize to the witnesses. We have a vote in the Senate at 11 o'clock which will require recessing the hearing briefly at that time. We will go forward until the time for that important vote.

Our first witness scheduled is Mr. Stuart G. Tipton, president of the Air Transport Association of America, one of our old friends in this committee.

We are glad to have you here, Mr. Tipton. You may proceed in your own way.

STATEMENT OF STUART G. TIPTON, PRESIDENT, AIR TRANSPORT ASSOCIATION OF AMERICA, WASHINGTON, D.C.; ACCOMPANIED BY NORMAN J. PHILION, VICE PRESIDENT, INTERNATIONAL AFFAIRS, AIR TRANSPORT ASSOCIATION OF AMERICA, WASHINGTON, D.C.

Mr. TIPTON. Thank you, Mr. Chairman.

I would like to introduce Mr. Norman Philion, who accompanies me. Mr. Philion is vice president, international affairs, of the Air Transport Association, and has spent much time on this problem. He may have occasion to add to what I have to say during this hearing.

Senator MONRONEY. Would you yield just a moment?

Mr. TIPTON. Yes.

Senator MONRONEY. Mr. Thomas G. Walters, special assistant to the president, AFL–CIO, has asked for and is being granted permission to file a statement within 3 days.

You may proceed, Mr. Tipton.

Mr. TIPTON. My name is Stuart G. Tipton. I am the president of the Air Transport Association of America. Our members wholeheartedly endorse the objective of S. 1596 and we appreciate this opportunity to present you with views in their behalf.

The purpose of the bill is to modernize the foreign commerce inspection practices of the Federal Government. We urge the committee to give the bill favorable consideration. Legislation of this kind is nec-

essary to eliminate payments by airlines to Government employees who perform foreign commerce inspections conducted solely for the purpose of protecting the public interest. As President Johnson recently told the Government agencies, "The task of Government is to serve the public."

The Air Transport Association represents virtually all of the certificated scheduled airlines of the United States. Our membership includes international airlines, the domestic trunk and local service airlines, the Alaskan and Hawaiian airlines, the helicopter operators, and an all-cargo airline. Twenty-three of our regular and associate members conduct international operations which are subject most directly to the practices to which the bill S. 1596 is directed.

Prior to taking up a discussion of the issues before the committee, I want to say this: In the course of the discussion which will follow, I will be rather critical of the Bureau of Customs. In being critical of the Bureau of Customs in this area, I want to make it clear that this doesn't reflect a belief on our part that the Bureau of Customs is not alive to the necessity of developing its procedures as air transportation develops, because if I left that impression I would leave the wrong impression.

No one works harder with us in adjusting Bureau of Customs procedures, which is not always easy, to the requirements of air transportation than does the Bureau. In this instance that I am going to talk about, the objective has not been accomplished because legislation is necessary. I hope that this legislation will do it.

I did want to make it clear that the Bureau of Customs works hard on the process of improving its procedures in the interest of the efficient introduction of air passengers and air cargo to the country.

Now to return to my statement.

The practices in question compel airlines to pay employees of the Federal Government to perform duties and functions which are entirely the responsibility of the Government, itself. This has cost the U.S. airline industry some $11 million over the last 10 years. The basic issue is far more significant than the cost, however. Holding private parties responsible for the performance of purely governmental functions is wrong to begin with. But when the Government is conducting its business in the interest of the general public, not in the interests of just a few private parties, the practices dealt with in S. 1596 are indefensible.

U.S. airlines operating international services must meet various U.S. customs, immigration, agriculture quarantine, and public health requirements applicable to international travel and trade. Quite obviously, many of the requirements applicable to airline operations today were inherited from, or are based upon those of another era. Many requirements do not appear to have been adopted especially to encourage commerce, or designed particularly to keep pace with changing times and standards of public service. But whatever their imperfection, these requirements were established by law solely to protect the general public and the Nation as a whole.

A review of the purpose of the current statutes applicable to international travel and trade makes this abundantly clear. They were designed specifically—to protect our agricultural economy by pre-

venting the introduction of animal and plant pests and diseases—to collect duties and taxes, protect American industry and labor, to regulate commerce with foreign countries, and to prevent the export or import of restricted merchandise—to control immigration, exclude undesirable aliens, and to prevent the entry of contagious diseases. No measures more oriented to the total general public welfare could be contrived.

One would assume that these laws for the public good are in force 24 hours a day, 7 days a week. They are, but they are not so administered. Therein lies the problem.

Foreign commerce inspection requirements are administered by the Agriculture Research Service, the Bureau of Customs, the Immigration and Naturalization Service, and Public Health Service. Employees of these agencies are located at border points, at shipping centers, and at airports to inspect international travelers, baggage and merchandise, as well as the conveyances on which they are transported. However, customs employees, as well as immigration and agriculture quarantine employees in many circumstances, are not required to be on duty to carry out the inspection requirements a great deal of the time. (See attachment A in this connection.)

This is because of the enactment over the years of what have come to be known as the "inspection agency overtime" laws. These laws all have a common, main purpose—the objective of protecting inspection agency employees from what were many years ago considered unsatisfactory working arrangements caused by the unpredictable nature of international transportation services then being operated. This objective was to be met by discouraging foreign commerce transactions at other than hours of business then considered normal. Sundays, holidays, and weekday nights in many cases, were considered to be outside of such hours. Inspection agency employees required to work during these "abnormal" periods would have to be hired, in effect, by the private parties concerned. (See attachment B.)

Perhaps that objective was achieved. Perhaps some foreign commerce transactions could have been and were delayed over a Sunday or a long holiday weekend. But some transactions, including those of the international airlines, could not be delayed. It became increasingly necessary for some transportation operators, and absolutely essential for the airlines, to pay Government employees for the required inspections since complete business shutdowns and traffic backlogs could not be tolerated.

Thus, the "overtime" practice grew and a hodgepodge of inspection agency rules, regulations, rates, and conditions developed. Once the taste for "overtime" was savored, the question of unsatisfactory working arrangements disappeared altogether. The concept of requiring private parties to pay for foreign commerce inspections became firmly established and, by ignoring its responsibility, the Federal Government perpetuated the concept. The proof of this is that it has been permitted to continue, for 55 years in the case of one inspection agency, without any serious effort on the part of the Federal Government to seek a change.

Why is the inspection agency practice bad?

There are four main reasons why the inspection agency practices in question are bad:

1. No private citizen should be called upon to pay the Government's bills for the conduct of the Government's business. Presumably he has already paid his taxes. This is especially true when, as in the case of the practices under review, the functions involved so obviously are required in the total public interest. The inspection service which we are required to pay for, which cost those of our members operating regularly scheduled international services $1.4 million last year, and which cost the foreign-flag airlines about another $1.5 million, provided the airlines no particular benefits. To the contrary, it can be said that the inspection requirements, however desirable they may be to protect the public generally, are burdensome to the movement of international air commerce.

Nor should private citizens be compelled to pay the Government's bills when, as in the case of the U.S. airline industry, the services for which the payment is made are the direct consequence of the airlines meeting other public interest requirements. It should be noted that the U.S. airlines are closely regulated to insure the fulfillment of such requirements. Operating only after appropriate findings by the Civil Aeronautics Board that their services are required by the public convenience and necessity, and by the President that such services are in the national interest, these airlines have clear national mandates to operate regular services around the clock, day in and day out, at the frequency and at such times as are necessary to meet both the public need and economic efficiency. International commerce, including the operations of scheduled airlines, should not have to be adjusted to meet the convenience of an inspection agency.

2. Under no circumstances should any private citizen be compelled to pay the wages of, or otherwise compensate, employees of the Federal Government. While, as a practical matter, we pay the Government after being billed for inspection overtime charges, this is simply a reimbursement of the payments which go to the employee. But whatever the bookkeeping, the fact is we pay employees of the Federal Government. As shown in attachment C of my testimony the great bulk of the overtime payments goes to customs employees. As shown in attachment D, the opportunity for and the extent of overtime earnings is much more promising for a customs employee. On a Sunday, for example, a customs employee can earn 2 days' pay from the airlines for working as little as 1 hour under any circumstance. On the same Sunday, an Immigration employee is entitled to the same overtime, but the airlines pay only if the flight is more than 1 hour off schedule. An Agriculture employee is entitled to no overtime if the Sunday is part of his regular workweek. A Public Health employee receives no overtime since that inspection service is provided, as it should be, for scheduled flights operating any time.

Payment practices of this kind cannot fail to do violence to Government personnel policies. The inherent inequity must result in Government employee problems. The civil service system itself is designed to provide for fair and equal treatment of Government employees, and for equitable remuneration of Government employees, based upon the quality of services rendered. Congress has taken particular care to establish proper and uniform levels of compensation, and changes have been made from time to time to attract and reward excellence in Gov-

ernment service. But being an inspector at a particular airport at a particular time is nothing more than happenstance. Surely indifference to a practice which permits happenstance to outpace excellence when it comes to reward is not in keeping with historical notions of fair treatment.

3. Whatever the original purposes of, or need for the inspection overtime laws, certainly they no longer exist. The practices in question are bottomed on the now obsolete premise that commerce could, and ought to be discouraged on occasion, and for quite narrow reasons. Dramatic changes have occurred in trade policies, public service demands, transportation techniques, commercial and labor practices, and the way both industry and Government conduct their business.

I would like to direct the attention of the committee at this point to a very good and complete article in the Wall Street Journal which is attached to my testimony as attachment E, which is headed "The Public Be Served: More Federal Offices Open Nights, Saturday."

The article points out the necessity for maintaining social security offices open at night, internal revenue offices open at night, in order that the public may have the service necessary in order to meet Government requirements.

The public service functions of both private industry and Government have required the scheduled rotation of employee workshifts to cover days, nights, weekends, and holidays. Air-traffic controllers, among other Federal employees, have such workshifts, and work Sundays as part of the regular workweek. We fail to understand why some inspection agency employees cannot do the same, particularly now that Sundays are among the busiest days of the week for foreign commerce. Certainly this should not be thought unreasonable. To the contrary, it is a long-established, well-accepted principle under which the Nation has enjoyed economic growth and prosperity.

4. Finally, it is obvious that something else is very wrong with the present system. This is confirmed by one of the most careful studies yet undertaken by the Government.

I couldn't help but note the position of the FAA yesterday, after what I regarded as quite a good argument for this legislation, saying that what we ought to do now is study the problem.

There are very few things that have been discussed more than the the customs overtime problem. I was also interested in the Assistant Commissioner of Customs' comment that what the Treasury needed to do, in respect to the study that I am now going to refer to, is study it some more.

I shall quote from this study. In December 1964, a Department of Treasury study group issued a report evaluating the mission, organization, and management of one of the inspection agencies, the Bureau of Customs. Some of its pertinent conclusions and recommendations on overtime were (see summary in attachment F):

> The Government charges for overtime at seaports, railroad ports of entry, and international airports, but does not charge for similar services at border crossings. This is done on the concept that ("transportation companies should reimburse the Government for special services at unusual hours that advance their own interest.") This is a basic question as to *whether the Government should require reimbursement for services which are for the purpose of protecting the public or producing revenue.* (Italic supplied.)

During fiscal year 1963, reimbursable overtime payments amounted to $6,986,700, while nonreimbursable overtime paid amounted to $1,375,700 or a total of $8,362,400 (in overtime payments to customs inspectors). *This figure equals approximately one-eighth of the customs appropriation for the fiscal year.* (Italic supplied.)

This overtime, paid to approximately 2,650 employees, was the equivalent to straight salaries for 1,105 employees. *These facts raise serious questions as to whether this represents the best use of manpower and money.* (Italic supplied.)

Industry practices fail to furnish a basis for continuing the double-time overtime rates of customs-type statutes.

Industry practices support a double-time rate for overtime duty on Sunday, *but not a premium rate for regularly scheduled, nonovertime work on Sunday.* (Italic supplied.)

Prevailing industrial practice is to grant additional pay at straight-time rates for *nonovertime* duty on paid holidays and at higher rates for holiday overtime duty. (Italic supplied.)

The Treasury Department should request the Bureau of the Budget to seek legislation which would * * * clearly set a uniform Government-wide policy on reimbursement for inspectional services.

The report is an extensive one. We have taken out of it a very small quotation here. We do have in the attachment to the testimony rather extensive quotes from it.

In order to illustrate what this report is referring to, and to illustrate also some of the problems that we encounter, we as carriers encounter, I am going to take two extreme examples of the use of overtime which we have studied for a Sunday. The first one, and obviously the extreme on the high side, at Kennedy International Airport, November 21, 1965.

Senator MONRONEY. Is that shown in your appendix?

Mr. TIPTON. This is not included. These examples are not included in the appendix, but we would be glad to put them in the record at this point.

Senator MONRONEY. All right.

(Subsequently, the following information was received:)

AIR TRANSPORT ASSOCIATION,
Washington, D.C., February 10, 1966.

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

DEAR MR. CHAIRMAN: At the hearing this morning on S. 1596, Senator Monroney requested that I submit for the record details of the two examples I use to illustrate customs overtime practices on a Sunday.

The two examples related to the customs inspections required, and the overtime payments assessed at the Kennedy International Airport N.Y., and at the Grand Forks Municipal Airport, Grand Forks, N. Dak., on Sunday, November 21, 1965. The two illustrations are set forth in the attachment.

Cordially,

S. G. TIPTON.

SUNDAY, NOVEMBER 21, 1965, CUSTOMS INSPECTIONS, WORKLOAD, AND OVERTIME, KENNEDY INTERNATIONAL AIRPORT, N.Y.

All of the following data are derived from the official Bureau of Customs overtime invoices for November 21, 1965, the most recent Sunday for which complete overtime charges data are available to the airlines:

Flights (including 3 all cargo and 5 charter flights) arriving between 1 minute after midnight Sunday morning and midnight Sunday night. About the same number of flights departed, but the vast majority of customs work was concentrated on the 64 arriving flights	64
Passengers requiring customs inspection arrived on the 61 flights carrying passengers	4,789
Customs inspectors assigned to overtime during the 24-hour period	116
Man-hours of overtime worked	916
Average charge per man-hour	$7.66
Customs inspector's average overtime earning (the high was $157.92 and the low was $40.48)	$63.48
Total of customs overtime charges assessed against the 25 airlines which operated flights at Kennedy Airport on Sunday, Nov. 21, 1965	$7,364

NOTE.—Sunday, Nov. 21, 1965, was a day in the low- offpeak travel season. The peak travel season being so much heavier, the $7,364 in customs overtime charges represents a below average amount for Sunday and holiday charges. But even using the $7,364 charge as an average for the 52 Sundays and 8 holidays, nearly $500,000 would go to 1 group of inspectors, at 1 airport, in 1 year.

Examining the customs overtime invoices for Sunday, November 21, 1965, a little more closely, of the total of 116 inspectors assigned to overtime—

Two were assigned to administer the paperwork and documentation involved in departing flights. They worked one shift 0700–1600, and one shift 1600–2400;

Five were assigned to the work involved in the release of air cargo to consignees. They worked two shifts 0800–1700, and three shifts 1600–2400;

Six were assigned to export control (a responsibility of the Department of Commerce assigned to Customs). They worked 1 shift 0000–0800, three shifts 0800–1700, and two shifts 1700–2400;

Three were assigned to meet the arrival of three all-cargo flights and they all worked a shift 0000–0800; and

One hundred inspectors were assigned specifically to inspect arriving flights. They worked the following shifts: 14 worked 0000–0800; 22 worked 0800–1700; 14 worked 1300–2100; 29 worked 1400–2200; 20 worked 1600–2400; 1 worked 1700–2400.

Fifty of the sixty-one arriving passenger flights arrived between 2 p.m. and 10 p.m. when there were between a high of 86 and a low of 64 inspectors on duty. Although over 80 percent of the flights arrived within an 8-hour period, and despite the workshift flexibility opportunity provided by 100 inspector assignments, apparently it was found necessary to keep 6 inspectors working the 0800–1700 shift on duty for longer periods of overtime.

	Amount earned
1 worked until 2200	$141.20
1 worked until 2300	67.20
Do	109.48
Do	157.92
2 worked until 2300	[1] 141.12

[1] Amount earned for each worker.

Four of the six inspectors earning additional overtime for some reason happened to be in the highest inspector grade (grades 11 and 12).

A review of the customs overtime invoices for Sunday, November 21, 1965, reveals that the 116 inspectors fell into 25 different civil service grades and steps. Five were most common, being the GS level of 57 inspectors:

Number of inspectors	Grade	Step	Annual salary	Rate per—		Overtime rate per—	
				Day	Hour	Hour	Day
26	7	1	$6,269	$24.08	$3.01	$6.02	$48.16
8	9	1	7,479	28.80	3.60	7.20	57.60
13	8	7	8,237	31.68	3.96	7.92	63.36
6	9	5	8,495	32.64	4.08	8.16	65.28
4	11	6	10,491	40.32	5.04	10.08	80.64

Thus, the 26 inspectors in grade 7/1 were being paid overtime at a rate which, on an annual basis, would equal that of a Government employee in grade 13. The 8 inspectors in grade 9/1 were being paid at the grade 14 rate; the 13 in grade 8/7 also were being paid at the grade 14 rate; the 6 in grade 9/5 at the grade 15 rate; and the 4 inspectors in grade 11/6 actually were being paid overtime at the annual rate of an employee earning nearly $22,000 in grade 16.

SUNDAY, NOV. 21, 1965—CUSTOMS INSPECTIONS, WORKLOAD, AND OVERTIME, GRAND FORKS (N. DAK.) MUNICIPAL AIRPORT

All of the following data are derived from the official Bureau of Customs overtime invoice for the month of November 1965:

Regularly scheduled commercial airline flights arriving Sunday, Nov. 21, 1965	2
Regularly scheduled commercial airline flights departing Sunday, Nov. 21, 1965	3
Customs inspector assigned to cover the 5 flights (he was on duty for 35 minutes to cover 1 flight; 30 minutes for another flight; and 4 hours and 45 minutes to cover the other 3 flights)	1
Overtime worked	(1)
Average charge per man-hour	$12.20
Overtime assessed against 1 airline for 1 inspector to work 5 flights in a period of time totaling 5 hours and 50 minutes	$71.20

[1] 5 hours and 50 minutes.

The high hourly Sunday overtime rate is, however, but one of three questions involved in the Grand Forks case. Others are the actual customs inspection workload on a Sunday, and the practices followed throughout a month.

As to the Sunday workload, the three departing flights on November 21, 1965, required only the examination and authentication of documents by the inspector. And the two arriving flights did not require the normal inspection given arriving flights since these were flights where the passengers, crew, and baggage had been "precleared" for customs purposes at Winnipeg. So all that was required of the customs inspector at Grand Forks was to meet the two arriving flights and accept the documentation.

(NOTE.—According to other customs overtime invoice data, the inspector assigned to "preclear" flights at Winnipeg earned a total of over $25,000 last year—$9,880 in base pay, and $15,594 in overtime—more than a grade 18 Government employee.)

As to the practices followed throughout the month, a review of the customs invoice reveals that, in addition to the four Sundays and two holidays falling in November 1965, overtime was assessed each other day for 20 minutes in the morning from 7:10 to 7:30 a.m. The charge for this 20-minute period most regularly came to $17.80, an extra half-day's pay for the customs inspector.

Including the four Sundays, two holidays and the special morning overtime, a total of nearly 27 hours (26 hours and 55 minutes) of overtime were worked during the month. The total cost to the one airline serving Grand Forks was $819.12. This averages out to slightly over $30 an hour for customs overtime.

One inspector worked practically all of the special morning overtime, and four of the six Sundays and holidays. His total overtime earnings came to $509 for the month. At that rate, his annual overtime earnings would go over $6,000.

Another inspector worked a total of 50 minutes on overtime one Sunday in November 1965 (three different 10-minute periods, and one 20-minute period) and earned 2½ days' extra pay.

Mr. TIPTON. Keeping in mind that this is not in our peak season, it is in November, one would expect higher figures right across the board during our peak season. We made this study for what might well be regarded as kind of a normal Sunday. During that day we had 64 arriving flights, including 3 all cargo and 3 charter flights.

We had 4,789 passengers which required customs inspectors. We had on duty 116 customs inspectors. They of course, it being a Sun-

day, were assigned on overtime duty; 961 man-hours of overtime were involved. This was paid for at $7.66 per hour on the average. The total was $7,364 in customs overtime charges assessed against the 25 airlines which operated into Kennedy on that Sunday.

Senator MONRONEY. Could I verify this: The $7,364 overtime, that is not all overtime, this was the rate that was charged and includes whatever they would have been paid, plus the premium for overtime?

Mr. TIPTON. Everything on Sunday is——

Senator MONRONEY. Overtime?

Mr. TIPTON. You refer to it as overtime because that, by statute, any work done on Sunday is overtime. So all the work done by customs that day was paid for at overtime rates.

Senator MONRONEY. Had it come in on the regular weekday rate, the Government would have had to pay half of that, because it was double time.

Mr. TIPTON. If it had come in during weekdays, and within the tours of duty, then no payment. If it had been outside the tours of duty, then it would have been on overtime. But we have round the clock at Kennedy, so there would always have been a tour of duty. This is a reference to the problem of Sunday at this major airport. And everything was paid.

The figure for the total overtime charges was $7,364, which was divided among—and I will state the figures a little more precisely in a minute—116 customs inspectors that were there on that day.

The net effect, in terms of the various employees of the various grades at New York on that day, was that 26 of the inspectors were grade 7, step 1. They were paid at an annual rate that day of $12,510, which is the same as a grade 13. The eight inspectors that are grade 9 were paid at the rate of a grade 14. The 13 that were in grade 8 were paid at the rate of grade 14. The six in grade 9 were paid at the rate of a grade 15. The four in grade 11 were paid at the rate of a grade 16.

I think this illustrates the impact of these overtime charges on the Government pay scale which has been so painstakingly worked out in the Classification Act and in the application of the Classification Act by the Civil Service Commission. These grades are carefully worked out, people are put in them because of their skills and experience, and the impact of an overtime system of this kind blows that classification completely out of the water by increasing, in effect, these employees for that day five grades.

The total expenditure at New York on that Sunday, as I said, was $7,364. Considering the fact that during the year we had 52 Sundays and 8 holidays, the total bill at New York would come to about half a million dollars of overtime which goes to this group of inspectors at one airport.

For the inspectors that worked that day, the actual payments to individual inspectors ranged from $157.92 down to $40.48.

The other end of the scale, Grand Forks, N. Dak., also Sunday, November 21, 1965, one inspector was assigned to cover the two arriving and three departing flights. Five and a half man-hours of overtime were involved.

Senator DOMINICK. For all commercially scheduled flights?

Mr. TIPTON. These are all scheduled flights.

The average charge per hour was $12.20; $71.20 was paid to the one inspector for putting in the 5½ hours of time. Actually the high Sunday rate is but one of three doubtful practices involved in a situation like Grand Forks.

The three departing flights required only the examination and authentication of documents by the inspector. The two arriving flights did not require the normal inspection given arriving flights since these were flights in which the passengers and baggage had been precleared for customs purposes at Winnipeg. So all that was required of the Grand Forks inspector was to meet the arriving flights and accept the documentation.

Another question involves the total overtime practices and payments at Grand Forks. The month of November 1965 included 6 days—four Sundays and two holidays—in which the airport was closed. But in addition, each day of the month a customs inspector was on overtime for 20 minutes each morning, from 7:10 to 7:30. The charge for this 20-minute period, most regularly, came to $17.80. Including the four Sundays, two holidays and the inspection morning overtime, a total of 27 hours of overtime were involved during the month. The total cost to the one airline serving the airport was $819.12. This comes to slightly over $30 an hour.

The inspector—one inspector—worked practically all of the inspection morning overtime, and four of the six Sundays and holidays. His total overtime earnings came to $509 for the month. At this rate his annual overtime earnings would amount to some $6,000 a year.

Another inspector worked a total of 50 minutes over one 20-minute and three 10-minute periods on overtime 1 Sunday, and earned 2½ days pay.

I have obviously presented two extremes, one where there is heavy traffic, one where it is slight, and I have tried to illustrate with what great inequity the present overtime system works. Inequity not only to carriers but to employees. Not only inequity among carrier employees but inequity among customs employees and other employees of the Government.

Senator DOMINICK. Mr. Tipton, I wonder if I could interrupt at this point. I have never heard the slightest intimation from anybody that there was anything improper in the inspections that were given by the customs inspectors. Would you agree with that?

Mr. TIPTON. Quite. I would agree with it. Nothing improper as far as the inspector is concerned.

Senator DOMINICK. It seems to me quite extraordinary. As a matter of fact, it shows that we have a pretty high caliber group by virtue of the fact that they are getting paid by particular people to do particular inspection services, as opposed to being part of a regular job. I think this is a pretty good reflection on the customs inspectors. I would like to repeat that for the record. There is no intimation here anywhere, as far as I know, that the customs inspectors are conducting themselves improperly.

Mr. TIPTON. No, quite. I am glad you clarified that question. There is no question on our part of suggesting that they were doing anything improper.

Senator DOMINICK. The second thing that I want to ask you about is attachment A to your statement, which indicates the partial list of major U.S. airports showing hours and days officially closed. For the purpose of the record, you have three cities or airports there listed with a double star: Miami, New York, and San Juan. You indicate that on week days they are open 24 hours. Could you, for the record, tell us if during that time period any overtime is paid to the inspectors?

Mr. TIPTON. I think not. Mr. Philion might add to that.

Mr. PHILION. Occasionally there might be, sir. These three airports, while open for 24 hours a day, may have different numbers of inspectors on duty for the three shifts. In other words the midnight to 8 a.m. shift may have just a certain number of inspectors, and if any of the flights are running late or there are extra sections or other situations in which there are more than a normal number of flights arriving, there may be a need for additional inspectors being brought out on overtime.

Senator DOMINICK. That is helpful. In other words, it would be only when someone in the inspection field is actually working more than 8 hours that you would pay overtime?

Mr. PHILION. There is one other situation, Senator Dominick, and these 24-hour indications for these three airports are essentially for the inspection of arriving passengers and passenger aircraft. They are not open, these three airports, 24 hours a day for the inspection of cargo.

Senator DOMINICK. In the other categories that you have in that same attachment——

Senator MONRONEY. Before you leave those three airports: These are on your list, attachment A, show that they are closed 24 hours however on Sundays. That means closed as free inspections, and then you have to pay double time on those days?

Mr. TIPTON. That is exactly right. As far as Sundays and holidays are concerned, in effect, you cannot have a regular tour of duty for any period of time. That is a matter of statute.

Senator MONRONEY. But the inspectors would work a full day period, however. There would be a question of 30 or 40 minutes' work and then the full double pay?

Mr. TIPTON. They might or might not work a full day. In a high-volume airport I would think they would put in a full day. But whatever they put in, they put it in on an overtime basis.

Senator MONRONEY. That overtime would be prorated to all of the planes?

Mr. TIPTON. All of the planes.

Senator MONRONEY. Commercial and private that cleared into that field and were inspected during that day's tour on Sunday?

Mr. PHILION. In response to your question, Mr. Chairman, on the Sunday at Kennedy Airport that Mr. Tipton referred to, there were no private airplanes that day. There were all regularly scheduled commercial flights. There were, however, two private aircraft that arrived at LaGuardia that Sunday for which, on two different occasions, an inspector on duty at Kennedy was dispatched to La Guardia. That amount was not included in the airline billing for Kennedy.

Senator MONRONEY. And the charge on a pro rata basis for the private———

Mr. TIPTON. Certainly.

Senator MONRONEY. Excuse me.

Senator DOMINICK. Going on, and taking the San Juan Airport as an example, there are a number of private airplanes that land there, as I know, many of which actually come from the Virgin Islands. It is my understanding that they have to go through inspections then even though they are going from one U.S. possession to another. Is that correct?

Mr. TIPTON. I think that is right.

Mr. PHILION. That is not only correct, sir, but we have many flights which operate only between San Juan and the continental United States. These in essence are domestic flights. However, every flight and every passenger leaving San Juan for the United States has to be inspected by customs and agriculture employees for which we pay overtime just as if this was an international flight.

Senator DOMINICK. Let me take one example of the San Juan circumstance, just for the purpose of the record.

If it so happened that on a Sunday when the San Juan Airport is not open for free inspection, two airplanes came in, one Eastern Airlines plane and one private plane, is my understanding correct that those two planes would then divide the cost of the inspection services that were provided?

Mr. PHILION. The answer is, yes, although the system differs from port to port. There are a number of factors that have to be taken into account.

For example, in the case of San Juan, let's assume for the moment that there were 7 inspectors on duty and there was a commercial flight with 100 passengers and a private aircraft with 2. In effect it would be a proration, but the proration wouldn't be 50–50 because the commercial flight would have required say six inspectors while the private flight would have required one.

Senator DOMINICK. But if it so happened that one inspector performed all the services would it be divided 50–50?

Mr. TIPTON. If he had no other services to render during the particular tour of duty he was on, that would be so. But undoubtedly at an airport like San Juan there would be enough business so that the proration in the case of the private operator would be quite small.

Senator DOMINICK. Continuing on this same attachment in the week day column, the first column of your exhibit, you have differing hours for each one of the cities that is involved. Is my understanding correct that those hours that are listed are the hours when you cannot get free inspection?

Mr. PHILION. That is right.

Mr. TIPTON. That is right.

Senator DOMINICK. Thank you. That is all that I have, Mr. Chairman.

Senator MONRONEY. Thank you very much, Mr. Dominick.

These attachments will be carried in the record as one, following Mr. Tipton's full statement.

Your general contention is that this is a part of service maintained to protect the Government against loss of revenue through the importation of dutiable goods, is that correct?

Mr. TIPTON. That is correct.

Senator MONRONEY. And the inspection, no matter at what hour, should be the duty of the Federal Government since it is a service not to protect the passenger or the company but to protect the Government itself against being defrauded by custom avoidance?

Mr. TIPTON. That is right. And I think that is a principle of great importance that private citizens not be required to pay expenses undertaken by the Government on behalf of everyone. That is what the taxes are for and we pay them.

I think a further point is important here. I have tried to make the point that the customs overtime is always a very bad personnel practice. Obviously we as airlines are not in the business of commenting usually on the personnel practices of the Government. But in this instance of course we have some justification for doing so since we pay for it.

I am reasonably sure that until a bill such as the one before us is passed and this burden is taken off the private citizen and put on the Government where it belongs, there will not be incentive on the part of the Government to clear up and remove the inequities in the personnel practices.

It has been too easy over these years since private citizens were paying this bill to do nothing about it. If the Government was paying the bill my guess is that the Government would do something about it.

Senator MONRONEY. I believe we had better recess until we complete the vote. We will recess, subject to the call of the Chair, which will be about 10 minutes past 11.

The committee will stand in recess.

(Recessed at 10:45 a.m., until 11:53 a.m.)

Senator MONRONEY. The Commerce Committee will resume its hearings on bill S. 1596.

We are glad to be able to have Mr. Tipton back again. I apologize for the delay which was occasioned by two very important votes.

Mr. Tipton, the only three airports in the United States open on a 24-hour basis weekdays are Miami, New York, and San Juan?

Mr. TIPTON. That is right.

Senator MONRONEY. What would be the numbers of airports that should be open to handle a 24-hour a day schedule, to handle the normal schedule of arrivals and departures at a volume where it would be important to finance those with Federal funds?

Mr. TIPTON. We have not made a careful enough study of that, I think, to be able to answer it properly. Perhaps Mr. Philion could provide some answer.

Mr. PHILION. The answer, Mr. Chairman, would have to be qualified at least to the extent of today's, February 10, schedules. On that basis we think, on the basis of the schedules that are being operated right now, a 24-hour operation should include these additional airports: Honolulu, Los Angeles, and San Francisco.

Senator MONRONEY. What about Detroit and Chicago from the north and from Canada?

Mr. PHILION. Not on the basis of today's schedules. Airports, however, like Seattle——

Senator MONRONEY. You have nothing on the Mexican border apparently, excepting Los Angeles.

Mr. PHILION. That is right. On the basis of existing schedules most of the flights are coming into these airports and departing from these other airports within anywhere from 10- to a 16-hour period in each

day. However, with the increases and changes in schedules which will occur beginning in April, increasing again this summer, and again next year, and with the normal traffic growth, all these hours and requirements are going to change again. That has been our experience over the last few years, and we are quite certain it will be our experience in the future. So that while I am speaking now of perhaps three or four additional airports where we think 24-hour a day coverage is justified now, that could well be increased again in another year or two.

Senator MONRONEY. Would there be a logical stepdown to maybe an 18-hour service.

Mr. PHILION. We think so.

Senator MONRONEY. You would recommend another group of airports be maintained on say a 6 a.m. to midnight schedule?

Mr. PHILION. Something like that.

Senator MONRONEY. To leave the graveyard shift off. You would be very firm, would you not, in insistence that these major airports, and perhaps even down to the 18-hour-a-day airports, that service be rendered on Sundays and holidays. This would be absolutely necessary, would it not, because there are very few schedules canceled or taken off for Sundays or for the holidays by the international airlines?

Mr. PHILION. Sunday is now the second biggest day of the week for international air commerce. So we would say that whatever the hours which may be established for any given airport for a weekday, ought to be the same on a Sunday.

Let me add one other thing, Mr. Chairman. With respect to the types of airports and categories of traffic and the hours of service whether they be 12, 18, or 24, one of the things we do is think of them only in terms of arriving and departing aircraft. I think at some of these ports there is a justification for the provision of customs service for other than just to meet arriving and to clear departing flights. With the tremendous growth in the international aircargo there is in our view a need for customs services over a longer period of time to conduct the necessary inspection of cargo that is moving into and out of the United States. And these services, these requirements, these inspections, are conducted and should be conducted not necessarily at or about the time flights arrive and depart. This should be going on all the time.

For example, in the case of Idlewild Airport, N.Y., which is now in theory open 24 hours a day 6 days a week, that isn't the case for the clearance of cargo. I can't give you the precise times those cargo facilities are available today for clearance, but certainly not 24 hours.

Senator MONRONEY. If the shipper wants to avoid the payment of double time or overtime then he would have to let that cargo perhaps lay over overnight, and perhaps the plane would not depart until the following night.

Mr. PHILION. That is right. And if the destination were inland, beyond the port of first arrival, that delay at the first airport of entry could result in a delay of several other days to get it transported inland.

Senator MONRONEY. So that cargo as well as passengers are very important if they are to be expedited to justify the higher cost of the shipment.

Mr. PHILION. That is right.

Senator MONRONEY. What overtime charges or special fees are charged against airlines in foreign countries? For example, Canada and Mexico? You have no showing here in the schedule, have you, on that?

Mr. TIPTON. We have no showing. Mr. Philion has a brief report to make on that, though.

Mr. PHILION. Mr. Chairman, the scheduled airlines pay no customs overtime in Canada.

Senator MONRONEY. You pay no customs overtime?

Mr. PHILION. No customs overtime.

Senator MONRONEY. What hours are the Canadian airports open?

Mr. PHILION. There services are available for the clearance of arriving and departing flights 24 hours a day, 7 days a week, if we operate.

Senator MONRONEY. How many airports?

Mr. PHILION. We consider four airports in Canada to be the major airports of entry and departure: Montreal, Toronto, Winnipeg, Vancouver, and Calgary—a fifth one.

Senator MONRONEY. Five?

Mr. PHILION. Five.

Senator MONRONEY. Their service is free, 24 hours a day?

Mr. PHILION. If we operate 24 hours a day. Of course we don't in all cases—the services are available——

Senator MONRONEY (continuing). For private fliers or business aircraft as well?

Mr. PHILION. I am not sure if any special rule is in effect for the private fliers.

Senator MONRONEY. You feel five airports are sufficient to handle the commercial traffic airlines?

Mr. PHILION. At least in the operations between our two countries that is so.

Senator MONRONEY. How about Mexico?

Mr. PHILION. We pay no customs overtime or, for that matter, any inspection agency overtime, in Mexico. The Mexican Government considers, as do practically all other countries, that these are inspections which are required in the interests of all of their citizens. The only two countries that come immediately to mind that do have some sort of an inspection charge is Argentina and the Philippines. There may be others, but those are the only ones that we have been able to track down immediately. And even in those two cases the overtime charges which are imposed are very, very low and very irregular.

Senator MONRONEY. You give no necessary notice or anything if your plane is coming in late after hours to other arrival points like Cleveland or Chicago?

Mr. PHILION. If your question, sir——

Senator MONRONEY. I see Chicago is closed from 5 p.m. to 8 a.m.?

Mr. PHILION. That is right.

Senator MONRONEY. And there are some international flights in and out of O'Hare to Canada and to the Pacific and to the Atlantic, are there not?

Mr. PHILION. That is right, sir.

Senator MONRONEY. You have to pay the double time on Sunday?

Mr. PHILION. For any service provided on Sunday, we pay double time.

Senator MONRONEY. The busiest airport, I believe, in the world, which O'Hare is supposed to be, and yet its banker's hours run from 8 a.m. to 5 p.m.?

Mr. PHILION. That is correct, sir. But to be perfectly fair, while it is the busiest airport in the world, it is not the busiest international airport in the world.

Senator MONRONEY. That is true.

Mr. PHILION. I think the present hours at O'Hare, which are established by the customs service, cover a majority of the scheduled international flights. Not all of them. It also does not cover all of the clearance necessary of international cargo at Chicago.

Senator MONRONEY. The airports listed in your attachment A on the southern border include Brownsville, El Paso, San Antonio. Would that be enough southern airports along the Mexican border to take care of your commercial traffic?

Mr. PHILION. Yes, including the other airports which are involved. And I see we did not include Dallas in this list. We do require inspection services for some flights to Mexico at Dallas. And the Mexico service also arrives at some points like New Orleans and Miami.

Senator MONRONEY. Those you would like to have on an around-the-clock basis?

Mr. PHILION. Miami is now. The hours at New Orleans certainly in our opinion ought to be changed to cover a majority of the scheduled flights.

I think in the case of Brownsville, El Paso, and San Antonio, the hours of service now provided at least 6 days a week cover a great majority of the scheduled international flights.

Senator MONRONEY. Brownsville, El Paso, and——

Mr. PHILION. San Antonio. And Houston.

Senator MONRONEY. And Houston.

Senator Hart?

Senator HART. Thank you for undertaking a review of this. As someone who comes from a border State, I hope we can resolve this.

Senator MONRONEY. You strongly object to payments by the member user airline or private aircraft for performing what you consider to be a necessary Government service?

Mr. TIPTON. That is the essence of our position, Mr. Chairman. We do hope that the committee can tackle this problem and reach a solution.

Senator MONRONEY. If you have nothing further, we will put your entire statement, including the attachments in the record. Thank you very much for your appearance here today.

Mr. TIPTON. Thank you, Mr. Chairman, for considering this difficult problem.

Insofar as the airlines are concerned, the purpose of the bill, S. 1596, would be accomplished by exempting scheduled airline flights from the provisions of the various inspection overtime laws. Since the reliability and regularity of scheduled air service is well established, and since airline schedules are published sufficiently in advance to permit the inspection agencies to predict and plan workload

requirement, the original intent of the overtime laws clearly is inapplicable to scheduled airline service. Accordingly, the exemption in the bill could be found to be improper only if it is decided that payments by private citizens to Government employees for the functioning of the Federal Government is, of itself, proper.

We believe S. 1596 should be enacted to establish conclusively the principle that the Federal Government has a responsibility to perform public interest functions when needed, and on a businesslike basis, to meet the needs of modern-day commerce. This principle was recognized in the approach taken by the Congress in 1957 when consideration was being given to the overtime practices of the Public Health Service. Congress then found that inspection services of the type in question were required in the interest of the public generally. The decision thereupon was made that Public Health inspection services would be provided without overtime charges for airlines whose operations were covered by published services. Such a principle is no less appropriate here, 9 years later.

One technical matter should be noted. The term "airports of entry" as used in the bill may be subject to question in view of the fact that most major airports where inspections are required still are not officially designated as "ports of entry." (See attachment G.) That term, therefore, should be revised appropriately to make clear, or the legislative history should reflect, the intent to apply the overtime exemption to all airports where inspection agency services are performed. With that suggestion, we add our support to S. 1596.

(Attachments follow:)

ATTACHMENT A

Partial list of major U.S. airports showing hours and days officially closed (1964) by U.S. customs [1]

Airport	305 Weekdays	52 Sundays	8 national holidays
Baltimore	5 p.m. to 8 a.m.	24 hours	24 hours.
Boston	Midnight to 8 a.m.	do	Do.
Brownsville	5 p.m. to 8 a.m.	do	Do.
Buffalo	11 p.m. to 7 a.m.	do	Do.
Chicago (O'Hare)	5 p.m. to 8 a.m.	do	Do.
Cleveland	11 p.m. to 7 a.m.	do	Do.
Detroit	10 p.m. to 8 a.m.	do	Do.
El Paso	5 p.m. to 8 a.m.	do	Do.
Honolulu	Midnight to 8 a.m.	do	Do.
Houston	10 p.m. to 8 a.m.	do	Do.
Los Angeles	10 p.m. to 5 a.m.	do	Do.
Miami [2]	Open 24 hours	do	Do.
New Orleans	11 p.m. to 7 a.m.	do	Do.
New York (John F. Kennedy) [2]	Open 24 hours	do	Do.
Philadelphia	5 p.m. to 8 a.m.	do	Do.
Fort Lauderdale	7 p.m. to 8 a.m.	do	Do.
Rochester, N.Y.	do	do	Do.
San Antonio	6:30 p.m. to 8 a.m.	do	Do.
San Francisco	Midnight to 7 a.m.	do	Do.
San Juan [2]	Open 24 hours	do	Do.
Seattle	Midnight to 7:30 a.m.	do	Do.
Washington, D.C. (Dulles)	6 p.m. to 8 a.m.	do	Do.
Washington, D.C. (National)	5 p.m. to 8 a.m.	do	Do.

[1] Based on Bureau of Customs data, pages 213 through 221 of the printed hearings before the special Subcommittee on Tourism of the Committee on Banking and Currency, House of Representatives, 88th Cong., 2d sess., Nov. 30, Dec. 1 and 2, 1964.

[2] Although open 24 hours, some shifts are maintained with minimum staff resulting in overtime for the provision of adequate inspection service.

NOTE.—Above reflects Customs service for passengers. Hours of service for air cargo inspection are, in many cases, often less.

ATTACHMENT B

SUMMARY OF THE APPLICABLE FEDERAL INSPECTION AGENCY OVERTIME STATUTES

BUREAU OF CUSTOMS

Section 5 of the act of February 13, 1911, 36 Stat. 901, as amended by the act of February 7, 1920, 41 Stat. 402 (19 U.S.C. 267):

"The Secretary of the Treasury shall fix a reasonable rate of extra compensation for overtime services of inspectors, storekeepers, weighers, and other customs officers and employees who may be required to remain on duty between the hours of five o'clock postmeridian and eight o'clock antemeridian, or on Sundays or holidays, to perform services in connection with the lading or unlading of cargo, or the lading of cargo or merchandise for transportation in bond or for exportation in bond or for exportation with benefit of drawback, or in connection with the receiving or delivery of cargo on or from the wharf, or in connection with the unlading, receiving, or examination of passengers' baggage, such rates to be fixed on the basis of one-half day's additional pay for each two hours or fraction thereof of at least one hour that the overtime extends beyond five o'clock postmeridian (but not to exceed two and one-half days' pay for the full period from five o'clock postmeridian to eight o'clock antemeridian), and two additional days' pay for Sunday or holiday duty. The said extra compensation shall be paid by the master, owner, agent, or consignee of such vessel or other conveyance whenever such special license or permit for immediate lading or unlading or for lading or unlading at night or on Sundays or holidays shall be granted to the collector of customers, who shall pay the same to the several customs officers and employees entitled thereto according to the rates fixed therefor by the Secretary of the Treasury. Such extra compensation shall be paid if such officers or employees have been ordered to report for duty and have so reported, whether the actual lading, unlading, receiving, delivery, or examination takes place or not. In those ports where customary working hours are other than those hereinabove mentioned, the collector of customs is vested with authority to regulate the hours of customs employees so as to agree with prevailing working hours in said ports, but nothing contained in this section shall be construed in any manner to affect or alter the length of a working day for customs employees or the overtime pay herein fixed."

Sections 450, 451, and 452 of the Tariff Act of 1930, as amended, 46 Stat. 715 (19 U.S.C. 1450, 1451, and 1452):

"SEC. 450. No merchandise, baggage, or passengers arriving in the United States from any foreign port or place, and no bonded merchandise or baggage being transported from one port to another, shall be unladen from the carrying vessel or vehicle on Sunday, a holiday, or at night, except under special license granted by the collector under such regulations as the Secretary of the Treasury may prescribe.

"SEC. 451. Before any such special license to unlade shall be granted, the master, owner, or agent of such vessel or vehicle, or the person in charge of such vehicle, shall be required to deposit sufficient money to pay, or to give a bond in an amount to be fixed by the Secretary conditioned to pay the compensation and expenses of the customs officers and employees assigned to duty in connection with such unlading at night or on Sunday or a holiday, in accordance with the provisions of section 267 of this title. In lieu of such deposit or bond the owner or agent of any vessel or vehicle or line of vessels or vehicles may execute a bond in an amount to be fixed by the Secretary of the Treasury to cover and include the issuance of special licenses for the unlading of such vessels or vehicles for a period not to exceed one year. Upon a request made by the owner, master, or person in charge of a vessel or vehicle, or by or on behalf of a common carrier or by or on behalf of the owner or consignee of any merchandise or baggage, for overtime services of customs officers or employees at night or on a Sunday or holiday, the collector shall assign sufficient customs officers or employees if available to perform any such services which may lawfully be performed by them during regular hours of business, but only if the person requesting such services deposits sufficient money to pay, or gives a bond in an amount to be fixed by the collector, conditioned to pay the compensation and expenses of such customs officers and employees, who shall be entitled to rates of compensation fixed on the same basis and payable in the same manner and upon the same terms

and conditions as in the cast of customs officers and employees assigned to duty in connection with lading or unlading at night or on Sunday or a holiday. Nothing in this section shall be construed to impair the existing authority of the Treasury Department to assign customs officers or employees to regular tours of duty at nights or on Sundays or holidays when such assignments are in the public interest: *Provided*, That the provisions of this section, sections 1450 and 1452 of this title, and the provisions of section 267 of this title insofar as such section 267 of this title requires payment of compensation by the master, owner, agent, or consignee of a vessel or conveyance, shall not apply to the owner, operator, or agent of a highway vehicle, bridge, tunnel, or ferry, between the United States and Canada or between the United States and Mexico, nor to the lading or unlading of merchandise, baggage, or persons arriving in or departing from the United States by motor vehicle, trolley car, on foot or by other means of highway travel upon, over, or through any highway, bridge, tunnel, or ferry. At ports of entry and customs stations where any merchandise, baggage, or persons shall arrive in or depart from the United States by motor vehicle, trolley car, on foot, or by other means of highway travel upon, over, or through any highway, bridge, tunnel, or ferry, between the United States and Canada or between the United States and Mexico, the collector, under such regulations as the Secretary of the Treasury may prescribe, shall assign customs officers and employees to duty at such times during the twenty-four hours of each day, including Sundays and holidays, as the Secretary of the Treasury in his discretion may determine to be necessary to facilitate the inspection and passage of such merchandise, baggage, or persons. Officers and employees assigned to such duty at night or on Sunday or a holiday shall be paid compensation in accordance with existing law as interpreted by the United States Supreme Court in the case of the United States versus Howard C. Myers (30 U.S. 561) ; but all compensation payable to such customs officers and employees shall be paid by the United States without requiring any license, bond, obligation, financial undertaking, or payment in connection therewith on the part of any owner, operator, or agent of any such highway vehicle, bridge, tunnel, or ferry, or other person. As used in this section, the term "ferry" shall mean a passenger service operated with the use of vessels which arrive in the United States on regular schedules at intervals of at least once each hour during any period in which customs service is to be furnished without reimbursement as above provided.

"SEC. 452. No merchandise or baggage entered for transportation under bond or for exportation with the benefit of draftback, or other merchandise or baggage required to be laden under customs supervision, shall be laden on any vessel or vehicle at night or on Sunday or a holiday, except under special license therefor to be issued by the collector under the same conditions and limitations as pertain to the unlading of imported merchandise or merchandise being transported in bond."

IMMIGRATION AND NATURALIZATION SERVICE

Section 2 of the act of March 2, 1931, 46 Stat. 1467 (5 U.S.C. 342d) :

"SEC. 2. The said extra compensation shall be paid by the master, owner, agent, or consignee of such vessel or other conveyance arriving in the United States from a foreign port to the Attorney General, who shall pay the same to the several immigration officers and employees entitled thereto as provided in section 342c of this title. Such extra compensation shall be paid if such officers or employees have been ordered to report for duty and have so reported, whether the actual inspection or examination of passengers or crew takes place or not: *Provided*, That this section shall not apply to the inspection at designated ports of entry of passengers arriving by international ferries, bridges, or tunnels, or by aircraft, railroad trains, or vessels on the Great Lakes and connecting waterways, when operating on regular schedules."

DEPARTMENT OF AGRICULTURE FOREIGN QUARANTINE

The act of August 28, 1950, 64 Stat. 561 (5 U.S.C. 576) :

"That the Secretary of Agriculture is authorized to pay employees of the United States Department of Agriculture performing inspection and quarantine services relating to imports into and exports from the United States, for all overtime, night, or holiday work performed by them at any place where such inspec-

tion and quarantine services are performed, at such rates as he may determine, and to accept from persons for whom such work is performed reimbursement for any sums paid out by him for such work."

PUBLIC HEALTH SERVICE FOREIGN QUARANTINE

Section 364 of the Public Health Service Act, as amended, 71 Stat. 181 (42 U.S.C. 267):

"SEC. 364. (c) The Surgeon General shall fix a reasonable rate of extra compensation for overtime services of employees of the United States Public Health Service. Foreign Quarantine Division, performing overtime duties including the operation of vessels, in connection with the inspection or quarantine treatment of persons (passengers and crews), conveyances, or goods arriving by land, water, or air in the United States or any place subject to the jurisdiction thereof, hereinafter referred to as 'employees of the Public Health Service,' when required to be on duty between the hours of 6 o'clock postmeridian and 6 o'clock antemeridian (or between the hours of 7 o'clock postmeridian and 7 o'clock antemeridian at stations which have a declared workday of from 7 o'clock antemeridian to 7 o'clock postmeridian), or on Sundays or holidays, such rate, in lieu of compensation under any other provision of law, to be fixed at two times the basic hourly rate for each hour that the overtime extends beyond 6 o'clock (or 7 o'clock as the case may be) postmeridian, and two times the basic hourly rate for each overtime hour worked on Sundays or holidays. As used in this subsection, the term 'basic hourly rate' shall mean the regular basic rate of pay which is applicable to such employees for work performed within their regular scheduled tour of duty.

"(d)(1) The said extra compensation shall be paid to the United States by the owner, agent, consignee, operator, or master or other person in charge of any conveyance, for whom, at his request, services as described in this subsection (hereinafter referred to as overtime service) are performed. If such employees have been ordered to report for duty and have so reported, and the requested services are not performed by reason of circumstances beyond the control of the employees concerned, such extra compensation shall be paid on the same basis as though the overtime services had actually been performed during the period between the time the employees were ordered to report for duty and did so report, and the time they were notified that their services would not be required, and in any case as though their services had continued for not less than one hour. The Surgeon General with the approval of the Secretary of Health, Education, and Welfare may prescribe regulations requiring the owner, agent, consignee, operator, or master or other person for whom the overtime services are performed to file a bond in such amounts and containing such conditions and with such sureties, or in lieu of a bond, to deposit money or obligations of the United States in such amount, as will assure the payment of charges under this subsection, which bond or deposit may cover one or more transactions or all transactions during a specified period: *Provided*, That no charges shall be made for services performed in connection with the inspection of (1) persons arriving by international highways, ferries, bridges, or tunnels, or the conveyances in which they arrive, or (2) persons arriving by aircraft or railroad trains, the operations of which are covered by published schedules, or the aircraft or trains in which they arrive, (3) persons arriving by vessels operated between Canadian ports and ports on Puget Sound or operated on the Great Lakes and connecting waterways, the operations of which are covered by published schedules, or the vessels in which they arrive.

"(2) Moneys collected under this subsection shall be deposited in the Treasury of the United States to the credit of the appropriation charged with the expense of the services, and the appropriations so credited shall be available for the payment of such compensation to the said employees for services so rendered."

ATTACHMENT C

1965 Inspection agency overtime payments made by ATA member airlines operating regularly scheduled international services

Customs	$1,075,182.05
Immigration	241,119.05
Agriculture quarantine	59,460.05
Public Health	10,233.60
Total	$1,385,994.74

ATTACHMENT D

SUMMARY OF INSPECTION AGENCY OVERTIME PRACTICES AND RATES APPLICABLE TO THE AIRLINES

	BUREAU OF CUSTOMS FOR ALL AIRLINE SERVICE	IMMIGRATION AND NATURALIZATION SERVICE FOR ALL SCHEDULED AIRLINE SERVICE ARRIVING MORE THAN ONE HOUR LATE	AGRICULTURE QUARANTINE FOR ALL AIRLINE SERVICE	PUBLIC HEALTH SERVICE FOREIGN QUARANTINE FOR ALL AIRCRAFT OPERATIONS COVERED BY PUBLISHED SCHEDULES
SUNDAYS	MINIMUM OF 2 DAYS PAY	MINIMUM OF 2 DAYS PAY	NONE--WHEN PART OF THE ADMINISTRATIVE WORKWEEK	NONE
HOLIDAYS	MINIMUM OF 2 DAYS PAY	MINIMUM OF 2 DAYS PAY	$6.60 AN HOUR WITH A MINIMUM CHARGE OF $13.20	NONE
WEEKDAY, SUNDAY & HOLIDAY OVERTIME	DOUBLE TIME TOTAL OVERTIME PAY MAY NOT EXCEED 2½ DAYS PAY	DOUBLE TIME TOTAL OVERTIME PAY MAY NOT EXCEED 2½ DAYS PAY	$6.60 AN HOUR WITH A MINIMUM CHARGE OF $13.20	NONE
CALL-BACK ASSIGNMENTS ON WEEKDAYS, SUNDAYS & HOLIDAYS	DOUBLE TIME WITH A MINIMUM OF ½ DAYS PAY. A MINIMUM OF ONE DAYS PAY IF EMPLOYEE REPORTS TO WORK AFTER THE FIRST 4 HOURS AND BEFORE THE LAST 2 HOURS OF THE NIGHT	DOUBLE TIME WITH A MINIMUM OF ½ DAYS PAY	$6.60 AN HOUR WITH A MINIMUM CHARGE OF $13.20	NONE

NOTE: AIRLINE INDUSTRY GENERAL OVERTIME PRACTICES

AS A GENERAL RULE, GROUND PERSONEL IN THE COMMERICAL AIRLINE INDUSTRY ARE SCHEDULED ON AN 8-HOUR DAY, 40-HOUR WEEK BASIS WITHOUT REGARD TO CALENDAR DAYS. SATURDAYS AND SUNDAYS ARE COMMONLY SCHEDULED AS REGULAR WORKDAYS WITHIN THE 40-HOUR WEEK AND NO PREMIUM (OVERTIME) COMPENSATION IS PAID IF SATURDAY OR SUNDAY IS A REGULARLY SCHEDULED WORKDAY. IF AN EMPLOYEE'S REGULARLY SCHEDULED WORKDAY FALLS ON A HOLIDAY, DOUBLE TIME IS USUALLY REQUIRED. INSOFAR AS OVERTIME PAY IS CONCERNED, TIME-AND-ONE HALF PREVAILS AFTER 40 HOURS, OR AFTER 8 HOURS ON A GIVEN DAY. DOUBLE TIME IS NORMALLY PAID FOR HOURS WORKED OVER 12 ON A REGULARLY SCHEDULED WORKDAY. NO OVERTIME PAY, AS SUCH, IS PAID FOR REGULARLY SCHEDULED NIGHTWORK.

ATTACHMENT E

[From the Wall Street Journal, Jan. 31, 1966]

THE PUBLIC BE SERVED: MORE FEDERAL OFFICES OPEN NIGHTS, SATURDAY—AGENCIES TAKE STEPS TO HELP CITIZENS IN OTHER WAYS, TOO; SUCCESS AT THE SMITHSONIAN

(By Frederick Taylor)

WASHINGTON.—Uncle Sam finally has realized that most of his citizens have to work for a living and that it's hard for them to do business with the Government during the day. So Federal agencies are beginning to keep their offices open during hours that are convenient for the public instead of for their own employees.

Citizens around the country now can do business with a variety of agencies as late as 9 p.m. 1 or 2 nights a week and Saturday mornings as well. No longer do the doors close promptly at 5 p.m. and offices remain dark all weekend. Among those experimenting with the extended hours are:

The Social Security Administration, whose 616 offices around the Nation are open 1 night a week plus Saturday morning; the Federal Housing Administration, which is trying Saturday morning hours in Baltimore, San Antonio and Sacramento; the Veterans' Administration's contact offices in Cleveland, St. Louis, and San Francisco, which are open 1 night a week until 9 p.m. as well as Saturday morning; the Labor Department's wages, hours, and public contact offices in 32 cities, also open 1 night a week plus Saturday morning.

Although only 15 or so of 56 Government agencies checked are thus far experimenting with the longer hours, the drive is gaining and more offices are going to do likewise. The agencies' interest in better serving the public is undoubtedly stimulated by the knowledge that President Johnson is regularly getting reports on progress being made in this direction.

LBJ: "SERVE THE PUBLIC"

This push is a little-noted byproduct of the President's "war on gobbledygook" in the Government. At a Cabinet meeting last February, Mr. Johnson, besides demanding clearer communication within the Government, expressed his concern about Federal employees' responsiveness to public inquiries and requests for service. In November he followed up with a memo to Government agencies containing a statement that may have struck some bureaucrats as novel: "The task of Government is to serve the public." He assigned John Macy, chairman of the Civil Service Commission, to ride herd on efforts to improve that service. A first report on improvements underway was made December 15, another is due tomorrow and there will be others every 90 days thereafter.

So far, the results of the longer hours are inconclusive for most agencies. One reason is that the extended hours are in effect only in scattered areas and scattered agencies. Another is simply that "it is difficult for the general public, after being conditioned by so many years of '8 to 5, Monday through Friday,' to conceive that a Government office could be open evenings and Saturdays," comments Irving Kator, executive vice chairman of the Government's Interagency Advisory Group, who is monitoring the program for Mr. Macy.

SUCCESS AT THE SMITHSONIAN

One Government organization that has had considerable success with extended hours is the Smithsonian Institution, which first tried them in 1964. For July and August of that year, four museums under the Smithsonian's wing, which normally were open from 9 a.m. to 4:30 p.m., extended their closing hours until 10 p.m.; 450,000 people visited them during the later hours in those 2 months. Last summer the museums tried the longer hours from April through August and 1,377,000 people took advantage of them. The Smithsonian found, in casual survey, that lots of the night visitors were not sightseers from out of town, but residents of the Washington area, and concluded that many were doing their museum visiting after their working day was over.

To meet a recent emergency, one Government office went so far as to open on Sunday—and got a rousing reaction. The Small Business Administration responded to an economic crisis caused by the transit strike by opening its New

York City office on Sunday, January 9, when the walkout was 9 days old. When the day was over, more than 600 operators of small trucking firms, bookshops, clothing stores, and other businesses had applied for loans to bail themselves out of financial jams caused by the tieup.

On a regular basis, the Internal Revenue Service, which had done nothing of the sort in the past few years, is trying an experimental program of extra hours in 14 cities to help people with tax problems. The test, which started in November, will run through May. In Buffalo, taxpayers can get help until 8:30 p.m. on Mondays and Thursdays and all day on Saturdays. In St. Louis, the tax office is open until 9 p.m. on Thursdays, as well as all day on Saturdays. Besides answering taxpayers' questions, the afterhours staff conducts audits and receives tax payments.

Longer hours are only part of a current drive to serve the public better. Other phases include establishing of information centers in large cities at which citizens may find out which Federal agency can provide the service or assistance they are seeking. Mr. Macy has described what usually happens now: Somebody with a housing problem comes into a Federal building in a city and he looks at a menu board next to the elevator; unless he has taken an advanced degree in political science, he has no idea which of the outfits with those names he ought to see about his particular problem. He suggests it's possible to have an information clerk in the lobby—I'd even say an attractive as well as an informed one—who could answer questions on the spot or direct people to the proper source.

Another step under consideration is one-stop shopping service for people having business with the Government—a single place where anyone can have his affairs attended to whether he's inquiring about medicare benefits or applying for a Federal loan or seeking a Government job.

A move in that direction is the establishment of interagency boards of civil service examiners in 65 cities across the country. At those locations prospective Government employees will be able to get all needed information and take the tests of all agencies; the 65 consolidate nearly 700 separate boards. The interagency boards will start opening for business in July and all 65 are to be in operation by next January.

Better service to the public won't necessarily be cost free to Uncle Sam, of course. The Smithsonian found that staying open the longer hours cost about $170,000 a month for additional guards and extra upkeep. The Post Office Department, which in 1964 curtailed the hours its mail windows were open in 15,000 post offices, is proposing to go back to the old hours of 8 a.m. to 6 p.m. as well as to reestablish Saturday parcel post deliveries in 6,000 cities; it's asking $15.5 million to pay for the added service.

But so far most agencies have found that the longer hours have not cost any more. They simply have reassigned workers to cover the longer hours, spreading the workload. The IRS, surprisingly enough, has found that it has more than enough volunteers to work evenings and Saturdays.

ATTACHMENT F

EXCERPTS FROM THE REPORT: "AN EVALUATION OF: MISSION, ORGANIZATION, MANAGEMENT" RELATING TO CUSTOMS OVERTIME PRACTICES AND RELATED MATTERS AS PUBLISHED DECEMBER 1964 BY THE BUREAU OF CUSTOMS, TREASURY DEPARTMENT

Administrative management: In the personnel management activity, customs is not making the best use of its favorable competitive position to attract quality personnel despite the favorable average grade and pay structure of personnel below the supergrade level. Customs does not have standards for initial appointment as high as other inspectional services in kindred Federal agencies. The compartmentalization of the organization in the field materially restricts opportunities for broadening experience and for promoting employees. There is far too little mobility within field offices and across organizational lines; relatively few employees in the entire Bureau have broad knowledge of total customs activities. Also, the 1911 Overtime Act militates against effective career development, manpower utilization, and mobility on the part of employees (p. III–3).

The 1911 Overtime Act militates against career development, manpower utilization, and mobility on the part of employees. There are approximately 2,650 employees regularly participating in overtime. Using 1963 salary schedules, the average overtime earnings per employee amounted to approximately $3,150. The average GS–9 inspector of customs, with a salary of $7,575 then had a gross income, with overtime, of some $10,725, or the equivalent of the 5th step of grade GS–12. Obviously, it becomes difficult, if not impossible, to convince an inspector to accept a promotion which will also involve the loss of overtime earnings. There are other problems with the existing overtime law and its application. Among these are: (1) The question as to whether the payment of an amount equal to one-eighth of the total money appropriated to the service represents the best use of manpower and money; (2) The question as to whether the Government should require reimbursement for services which are for the purpose of protecting the public or producing revenue; (3) The differences within the customs service and between customs and other inspectional agencies concerning services for which reimbursements are required and charges for services rendered; and (4) The inequitable treatment regarding reimbursement based upon the type of carrier (p. V–ii).

A means of more closely controlling compliance with Bureau policy on overtime should be installed to insure: (1) all nonreimbursable tours of duty that are not vital are eliminated; (2) adequate tours of duty are provided in lieu of reimbursable assignments where this is justified; and, (3) the extent of overtime worked by any employee does not impair his efficiency during the regular tour of duty. This can be done by improved reporting to the Bureau, giving more responsibility to field auditors, and by assigning functional supervision of inspectional activities to operations divisions at regional offices (p. V–vi).

The Treasury Department should request the Bureau of the Budget to seek legislation which would—

(*a*) Clearly set a uniform Government-wide policy on reimbursements for inspectional services;

(*b*) Establish uniform charges for those services for which charges are made;

(*c*) Establish Government-wide definitions of overtime for inspectional services;

(*d*) Set uniform rates for overtime and holiday pay for inspectional services; and,

(*e*) Provide equitable treatment, with appropriate savings provisions where necessary, for employees concerned (p. V–vii).

The effect of overtime on total compensation: The pay structure of the Bureau of Customs is not complete without mentioning the subject of overtime. A detailed discussion is contained in the next portion of this section. The important fact is that those employees in inspection occupations are the primary ones which receive additional compensation under the 1911 Overtime Act. Employees in this occupation make up 30 percent of the total work force and average approximately $3,150 a year in overtime. With this overtime, an employee in GS–9 step 5 at $7,575 would have a total income of $10,725, or the equivalent to the maximum salary of a GS–11 or the fifth step of GS–12 (p. V–9).

There are three main reasons why mobility is a problem in the customs service. They are—

(1) The attitude of some principal field officers;

(2) The effects of the 1911 Overtime Act; and

(3) The organizational structure of the service and the headquarters (p. V–15).

(Additional excerpts from the Stover report are printed at the conclusion of Pacific American Steamship statement.)

"Premium Pay for Certain Federal Inspectional Personnel," a report prepared by the Interagency Committee on Overtime Pay for Certain Inspectors, October 1955. (Report is contained in AV–16 through AV–22.)

1. Summary of Conclusions and Recommendations

A. COVERAGE

Conclusions

Inspectional employees with like working conditions are now covered by a variety of premium pay plans.

All activities concerned in the inspectional premium pay problem should be under a single premium pay plan.

Coverage stated in terms of the functions performed simplifies the determination of when an employee is paid under the inspectional premium pay plan.

Recommended coverage

1. Agriculture Research Service, Department of Agriculture:
   Meat inspection work under the Meat Inspection Act or the Tariff Act and related specification inspection work.
   Inspection work with respect to products under the Virus-Serum-Toxin Act.
   Inspection, quarantine, and related activities with respect to plants and plant products entering or leaving the United States.
   Inspection, quarantine, and related activities with respect to animals and animal products entering or leaving the United States.
2. Federal Communications Commission:
   Inspection of ship radio equipment and apparatus under the Communications Act and the Great Lakes Agreement.
3. Public Health Service, Department of Health, Education, and Welfare:
   Medical examination or inspection or sanitary inspection of conveyances, persons, or goods arriving in the United States.
4. Immigration and Naturalization Service, Department of Justice:
   Examination of persons seeking admission to or passage through the United States.
5. U.S. Coast Guard, Department of the Treasury:
   Inspection of vessels or their equipment, or signing on or discharging crews of merchant vessels.
6. Bureau of Customs, Department of the Treasury:
   Services in connection with the movement of carriers or of persons or goods thereon, or the inspection, examination, receipt, or release of persons or goods as required by customs or other laws administered by the Bureau.

Appendix G, a draft of a coverage provision suitable for inclusion as a bill on inspectional premium pay, shows the proposed coverage in more detail.

B. PAY FOR WEEKDAY OVERTIME DUTY

Conclusions

The Federal Employees Pay Act provides, for work in excess of 40 hours a week, an overtime rate of time and one-half on salaries up to and including the minimum rate of grade GS–9; and overtime rate of time and one-half on the minimum rate of grade GS–9 is provided for employees above that level.

Industry practices fail to furnish a basis for continuing the double time overtime rates of customs-type statutes.

Neither the Federal Employees Pay Act nor the customs-type statutes (in whcih clock hours are a factor) definition of the overtime period meets the needs of inspectional activities.

The policy of excluding high-salaried personnel from the full overtime rate does not now but should apply to all inspectional employees. Many journeyman inspectors and first-line supervisors, however, are compensated above the minimum rate of grade GS–9, which is the cutoff point of the Federal Employees Pay Act.

Recommendations on overtime pay

1. The overtime rate to be payable for hours of duty (*a*) in excess of the scheduled basic hours on a scheduled workday within the basic workweek, (*b*) on a day outside the basic workweek, or (*c*) in excess of 40 hours during an administrative workweek.

2. A time-and-one-half rate to be payable for overtime duty on a weekday.

3. The overtime rate to be applicable only to such part of an employee's base pay rate as does not exceed the maximum scheduled rate of grade GS–11 (now $7,465 a year).

4. Pay for scheduled overtime duty which results from a general extension of the Federal workweek (e.g., during a national emergency) to be at the overtime rates provided in sec. 201 of the Federal Employees Pay Act of 1945, as amended (time and one-half on such part of the employee's base pay rate as does not exceed the minimum scheduled rate of grade GS–9).

C. PAY FOR SUNDAY DUTY

Conclusions

No premium rate is provided in the Federal Employees Pay Act for nonovertime Sunday duty.

Customs-type statutes provide 2 day's additional pay for Sunday duty, even if within an employee's 40-hour basic workweek.

Thus the Government is required to pay double-time rates to provide necessary customs and immigrant inspection service at border crossings on Sunday.

This is not true of other continuous operations of the Government.

Industry practices support a double-time rate for overtime duty on Sunday, but not a premium rate for regularly scheduled, nonovertime work on Sunday.

Recommendations on Sunday pay

1. Regular base pay rates, no premium rates, to be payable for regularly scheduled hours of Sunday duty within the basic workweek.

2. A double-time rate to be payable for overtime duty on Sunday or on such other day of the week as is established administratively as the employee's day off in lieu of Sunday.

3. The double-time rate to be applicable only to such part of an employee's base pay rate as does not exceed the maximum scheduled rate of grade GS–11 (now $7,465 a year).

D. PAY FOR HOLIDAY DUTY

Conclusions

The Federal Employees Pay Act provides additional pay at straight-time rates for nonovertime duty on holidays and at overtime rates for holiday overtime duty.

Customs-type statutes provide additional pay for holiday duty at double-time rates; inspectors under other statutes receive additional pay at straight-time rates for nonovertime holiday duty and at overtime rates for overtime holiday duty.

Prevailing industrial practice is to grant additional pay at straight-time rates for nonovertime duty on paid holidays and at higher rates for holiday overtime duty.

The rates for overtime duty on holidays should be no less than the rate for overtime duty on Sundays.

Duty on a holiday within the basic workweek (nonovertime) is as onerous and undesirable as duty on a holiday falling outside the basic workweek (overtime) and should command the same rate of additional pay.

Recommendations on holiday pay

1. A double-time rate to be payable for duty on a holiday, irrespective of whether such duty is nonovertime (within an employee's 40-hour basic workweek) or overtime (in excess of an employee's 40-hour basic workweek).

2. The double-time rate to be applicable only to such part of an employee's base pay rate as does not exceed the maximum scheduled rate of grade GS–11 (now $7,465 a year).

E. PAY FOR CALLBACK ASSIGNMENTS

Conclusions

A minimum of 2 hours' pay at overtime or holiday rates, respectively, is provided by the Federal Employees Pay Act for callback overtime and holiday assignments.

Prevailing industry practice calls for a minimum guarantee of approximately 4 hours' pay at straight-time rates for callback overtime assignments.

Customs-type statutes require a minimum of 2 hours' pay at double-time rates for any overtime assignment of 1 hour or more.

The Bureau of Customs and the Immigration and Naturalization Service, by regulation, grant 4 hours' and 2 hours' pay at double-time rates, respectively, in addition to pay for hours actually on duty, on many overtime assignments.

Import-export animal and plant quarantine inspectors receive a commuted travel time allowance on callback assignments, ranging from 1 to 3 hours' pay at the appropriate rate, in addition to pay for time on duty.

The provision of customs-type statutes requiring 2 days' pay for any duty, however brief, on a Sunday or a holiday can result in windfall benefits for inspectors.

Recommendations on callback pay

1. The guaranteed minimum to be 3 hours' work or 3 hours' pay at the appropriate overtime or holiday rate for (*a*) unscheduled overtime duty for which an employee is required to return to his place of employment, either on a regular workday or on a day when he is not scheduled to work, and (*b*) any duty on a holiday for which an employee is required to return to his place of employment.

2. The guaranteed minimum not to be applicable to duty which is continuous from the end of the employee's scheduled duty or which continues to the beginning of his next scheduled duty.

3. An agency may administratively compensate as continuous duty, without payment of the full guaranteed minimum, assignments ending less than 3 hours after completion of scheduled duty or beginning less than 3 hours before the beginning of scheduled duty.

4. The guaranteed minimum to be applicable to each separate assignment, except no additional minimum to be applicable to an additional assignment beginning within the 3-hour period paid for by the guaranteed minimum of a previous assignment, and such second assignment to be compensated as if duty had been continuous.

5. An employee to be paid the guaranteed minimum if he is ordered to report for duty and does so, even if no work materializes; and to be paid for all time required to be on duty, including any required waiting time.

F. OTHER RELATED MATTERS

Conclusions

Incorporating premium pay provisions for inspectors in the Federal Employees Pay Act would integrate such premium pay provisions with those for other Classification Act employees.

It would also extend to the inspectional groups many provisions of the Federal Employees Pay Act on other matters.

Recommendations on other related matters

1. The overtime, Sunday, and holiday pay provision for inspectors to be incorporated in the Federal Employees Pay Act, as a new title applicable to the inspectional groups concerned.

2. In this manner, provisions of the Federal Employees Pay Act on other matters to be extended to the inspectional groups. Such matters include scheduling of tours of duty, compensatory time off, ceiling on aggregate pay, special provisions for standby employees, and issuance of regulations by the Civil Service Commission. (Pp. AV–16 through AV–22.)

ATTACHMENT G

LIST OF U.S. AIRPORTS WHERE INSPECTIONS OF SCHEDULED AIRLINES ARE NOW CONDUCTED—BY LOCATION AND NAME

A. Those designated as international "airports of entry":
1. Buffalo, N.Y.; Greater Buffalo International Airport.
2. Cleveland, Ohio; Cleveland Hopkins Airport.
3. Detroit, Mich.; Detroit Metropolitan Wayne County Airport.
4. Duluth, Minn.; Duluth International Airport.
5. Fort Lauderdale, Fla.; Fort Lauderdale-Hollywood International Airport.
6. Grand Forks, N. Dak.; Grand Forks Municipal Airport.
7. Great Falls, Mont.; Great Falls International Airport.
8. Juneau, Alaska; Juneau Municipal Airport.
9. Ketchikan, Alaska; Ketchikan Airport.
10. Miami, Fla.; Miami International Airport.
11. San Diego, Calif.; San Diego Municipal Airport (Lindbergh Field).
12. Tampa, Fla.; Tampa International Airport.
13. West Palm Beach, Fla.; Palm Beach International Airport.

B. Those referred to as "Landing rights" airports:
1. Anchorage, Alaska; Anchorage International Airport.
2. Baltimore, Md.; Friendship International Airport.
3. Boston, Mass.; Logan International Airport.
4. Chicago, Ill.; O'Hare International Airport.
5. Corpus Christi, Tex.; Corpus Christi International Airport.
6. Dallas, Tex.; Love Field.
7. Fairbanks, Alaska; Fairbanks International Airport.
8. Honolulu, Hawaii; Honolulu International Airport.
9. Houston, Tex.; Houston International Airport.
10. Jacksonville, Fla.; Imeson Municipal Airport.
11. Los Angeles, Calif.; Los Angeles International Airport.
12. Minneapolis, Minn.; Minneapolis-St. Paul International Airport.
13. New Orleans, La.; New Orleans International Airport (Moisant Field).
14. New York, N.Y.; John F. Kennedy International Airport.
15. Newark, N.J.; Newark Airport.
16. Philadelphia, Pa.; Philadelphia International Airport.
17. St. Thomas, V.I.; Norfolk Municipal Airport.
18. San Antonio, Tex.; San Antonio International Airport.
19. San Francisco, Calif.; San Francisco International Airport.
20. San Juan, P.R.; Puerto Rico International Airport.
21. Seattle, Wash.; Seattle-Tacoma International Airport.
22. Spokane, Wash.; Spokane International Airport.
23. Syracuse, N.Y.; Charles E. Hancock Airport.
24. Washington, D.C.; Dulles International Airport.
25. Washington, D.C.; National Airport.

Senator MONRONEY. Our next witness is Mr. John J. Murphy, president of the National Customs Service Association. We are glad to have you here today. You have a period before us meantime. You have a prepared statement, I believe.

STATEMENT OF JOHN J. MURPHY, PRESIDENT OF THE NATIONAL CUSTOMS SERVICE ASSOCIATION; ACCOMPANIED BY WILLIAM F. REARDON, CHAIRMAN OF THE WAGE AND HOURS COMMITTEE

Mr. MURPHY. Mr. Chairman and members of the committee, my name is John J. Murphy. I am president of the National Customs Service Association. I am accompanied by William F. Reardon, chairman of our wage and hours committee.

The National Customs Service Association is an independent organization of employees of the customs service at all levels and in all

occupations. We have local branches and members at large throughout the mainland United States and in Alaska, Hawaii, Puerto Rico, and the Virgin Islands. We have members also in foreign countries where there are U.S. customs facilities.

We are the only organization that has been accorded formal national recognition under Executive Order 10988 by both the Treasury Department and the Bureau of Customs as representative of employees of the customs service.

Our organization represents the employees who perform the services enumerated in S. 1596. These employees include inspectors, samplers, warehouse officers, marine officers, and others who are required to work overtime on special assignments at the request of and for the benefit and convenience of various carriers.

In the interest of saving the time of the committee, we respectfully request that our complete statement and memorandum in support of continuance of reimbursement be made a part of the record, and that I be permitted to highlight a few points at this time.

Senator MONRONEY. That will be fine.

Mr. MURPHY. Mr. Chairman, we have given long and serious study to the proposed legislation before you. We have considered its potential impact on the interests of the Government, the general public, the carriers, and the Federal employees who perform the effected functions.

As a result of our study we have reached the conclusion that S. 1596 is not in the best interests of the Government, the carriers in general, or the employees of the customs service. We, therefore, declare ourselves in opposition to the bill in its entirety.

Our opposition is not based on any narrow self-interest but is predicated on what we believe to be the basic unsoundness of the proposed measure.

Briefly stated the following are the reasons for our objections:

1. We believe that this proposal seeks to shift services to the carrier who demands services in hours outside established regular hours for customs business and who alone is responsible for the place, time, and duration of such services.

2. In our view, the end result of this legislation would be to saddle the Government with an enormous burden to furnish complete inspectional services at the whim of the carriers at all hours and at every place the carrier wishes to designate.

The cost to the Government would far exceed the present cost of reimbursement as the carrier would demand more and more service since it is being provided free.

The Federal employee would be forced to assume a major share of the burden by being required to work onerous tours of duty in a desperate attempt, but in our view a fruitless one, to provide extended service by an already inadequate staff and with very tight appropriations.

We foresee a re-creation of the unbearable conditions that brought about the need for mandatory reimbursable overtime in the first place.

Under S. 1596 it is almost certain that the employee would be forced into accommodating the carrier irrespective of the unreasonableness of its demands. And for this we feel we would not be properly compensated for the work that would be required.

3. The carriers themselves, particularly the steamship industry, may find itself greatly harmed if this measure becomes law. It should be borne in mind that the vessel operators were mainly instrumental in the passage of the 1911 law and have favored it in the past because of the flexibility it affords them to schedule and carry out their operations. For example, as cited in our "Memorandum in Support of Continuance of Reimbursement," the spokesmen for the shipping interests have stated time and again that the reimbursement is "an infinitesimal part of our operating costs." They concede that the carrier is being benefited by being able to request inspections at a time and place to suit its convenience. They have pointed out that they "will be saved a tremendous amount of money; greatly disproportionate to the cost of overtime to the Government for this extra service."

We see no need to point out to our friends in the steamship industry the very practical obstacles to giving customs service on a tour of duty basis. In our view it is administratively impossible to provide adequate service on a platoon arrangement due to the fluctuating and unpredictable nature of the shipping industry. The vessel operators will lose, for example, the flexible means of having their vessels boarded and crew cleared. This is very often an important consideration in terms of operating costs and stable employee relations.

The steamship industry itself is well aware that it cannot carry out its own operations with waterfront tours of duty.

An illustration of the impossibility of customs scheduling tours to meet the demands of airlines occurs when weather conditions necessitate the diversion of passenger planes from one international airport to another. For instance, when the New York area airports are suddenly closed, alternate ports which are open in Boston, Philadelphia, Baltimore, and even more distant ports find themselves with up to 10 unscheduled arrivals containing hundreds of disgruntled passengers clamoring to clear customs when no staff is available to handle them. In the meantime, the New York inspectors provided at Government expense idle. Identical situations occur to a lesser degree in Los Angeles and San Francisco, to mention just two other ports.

Another important factor in understanding the obstacles to after-hours scheduling of customs officers on tours of duty is the prevalence of strikes in the steamship and airline industries.

Both of these industries have a history of unstable labor conditions. Authorized and wildcat strikes and walkouts materialize nationally or locally with little or no notice. The result would be that all the additional employees assigned to platoon duty would be idle as the essential work of the port would be at a standstill. Obviously, this would be at considerable expense to the taxpayer as there would be no way to utilize the wasted manpower.

4. Another undesirable feature of the bill is that it would discriminate against the general public by requiring that appropriated funds be used for the benefit of carriers who are in business for profit; and perhaps most importantly would put the Government in the position of actually subsidizing foreign-flag vessels and aircraft. This is by reason of the fact that foreign-flag vessels represent over 75 percent of arrivals from foreign ports and foreign-flag aircraft are 64 percent of international arrivals.

At this point, Mr. Chairman, we have included a tabulation which we believe is self-explanatory and also no need for me to read it. It sets forth a number of ports in the United States where there are international arrivals and bears out our contention that there is a large number of these flights which are foreign-flag carriers.

Senator MONRONEY. Looking at this schedule on aircraft arrivals, on page 8, I don't see John F. Kennedy. It is listed below, but not in the tabulations.

Mr. MURPHY. We weren't able to get the complete figures to put into this tabulation, Mr. Chairman.

Senator MONRONEY. Comparable figures?

Mr. MURPHY. We do have additional figures which I mention in the narrative part affecting Kennedy that I think will bring out the point.

Record of commercial steamship and aircraft arrivals required to enter, and listed as to foreign or American registry, calendar year 1965

INTERNATIONAL AIRPORTS

Port	Foreign flag	American flag	Total	Percentage foreign flag
Boston	2,059	972	3,031	67.9
Detroit	588	391	979	60.0
Los Angeles	3,478	1,296	4,774	72.8
Miami	9,967	6,785	16,752	59.5
New Orleans	874	778	1,652	52.9
Seattle (Tacoma)	2,657	389	3,405	87.2
Chicago	1,509	1,127	2,628	57.4
Total	21,132	11,738	32,870	64.3

SEAPORTS

Baltimore	3,323	763	4,086	81.3
Boston	1,676	435	2,111	79.3
Detroit	1,515	252	1,767	85.7
Los Angeles	3,114	2,275	5,389	57.8
Miami	2,481	651	3,132	79.2
New York	7,232	1,904	9,136	79.2
New Orleans	3,418	876	4,294	79.6
Philadelphia	3,757	895	4,652	80.7
Portland, Oreg	1,477	293	1,770	83.4
Providence, R.I	120	19	139	86.4
San Francisco	2,142	902	3,044	70.4
Seattle	774	877	1,651	46.9
Chicago	1,218	174	1,392	87.5
Total	32,247	10,316	42,563	75.8

The records at Kennedy International Airport (N.Y.) show that 40,344 planes arrived with 2,008,953 passengers from foreign countries in 1965. In the month of July 1965, which is a representative month, the records show the arrival of 218,376 passengers. Of this total, 75,412, or 35 percent, arrived on American-flag planes, the remaining 142,964 passengers, or 65 percent, came in on foreign-flag aircraft.

At the seaport of New York, of the over 9,000 vessel arrivals requiring entry in a year's time, foreign-flag carriers approximate 79 percent; Americna-flag, 21 percent.

With the percentages so heavily on the side of foreign operators, it seems clear that there is no way that this expenditure of public moneys for this purpose can be justified. It is apparent also that such relief

from reimbursement for foreign carriers would adversely affect our balance of payments which has been a matter of serious concern to the Government. This procedure is a contradiction of the stated policy of the administration to prevent the flow of dollars abroad.

5. The entire matter of relieving the third parties of reimbursement for requested services runs directly counter to the policies of the administration which advocates efficient and frugal administration of Government agencies.

Attempts are being made to increase or extend fees for various services formerly given free. For example, S. 1875, a bill sponsored by the administration, contemplates increasing fees for such customs services as documentation, renewal of licenses, recording of various documents, and so forth, which now bring in about $500,000 to the Government but which costs the Government approximately $2 million to provide these services under navigation laws.

It seems inconsistent for the Government to seek to increase the fee for a bill of sale from 20 cents a folio to $3 while S. 1596 seeks to furnish inspectional service 24 hours a day, 7 days a week, at any place demanded by a carrier at a cost to the taxpayer of more than $8 million a year.

There are a number of other matters on which I wish to comment.

The charge that reimbursable overtime generally results in excessive amounts of earnings by inspectors and others is untrue. It is true that in isolated instances there have been high earnings. This we freely concede with the explanation that the condition is brought about by inadequate staffing and unreasonable demands for service by carriers. We believe that in the instances cited today, there is a logical and reasonable explanation for every one of them and that basically it is brought about by having perhaps a port where there are but one or two men on duty and the carrier demands so much service that the employee is required to work long hours of overtime and on Sundays and holidays, and that high earnings are the natural results. It should be noted that the employee does not make his own hours or decide when or whether he will work overtime. He is assigned to extra-compensation services by his official supervisor upon the request of the carrier for services. We repeat that the time, the place, and the duration are entirely under the control of the carrier. Neither the Government nor the employee has any voice in it.

The reasonableness of customs overtime earnings is plain when comparisons are made with the amount of overtime earned in the industry. For example, in the port of Boston the overtime earnings for customs inspectors represents 18 percent of their total earnings while the overtime earnings of workers on the waterfront represents over 20 percent of total pay. At the port of New York the percentages are 25 percent for customs and 40 percent for the industry.

In these proceedings, Mr. Chairman, we wish to protest the misleading and totally inaccurate suggestion that customs laws prohibit the performance of customs services at night or on Sundays and holidays "unless private parties contract with Government employees" for such services.

The fact of the matter is that customs and other Federal employees have nothing whatever to do with the arrangements whereby third

parties are provided with services at night and on Sundays and holidays. The regulations concerning special assignments are clear.

In the customs service inspectional services are provided at times outside the normal hours of the port under carefully prescribed and rigidly enforced regulations. The primary requirement is that the person requiring the service must request the collector of customs for the assignment of personnel for stated purposes and must guarantee by bond or cash deposit that he will reimburse the Government for the services of the employee.

There are no dealings or arrangements of any kind or description between the carrier and the employee. The employee is performing the service at the direction of his supervisor and the transaction of reimbursement is outside his sphere completely.

We take strong exception to the implication that the customs employee could be in any way obligated or beholden to the third party. The reason for the suggestion we protest appears to be to mislead the Congress into assuming that an irregular—even illegal—relationship exists between the carrier and the employee. To our minds it is unworthy of a national industry to attempt to raise such an inference. Actually, it borders on the irresponsible.

The transportation industry is freely critical of the requirement to reimburse the Government for the cost of certain of their operations and has pointed out what appears to them to be flaws in the statutes. One familiar with the customs service cannot but feel that the industry is overlooking completely the many substantial advantages that accrue to the carriers under present overtime assignment practices.

One of the elements not fully appreciated, we think, is the widespread current practice of having inspectors remain on a standby or oncall status at night and over weekends to report for assignments that might materialize.

This perpetual oncall arrangement is for the direct benefit of the carrier alone and the employee holds himself in a ready position without compensation of any kind unless the carrier has a vessel, train, or aircraft arrive that requires customs treatment.

Many hours of the employee's time are thus reserved for the carrier without payment. The employee gives up his normal home life, social and recreational pursuits to remain at the beck and call of the carrier. It is common for inspectors to be called during the middle of the night to provide services, often under extreme weather conditions.

The other side of the coin is that on many occasions when an inspector has been ordered to an early morning assignment, he is called by the carrier's agent during the night—awakening the whole family in the process—giving notice that the ship, train, or plane will not arrive and the assignment is canceled.

In practically all instances the customs officer provides his own transportation to and from after-hours assignments. The primary reason why he must use his own car is that in most instances public transportation is not available to his work location and at the hours of assignment. In cases where public transportation is available, it is at its minimum efficiency and reliability during the hours he must travel to a pier or airport on short notice by the carrier.

He must, of course, travel to his assignment despite adverse weather conditions.

At times inspectors who do not have cars must use taxicabs at their own considerable expense. Involved also is the expense of bridge and tunnel tolls. No expenses of this kind are defrayed either by the Government or the party in interest.

These are burdensome practices the customs men accept in the present system because they feel they are fairly compensated overall for the premium-type service they provide.

We recognize that customs inspection of private aircraft is a problem in some areas. The need for private aircraft to pay reimbursement under certain conditions has resulted in many complaints. We sympathize with the problem of the private flier and the customs service has tried every conceivable mean to relieve or mitigate charges.

It may be that this committee may wish to consider the proposals in H.R. 6433 (Mr. Langen) and H.R. 6917 (Mr. Blatnik) which provide for a flat fee for the inspection of private aircraft. We understand that both these measures have the approval of the Treasury Department.

We want to make it clear that in recommending consideration of these bills we would insist that Congress retain the language which reads:

> Nothing in this act shall be construed to affect the amounts payable under any provision of law or regulation to the officers or employees who perform the services involved.

In closing, Mr. Chairman, may I say that we believe that S. 1596 would solve nothing but would cause an enormous dislocation of the established customs function. We cannot conceive of the Government's assuming the cost of inspections that have been conceded to be primarily for the benefit of the carriers. We cannot believe that this committee will vote to cut the income of a large group of loyal Federal employees solely for the accommodation of the transportation industry. We are certain that this committee will not allow Federal employees to be exploited by the creation of onerous and unrealistic tours of duty for the profit and convenience of carriers, almost 70 percent of whom are flying foreign flags.

Finally, Mr. Chairman, I want to thank you for your courtesy and patience. If there are any questions the committee wishes to ask, we will answer them to the best of our ability.

Senator MONRONEY. Thank you very much for your statement, Mr. Murphy.

I would like to ask if you feel that this customs service which was adequate in 1911 to meet steamship arrivals is good service today, measured by the standards of 1966. We are dealing with aircraft and with frequent departures in the flight from Europe to America, some 6 to 7 hours, prohibiting the banker's hours as being the only ones available without premium payment for Government services that should be available at the time the present transportation means are moving or arriving. You are satisfied, are you, with the customs service?

Mr. MURPHY. As you have pointed out a great many things have happened since 1911. I would like to draw your attention to the

fact that this law has been amended on a number of occasions since then, and in each instance the Congress has felt that reimbursement was a necessary part of the overall picture.

With regard to the arrivals of international aircraft, we do not keep banker's hours at the airport where there is a recurring need for service. As has been pointed out, many airports have 24-hour service. Others have——

Senator MONRONEY. Will you name them?

Mr. MURPHY. New York, Honolulu——

Senator MONRONEY. We are talking about free 24-hour service.

Mr. MURPHY. Yes, this is free 24-hour service.

Senator MONRONEY. We just heard testimony, Mr. Murphy, from the ATA, pointing out that San Juan, John F. Kennedy, Miami—we have three airports in the entire United States that have 24-hour service free.

Mr. MURPHY. That is correct, sir.

Senator MONRONEY. I want to keep this record straight.

Mr. MURPHY. At Kennedy Airport at New York we have tours that are overlapping in order to try to cope with the peak arrivals.

Senator MONRONEY. Service is very good there, and I think it is appreciated by the people who use it.

Mr. MURPHY. Thank you, sir. This is true of other ports. The point that we wish to make is that it is not possible, and we feel not justified, to try to have at Government expense the number of men that would be needed to meet the peak period. This is the reason why the 1911 reimbursable overtime law was brought into being in the first place. This is relevant to the carriers where, if because of unusual circumstances or weather, or diversions of planes, they can now call out additional men to service their planes.

As I pointed out, we have had occasions where planes have been diverted because of weather and had to go to another airport where there were no inspectors on duty. We now have the problem of either calling men out on reimbursable overtime or not being able to clear the passengers. This is something that would not happen regularly enough to justify putting on tours of duty under the criteria that is set up in the customs regulations.

Senator MONRONEY. What purpose are your customs inspectors on the job for? To protect the Federal Government from loss of income through customs? Or to help the airlines or the steamships or the passengers? Let's get it straight in the record. What is their employment for?

Mr. MURPHY. We certainly, Senator, subscribe to the philosophy that these customs, quarantine, and other inspections are for the benefit of the taxpayer at large. There is no question about that. I think that it would be very foolish not to agree. But our point on this is that this service is being performed for a limited number of people at the hours in which the service occurs, which brings about these complaints.

Free service is provided at any time at every place where it can be justified. And I might say that referring to the Bureau of Customs—we don't agree with the Bureau of Customs many times because we feel that they have gone overboard on providing free services under conditions that we do not feel are justified.

Senator MONRONEY. What justification is there for paying customs employees who work 70 or 80 hours a week, a much higher overtime rate than that paid for postal employees who may also work a heavy overtime week?

Mr. MURPHY. I think, basically, Senator, the conditions of our work are entirely different. It is a different type of work, it requires a different type of man. In addition to that, this is a "labor gain," if I might use this term, going back to 1911. We are really ahead of our time.

This law was ahead of——

Senator MONRONEY. We are not talking about 1911. The traffic in 1911 probably wasn't 10 percent of what the traffic is now, and yet you want to keep the same hours, you don't even want to have the Government employee members of your association, new members, perhaps, to give better service on an 8-hour-a-day basis, or whatever is required. Do you assume that we are going to open every port of entry for 24-hour days? This would be foolish. But to stay with the old reimbursable system, when the service is being required for the Government itself, when traffic has changed completely from the time that this went in, I think is trying to live with the past.

Mr. MURPHY. This is not our position, Senator. We have agreed that where there is a need for such service, it should be on a platoon or tour of duty expense. We are concerned and are addressing ourselves solely to the special type of service outside of these hours.

For example, if at any given airport we have four men on a tour of duty and we suddenly have some planes drop in from another port, how can we operate? There is no other way we can operate except calling in men who are off duty to service these planes. Otherwise, the plane will be held up at great inconvenience not only to the carrier but to the passengers. There is no other way of handling this. You cannot run this transportation industry, in my opinion, my humble opinion, without overtime. This is especially true of the waterfront because the waterfront industry itself cannot schedule its people on tours of duty.

Senator MONRONEY. We are still talking about the good old steamships. I like them, too, but facts will show that a lot more people arrive by air than arrive by steamship. And they are going to come in at odd hours because these planes are fast. They are going to move even faster with the development of the technology of air. And it is going to be a 24-hour-a-day service. Maybe it will be concentrated in 18. It is going to be more than a 6-day week because people are goin to travel on Sundays.

We are being unrealistic, I think, in looking at this thing as a steamship operation dated back to 1911. This is the time to modernize, it is time to meet this new mode of transportation and give it the type of service that it requires.

Mr. MURPHY. We subscribe, as I said, Senator, to the staffing of airports on a 24-hour basis where the recurring needs for service can be justified. But we don't feel, either as employees or myself as a representative of the employees, that it is justified to have men hanging around many hours in which they are not employed while they are on the Government payroll. And this has happened in many, many instances.

Senator MONRONEY. Why is it that your organization insists on Sunday not being a part of their regular workweek? In other words, the postal workers, the air traffic controllers, and other Government employees do accept their Sunday assignments as a part of their regular workweek.

Mr. MURPHY. I think primarily because our service is different.

Senator MONRONEY. I don't see why it is so different. It is just hours worked. Explain why it is more difficult for a customs officer to be working his 5-day week—I presume that is what you work, 40 hours?

Mr. MURPHY. We work 40 hours spread over 6 days. We have no scheduling of any kind as such since we require men to work on Saturday we give them a day off during the week. But because of the large amount of workload, we are not able to anticipate this. For a man we are going to give off Tuesday, we may not be able to tell him until 4 o'clock Monday afternoon that he will be off on Tuesday. This is one of the continuing problems we have, in connection with trying to staff with a limited staff and with great demands for service.

Senator MONRONEY. But very few steamships in the old days used to arrive on Sunday. Now it is next to the biggest day for airplane arrivals in the week.

Mr. MURPHY. That is right.

Senator MONRONEY. We would still be prohibited under the present rules and regulations and laws from having your customs officers work Sundays on a choice of tour basis, regardless of whether it was in the 40-hour week or not. Is that correct? In other words, we can't work a customs employee within his 40-hour workweek on a Sunday without paying him double time for that Sunday.

Mr. MURPHY. Without the Government being reimbursed.

Senator MONRONEY. You pay him double time?

Mr. MURPHY. The yield is double time if the man works a full day.

Senator MONRONEY. What is the rate on a full day? What is it if he is called back?

Mr. MURPHY. It is 2 days' pay for 9 hours of work on a Sunday or holiday. When a man comes out to work on Sunday, this is the stint that he expects to put in. He doesn't expect to come out and work the 15 or 20 minutes that has been cited. These are isolated cases.

Senator MONRONEY. Suppose he comes out and works for an hour? What is he paid?

Mr. MURPHY. The statutory requirement, Senator, is that he be paid 2 days' pay.

Senator MONRONEY. Two days' pay?

Mr. MURPHY. Yes, sir.

Senator MONRONEY. So that statement was correct. But he doesn't very often do it?

Mr. MURPHY. No. There is another point which has not been brought out here. While it is true he may be paid 2 days' pay for 20 minutes work, he may have been on duty actually for 24 hours on that Sunday waiting for arrivals. This very frequently happens. As a matter of fact, we schedule a man to be on call for 24 hours. And he will have to cover every arrival during that 24-hour period. Very frequently he has to work anywhere from 15, 16, or more hours to get

his 9 hours' work in because the collector of customs has the authority to decide whether these assignments will be separate or will be continuous.

So that while the record would show that he worked 20 minutes on that day, actually he was tied up for, as I have said, as high as 12 or 15 hours. And this is not isolated. This happens fairly frequently.

Senator MONRONEY. If you had the employment of more customs officers, you would have less requirement for overtime and you could keep these airports and other places where the need is open longer than the 8-to-5 period, would you not?

Mr. MURPHY. If we had more officers, Senator, I can assure you that this would solve a multitude of problems. Because the customs service is operating now under a very tight budget. I believe as far as our inspection force is concerned, we have fewer inspectors actually today than we had 30 years ago.

Senator MONRONEY. With a lot more people traveling.

Mr. MURPHY. Tremendous. And our collections, as you know are in excess of $2 billion. And I think it speaks well for the operations of the customs service when you consider that we collect a dollar of revenue at a cost of only 4 cents. It only costs us $4 to collect a hundred dollars.

Senator MONRONEY. If we had an adequate number of people to relieve the overtime work on weekdays, no matter how many people we had, if we doubled the force of the customs inspectors, it would still be necessary to pay them double time for Sundays, whether they worked an hour or whether they worked 9 hours.

Mr. MURPHY. The statutory requirement would still obtain. As you know, in the——

Senator MONRONEY. And the minimum would be 1 full day of employment for their appearance on Sunday.

Mr. MURPHY. The minimum would be 2 days' pay.

Senator MONRONEY. Two days' pay for an hour or for 9 hours?

Mr. MURPHY. For whatever period they work within the 24 hours of a Sunday.

Senator MONRONEY. You have changed and met the needs on surface transportation by establishing full-time service on many of the highway ports of entry?

Mr. MURPHY. Yes, sir. This is inspection legislation as you are aware that was passed in 1944 which specifically exempts certain carriers, certain facilities, such as bridges, tunnels, highways, and ferries traveling on a regular schedule. However, this is done without reimbursement but the statutory requirement for the compensation of the inspectors was left in the bill.

Senator MONRONEY. In other words, we still pay double time for an inspector working at a highway post on Sunday?

Mr. MURPHY. Yes, sir.

Senator MONRONEY. And generally he gets overtime if necessary, but they are usually scheduled, I imagine, on a two- or three-shift basis?

Mr. MURPHY. Not at all places. It varies quite a lot. At the large ports there is almost always 24-hour coverage. At smaller border crossings it may be 10 or 12 hours a day, weekdays.

Senator MONRONEY. Senator Hart?

Senator HART. Thank you, Mr. Chairman. No questions.

Senator MONRONEY. Thank you very much, Mr. Murphy, for your appearance here.

Mr. MURPHY. Thank you very much, Senator. I appreciate the opportunity.

(Additional material submitted by Mr. Murphy follows:)

NATIONAL CUSTOMS SERVICE ASSOCIATION (SUMMARY OF NCSA MEMORANDUM IN SUPPORT OF CONTINUANCE OF REIMBURSEMENT AND OPPOSING S. 1596)

FUNDAMENTAL REASONS WHY THE TRANSPORTATION INDUSTRY'S CURRENT PROPOSAL IN S. 1596 TO ELIMINATE REIMBURSEMENT FOR OVERTIME SERVICES SHOULD BE REJECTED ON THE MERITS

1. Mandatory reimbursement for customs inspectional services is essential to the proper administration of customs functions.

It was essential at its incetpion, and continues to be.

It should be left unchanged.

2. The effect of S. 1596 is to renew demands to have inspectional services around the clock furnished entirely at Government expense.

These are the same demands the transportation industry has made repeatedly, and the Congress has repeatedly rejected, throughout the 40 years that mandatory reimbursement of overtime charges for special services to the carriers has been in effect for customs.

3. The bill S. 1596 seeks to raise again an issue which has been before the Congress many times in many contexts and always decided against the contention of the transportation industry.

4. Far from being a dead letter in this day and age, the general policy of obtaining reimbursement for the cost of governmental services which benefit parties in interest, although they are required by law to avail themsleves of such services, is very much alive.

Reimbursement to make Government operations self-sustaining to the full extent possible is a policy on which both the Congress and the administration place particularly strong emphasis in these times.

5. The increased cost to the Government of abandoning reimbursement for customs overtime alone would be in excess of $8 million a year.

6. If it runs true to form, the industry will attempt to justify the outright repeal of mandatory reimbursement which S. 1596 would bring about, on the ground that the inspections are required by law and the entire cost should therefore be paid by the general public.

The contention ignores self-evident facts.

The overtime services for which the carrier is required to reimburse, in each instance, are provided for the carrier's special benefit outside regular business hours and would not be performed at all unless the carrier itself requested the services at the times and places they are performed.

7. The fluctuating and unpredictable nature of the work demanded of customs by the carriers in periods outside regular hours of business would make it virtually impossible to handle without reimbursement.

ADDITIONAL POINTS IN SUPPORT OF MAINTAINING THE EXISTING PATTERN OF REIMBURSEMENT FOR OVERTIME SERVICES IN THE INSPECTIONAL SERVICES

8. The transportation industry's standing complaint that the liability placed upon it by the reimbursement provisions of the inspectional statutes is a great economic burden to it, is without substance.

Like other operating costs, such costs are passed on to the customers of the carrier in normal course.

The pro rata cost thus absorbed by the traveling and importing public, for whose ultimate benefit such costs are incurred, is nominal indeed.

For example, the cost per airline passenger for customs overtime services at the port of New York in 1965 could not have exceeded 35 cents.

9. Elimination of reimbursement would amount to an outright subsidy to the transportation industry and a special windfall to foreign carriers.

Foreign carriers paid approximately 70 percent of the over $8 million charged in fiscal year 1965 by customs.

10. A thoroughly legitimate reason why NCSA opposes S. 1596 is that it believes the take-home pay for employees would be drastically reduced.

MEMORANDUM IN SUPPORT OF CONTINUANCE OF REIMBURSEMENT (SUBMITTED BY THE NATIONAL CUSTOMS SERVICE ASSOCIATION TO THE SENATE COMMITTEE ON COMMERCE)

The sponsor of S. 1596 made it clear when he introduced the bill on March 22, 1965, that its purpose is to eliminate the reimbursement requirements of the customs overtime laws and similar requirements of other inspectional statutes:

"I do not believe that overtime fees should be imposed on any individual or group. This bill would require these services to be furnished without reimbursement from persons coming into the country whenever notice is given to the Government agency involved through such means as schedules, timetables, traffic, or flight plans."

The sponsor added that S. 1596 "is supported by all segments of our transportation system, both public and private." Daily Congressional Record, March 22, 1965, page 5315 (Senator Monroney).

This, then, in a new form, is the recurrent transportation industry proposal to relieve the carriers of all liability for reimbursement for customs inspectional services. S. 1596 presents substantially the same proposition the transportation industry has been urging upon the Members of the Congress from the time the customs overtime laws were first amended in 1920 to make reimbursement by the carriers mandatory. Under the provisions of the law enacted in 1920, the carrier must reimburse the Government when it requests services outside regular business hours of a port at night, or on Sundays or holidays, and such services are provided for the carrier's benefit and convenience in electing to arrive at such times.

The transportation industry has regularly demanded, at the same time it has sought to end liability for reimbursement, that the Government be required to provide inspectional services whenever arriving vessels or vehicles are presented for inspections at any and all hours on every day of the week, at every port or authorized place of arrival.

The National Customs Service Association (NCSA) is an organization of officers and employees of the U.S. customs service with members stationed at ports of entry throughout the United States. The members of the association perform the extra customs services in connection with which reimbursement is paid to the Government by private interests. We have a vital interest in the existing system under which the principle of reimbursement is applied to our work.

The NCSA strongly favors retaining the principle of reimbursement as it is applied under existing laws. We oppose S. 1596 unconditionally.

It is our purpose to set out in this writing the considerations which we believe require retention of the present customs laws on reimbursement.

1. Preliminary summary

The industry's program.—The transportation industry, as has been noted, has regularly made it known throughout the past 40 years that it wants inspectional services provided for all of its operations, whenever they take place, and that it wants such services 100-percent free. This has appeared from a long succession of proposed amendments of the overtime laws and from the public statements of industry attorneys and members before the committee of Congress in support of such proposals. The heart of the industry's argument has always been that, since the laws established by Congress require Government employees to perform certain functions incident to the arrival or departure of instrumentalities of commerce, the Government should provide the necessary services at public expense whenever and wherever it may be requested by the carrier and required under the provisions of law.

The demands of the transportation industry amount to saying that, however burdensome or unreasonable the requirements of its members may be, either because they request excessive services or arrive and depart at other than the usual business hours in carrying on operations wholly within their own control,

the Government must make available at public expense the manpower to provide these services. In other words, the industry has regularly sought in the past, and by S. 1596 renews the effort, to shift to the Government once and for all the entire cost of inspections and other services provided solely for their convenience at times outside those hours of business which proper administration of Government functions would otherwise dictate. The industry seeks to shift the cost to the general public, despite the fact that the official hours of business at designated ports of entry, during which the Government provides customs services at public expense, are frequently established so as to cover substantially more than the hour of regular business at the port and in the locality.

The position of the NCSA.—The NCSA believes the principle of reimbursement for inspectional and other services provided on assignments outside regular hours, performed on special assignments, should not be curtailed or abandoned. We believe it self-evident that such inspectional work is in fact extra service for the benefit of the carriers and their patrons and that they should be required to stand the cost of it. The airlines, for example, find it both convenient and profitable to bring in aircraft outside regular hours on weekdays and on Sundays and holidays. They should be expected to meet and absorb the cost of services provided at their request at such times in the same way they do other operating costs.

The carrier's operating costs, as everyone knows, are passed on to those persons who use its services—the traveling public, importers, merchants. These are the special groups which in the long run receive the benefits from and pay the cost of reimbursement for the overtime services provided by customs and other services. These are the special groups that will continue to receive the benefit and should continue to pay for it. Costs of this sort should not be shifted to the general public, as the transportation industry proposes. It is in truth the general public interest the Congress itself represents—not the special interest of that segment of the public which travels or buys internationally.

There are controlling considerations peculiar to the situation. The carrier is the one which decides on the time of arrival. The Government exercises no control whatsoever over the scheduling of aircraft or other means of transportation. The Government takes no part in fixing the time or duration of inspectional services which may be required outside established official hours.

The transportation industry would have the Government provide personnel on a 24-hour basis whenever the carrier demands it, without any cost at all to the carrier. To schedule tours of duty over 24 hours at all ports would require large increases in regular inspectional personnel. On the other hand, to provide round-the-clock services on special assignments without reimbursement would impose on the Government additional overtime costs which reasonably could be expected to exceed the sums now paid as reimbursement by the carriers. We believe it is beyond reason to expect the Congress to discard the principle of reimbursement by the transportation industry as a public policy and thereby to accept the necessity of appropriating substantially increased funds. This is a valid position, we believe, whether the Government were to assume such additional costs by extending free services on scheduled regular tours or on nonreimbursed special assignments.

2. Reimbursement under customs laws is the prototype; its repeal is the main objective of the transportation industry

Customs is the primary target of S. 1596.—The language of S. 1596 is framed so that it appears to fall with an even hand on all statutory provisions for reimbursement of overtime services performed for the benefit of the transportation industry. But the actual effect of any such legislation as S. 1596 proposes would strike far more heavily against the customs service than any other. This is because the reimbursement requirements imposed by law for special services provided to the carriers, coupled with the character of the demands made by the industry which accrue the overtime charges, has by far the widest application in the customs service. In consequence, the largest bill for reimbursement of overtime services comes from customs. And it is this bill the carriers are primarily interested in shifting to the Government by enactment of S. 1596. In the fiscal year 1965, customs reimbursable overtime charges reimbursed by the carriers came to over $8 million, compared with the immigration reimbursable charges, the next in order among the so-called inspection agencies, which were about $1 million.

The justification, or lack of it, in this day and age for scrapping the principle of overtime reimbursement to the Government for special services provided to the transportation industry is therefore to be found mainly in the customs reimbursement law and practice.

The history of mandatory reimbursement under customs laws establishes the validity of the principle today.—The principle of mandatory reimbursement which is the basis of the charges the carriers are called upon by law to pay for special services at night and on Sundays and holidays has its roots deep in the history of the customs service. The customs laws are in truth the prototype. The principle has been reconfirmed and extended again and again over the years.

Vessels have been required to reimburse for customs inspections performed on request since 1873; railroads since 1906; aircraft since 1926; and every other means of transportation, since at least 1922.

From the date of the 1873 amendment of the original customs laws enacted in 1799, Congress has consistently felt that the authority to obtain reimbursement was desirable and necessary. In 1873, the principle of reimbursement was applied to the unlading of vessels at night, affording the carrier the privilege to extend its operations to hours other than official hours by agreeing to reimburse for the services of the customs officers.

In 1906, the privilege to request and reimburse for customs services at night was extended to the lading of vessels and to the operations of railroads and other conveyances.

By the act of 1911, the privilege of requesting and reimbursing for services outside official hours was further extended to Sundays and holidays.

In 1920, the law was amended to make it mandatory that services performed outside regular hours of business be reimbursed by the parties in interest whenever they were performed. At the same time, the law was amended to make it clear that reimbursement would be required in connection with unlading and inspection of baggage which arrived across the borders by rail or otherwise, as well as in connection with unlading and inspection of baggage which arrived across the borders by rail or otherwise, as well as in connection with baggage on vessels. In 1922, the reimbursement principle was made applicable to every means of transportation, so that bridges and tunnels along the land borders were brought within the mandatory requirement to reimburse, beginning with that date.

With respect to the airlines as a carrier industry, the principle of reimbursement was made applicable to them upon enactment of the first comprehensive Federal statute regulating the operations of aircraft. This was in the Air Commerce Act of 1926.

In the Tariff Act of 1930, and again in the Civil Aeornautics Act of 1938, the Congress acted to make it clear that the principle of reimbursement for customs inspectional services was applicable to aircraft. Also in the Tariff Act of 1930, reimbursement was made applicable to a wide range of customs activities other than inspections; and by the 1938 amendments to the Tariff Act, the reimbursement requirements were extended to every kind of customs work which might lawfully be performed by customs employees in connection with the operation of all types of transportation facilities.

(By separate statute in 1930, Congress also extended the principle of reimbursement for extra services to immigrant inspectors and that law, parallel to the customs laws, has been maintained to the present time.)

(The limited exemption from reimbursement for arrivals which are in fact on schedule, provided by the immigration statute, reflects the fundamental differences between customs and immigration operations and for this reason has no counterpart in the customs law.)

In 1938, and again in 1944, when urged separately by the airlines and railroads to exempt those classes of carriers from reimbursement, Congress flatly rejected their demands for exemption. The special consideration which obtain at highway border crossings led Congress in 1944 to grant a carefully defined exemption from reimbursement to facilities involved in serving highway traffic at the land borders. At the time this exemption was enacted, Congress pointedly refused to grant exemption to any operations of carriers not concerned with traffic by highway.

(See discussion of the bridge bill at p. 16 below.)

For almost a century, reimbursement has been an integral and essential part of the customs service. It is not a creature of a bygone age of water-borne com-

merce. For the past 30 years reimbursement has been made expressly applicable, by amendment of customs and related laws, on the broadest possible base—that is, to any and all customs services outside official hours and to all types of carriers including aircraft. Implicit in this history is the legislative view that it is not the responsibilty of the Government to provide free 24-hour service at all hours, regardless of the demand of the transportation industry for such unlimited accommodation.

It is significant that at each of the numerous points at which the subject of reimbursement for customs overtime services has come up over the past half century, and has been debated and legislated upon, Congress has retained or extended the principle of reimbursement as applied to the major transportation industries—and this in the face of the vigorous contention of certain of the carriers at each points that they should be totally exempt as a matter of policy.

(In the latter-day reimbursement provisions enacted in 1957–58 for the quarantine service, which employs relatively small inspectional forces and provides relatively lesser services, Congress has assumed a part of the burden of providing overtime services. But the basic law requires reimbursement for overtime services and exemption from reimbursement is strictly limited to regularly scheduled arrivals.)

With every confirmation of the principle of mandatory reimbursement by the carriers under the customs laws, Congress has said in effect, "We will adhere to the principle as a matter of public policy and will not appropriate funds to cover the cost of providing special services outside the regular hours established for customs business."

3. Reimbursement for services which benefit parties in interest is not unique with customs and comparable inspectional services; it has become a Government-wide policy and practice

The policy of collecting amounts required to reimburse the Government for expense incurred in providing services to private interests, often when such services are not outside the ordinary, is applied widely in Government at the present time. The very 1951 statute (5 U.S.C. 140) which the Treasury Department seeks power to implement through enactment of S. 1875 in this Congress spells out a congressional demand that the principle of reimbursement for services of individual benefit to parties in interest be applied throughout the Government wherever the situation warrants.

(The 1951 provision reads in pertinent part (Act of August 31, 1951, Public Law 137, 65 Stat. 268, 290, 5 U.S.C. 140) : "It is the sense of the Congress that any work, service publication, report, document, benefit, privilege, authority, use, franchise, license, permit, certificate, registration, or similar thing of value or utility performed, furnished, provided, granted, prepared, or issued by any Federal agency * * * to or for any person (including groups, associations, organizations, partnerships, corporations, or businesses), * * * shall be self-sustaining to the full extent possible, and the head of each Federal agency is authorized by regulation * * * to prescribe therefor such fee, charge, or price, if any, as he shall determine, in case none exists, or redetermine, in case of an existing one, to be fair and equitable taking into consideration direct and indirect cost to the Government, value to the recipient, public policy or interest served, and other pertinent facts, and any amount so determined or redetermined shall be collected and paid into the Treasury as miscellaneous receipts.")

Equally concrete evidence of the prevailing policy in favor of reimbursement in the contemporary period is found in the 1956 report of the Senate Committee on Government Operations.

(S. Rept. No. 1467 on "Fees for Government Services," 84th Cong., 2d sess., Feb. 1, 1956.)

The report deals with the establishment of uniform fees and charges by Government agencies for work or other things of value furnished by them to private interests. Thousands of instances are given in the report of fees collected for specified governmental services. The largest number, perhaps, is in the Department of Agriculture in which fees are collected as reimbursement for a variety of services given for the special benefit of parties in interest. These include such things as Federal inspection of meats and meat products, import-export inspection of quarantine, fumigation of railroad cars, etc. All are services which are for the benefit of the general body of the taxpayers in the sense that they are pursuant to requirements of Federal law. The party in interest must nevertheless reimburse the Government for the services given if it is in a position to need such services.

Other conspicuous examples of adherence to the principle of reimbursement as a Federal policy are provided by the established practice with respect to bank examiners and referees in bankruptcy. The cost of the services of such officers of the Government, performed in supervision of the activities of private parties, is required to be reimbursed by the parties in interest.

Closely in point in still other areas is the governmental program designed to end or lower deficits in the postal service and the national park system by increasing charges made to members of the general public who avail themselves of the facilities and services. Such programs are clear-cut applications of the principle of reimbursement by private persons who benefit in special ways from governmental services. Similarly, the contemporary effort to bring into line with going rates the rentals paid by persons who occupy Government-owned buildings or other premises, is part and parcel of the pressure for self-sustaining governmental functions.

It cannot be doubted that reimbursement by the carriers for inspectional services is entirely consistent with the mandate of the Congress and the announced practice of the administration, both at present and in the recent past, to make governmental activities as nearly self-sustaining as possible.

4. In practice reimbursement achieves a desirable balance of cost and need for services under the existing system, and admittedly works to the benefit of the transportation industry

The extra compensation earned by customs employees who work on special assignments outside their regular tours of duty is required to be reimbursed by third parties unless the facilities involved are by law expressly exempt from the obligation to reimburse. The only facilities which the statutes exempt from customs reimbursement are those located at parts on the land boundaries which are highways or connecting links in highway traffic across the border.

(By the 1944 "Bridge bill" amendment to the basic customs law (19 U.S.C. 1451), it was provided that the reimbursement requirements "shall not apply to the owner, operator, or agent of a highway vehicle, bridge, tunnel, or ferry between the United States and Canada or between the United States and Mexico, nor to the lading or unlading of merchandise, baggage, or persons arriving in or departing from the United States by motor vehicle, trolley car, on foot, or by other means of highway travel upon, over or through any highway, bridge, tunnel, or ferry.")

Duty on special assignments performed in connection with highway traffic using such exempt facilities is "nonreimbursable" service. All other extra duty performed by customs men on special assignments is "reimburseable".

In the fiscal year 1965, the devision between the two classes of extra compensation paid to customs employees for extra services at night and on Sundays and holidays was as follows (from figures supplied by the Bureau of Customs on February 4, 1965):

Reimburseable	$8, 173, 663. 00
Nonreimbursable	1, 564, 943. 00
Total	9, 738, 606. 00

From these figures, it appears that last year parties in interest reimbursed the Government for about 82 percent of the cost of extra services by customs employees required outside established business hours. The cost to the Government in providing customs services without cost to parties in interest during regular hours of business last year was in the neighborhood of $67 million in base salaries.

The total reimbursable overtime paid by the three major classes of carriers in fiscal year 1965, was $8,074,000. A breakdown of this amount by carriers shows the following amounts and percentages paid by each in 1965 (all figures for fiscal year 1965 are estimates made by the Bureau of Customs):

	Amount	Percent
Oceangoing vessels	$4, 500, 000	56
Air carriers	2, 500, 000	31
Rail carriers and others	1, 074, 000	13

The foregoing figures indicate that the maritime industry pays, in the aggregate, over half of the total reimbursable overtime for customs services. While the steamship companies have stated that they would welcome a change which would relieve them entirely of the liability to reimburse, they have made it clear that their customs bill for reimbursement of overtime is a very small part of their total operating costs and that they would vastly prefer to pay reimbursement than be deprived of the privilege of calling for inspectional services on a 24-hour basis whenever they want and need them. The steamship companies have also made it clear that it is the carriers who benefit specially from inspectional services which are provided outside regular hours of business. To pertinent references to the stated position of the steamship companies before the committees of Congress in the past suffice to establish these facts.

At hearings on September 28, 1948, before the Interdepartmental Committee on Overtime Pay of Certain Inspectional Personnel, the following colloquy took place between Chairman Robert F. Milkey and R. J. Baker, secretary of the American Merchant Marine Institute, representing 66 American-flag steamship companies (transcript, pp. 211–213):

"Mr. MILKEY. I am wondering if you can give us any information, rough as it may be, as to what proportion of vessel costs the overtime service of the inspectional groups of the United States Government constitute in the event that a vessel is worked at night, requiring overtime services of customs or other inspectors. I understand there are others.

"Mr. BAKER. * * * I will tell you that it is an infinitesimal part of our operating costs * * *."

"Mr. WININGS. * * * I would like to ask if you know whether in arranging the tariffs for your freight and your passengers you do calculate overtime and extra compensation for inspectional work required by the Government * * * ?

"Mr. BAKER. Certainly. It is an operating expense to us. Regardless of how small it may be, it is taken into consideration.

"Mr. WININGS. And although it is infinitesimal in relation to total operational cost, you do calculate that in estimating your tariffs.

"Mr. BAKER. It is considered but I don't want to infer that it is an item that stands out like a sore thumb.

"Mr. WININGS. I understand, but you do calculate it.

"Mr. BAKER. Certainly. It is a part of operating expenses and all operating expenses are calculated."

More recently, at hearings on May 4, 1954, before the House Committee on Interstate and Foreign Commerce on H.R. 6253 and H.R. 6346 (bills on premium pay and reimbursement for quarantine inspectors in 83d Cong.), the following statements were made (hearings, pp. 30, 31–33, 38–40):

"Mr. GREENE (executive vice president, American Merchant Marine Institute). All that we are * * * seeking is the application of the basic American philosophy of fairplay for which we are willing to offer fair pay * * *.

"Mr. HALE (of Maine). Does anybody know what the cost of this legislation would be to the Government?

"Mr. GREENE. Well, Mr. Hale, so far as we can vision it, visualize the cost of the legislation, it would be zero to the Government, because all amounts for overtime incurred under the bill were to be paid for by the shipping interests, or the carrier receiving the benefit of that inspection * * *

"Mr. HALE. If I understand you previously you said this bill would not cost the Government anything?

"Mr. GREENE. Because of overtime.

"Mr. HALE. The ship would pay for it?

"Mr. GREENE. Would pay the overtime services, which it and its passengers and crew have had the benefit of * * *

"Mr. HALE. Well, what this legislation would do would be to make a type of inspection available to a vessel which she is willing and able to pay for?

"Mr. GIESEN (counsel, Maritime Association of New York). That is correct, sir * * * the Overtime Compensation Act which your committee is now considering would make the regular working hours between 8 a.m. and 5 p.m., and the operators would be required to pay for all overtime outside of those regular working hours and that would be on a 6-day-a-week basis. The operators are perfectly willing to do that in order to obtain a round-the-clock service, which they cannot obtain today * * *

"Mr. PELLY (of Washington). Then these ships by paying, we will say, $50 into the Federal Treasury to compensate for overtime would thus be saved a great deal of money?

"Mr. GREENE. Oh, there will be saved a tremendous amount of money; greatly disproportionate to the cost of overtime paid to the Government for this extra service; yes, sir * * *

"Mr. PELLY. Mr. Greene, I would like now to ask some questions regarding the overtime proposed by this legislation.

"It is not true that in the Immigration and Customs Service comparable overtime basis is now in effect?

"Mr. GREENE. I think so.

"Mr. PELLY. In other words, roughly time and a half and double time on Sundays and holidays."

The protestations of the shipowners to the effect that they were "perfectly willing" to pay for inspectional services outside regular hours in order to get them, and that existing customs and immigration overtime costs were an "infinitesimal part of operating costs" which brought "tremendous savings * * * greatly disproportionate to the cost of overtime" and of "benefit to the carrier," quoted above, were spread on the record of congressional hearings in 1954. This was when shipowners were urging extension of the reimbursement principle to overtime services of quarantine inspectors. Last August, the shipowners were before this very committee in hearings on the Treasury's pending bill S. 1875. This time the shipowners were urging amendments not germane to the bill which would have caused the bill to eliminate outright "responsibility for reimbursement by carriers under any and all circumstances" under the customs laws. Believe it or not, the reason stated by the shipowners for the proposed repealer in 1965 was that they are "opposed to the levying of user charges which relate to Government activities which are not in some fairly direct way beneficial to the user or the recipient."

(Statement on behalf of the steamship industry before the Committee on Commerce, U.S. Senate, August 6, 1965.)

We anticipate that it will be the 1965 version of the steamship industry's views on the benefit received from overtime inspectional services which is presented to the committee in the present hearings on S. 1596.

5. The practical obstacles to eliminating reimbursement for customs services should be controlling factors

We have lived with the question for a long time and it is our firm belief that genuine practical obstacles preclude the elimination of reimbrsement to the Government for customs services performed on special assignments. The practical obstacles are mainly of two kinds. The first arises from the unpredictable frequency and volume of the work which is normally handled on special assignments in the customs service. The second is the substantial additional cost to the Government that free customs service would entail if it were provided whenever demanded by parties in interest. As we have indicated, such additional cost would certainly exceed the $8 million a year which the carriers pay in reimbursement under the present system. This is a cost which we believe no one, except possibly the carriers receiving the windfall, would feel was justified.

The two factors we have noted as being controlling on the question are considered separately below. They are so closely interrelated as to lead to some overlapping in discussion.

THE UNPREDICTABLE NATURE OF THE WORK

It is certain that it would be virtually impossible to handle, without reimbursement, the irregular workload which is imposed by the fluctuating demands of private interests which have sole control over when, where, and for how long customs services on special assignment will be required.

The prime example of how the problem relates to the existing system is provided by the port of New York where a substantial part of all of the customs services in the country is performed.

The port of New York, with its expanse of harbor and dock area, and its greatly fluctuating workloads, could not be handled on a platoon or regular tour of duty basis. Any such plan would be administratively impossible to carry out because of the ever-changing demands for service. The character of waterfront operations as a whole is such—involving longshore, trucking, and other

occupations, as it does—that the volume of customs inspectional services which may be required at night or on weekends is wholly unpredictable. The extremes are so great that on one night 20 to 25 men could cover all operations at the port, while the very next night 150 or more men might be required.

Scheduled shifts covering the regular hours of business from 8 a.m. to 5 p.m. are possible because of the large variety of customs operations regularly carried on in daytime hours. A relatively fixed staff of scheduled inspectional personnel with normal spread of assignments over the whole port can be shifted, on short notice, to meet peakloads of baggage inspection at given places and times during the day, and at other times be left to perform the steady backlog of cargo and other activities which proceed during the hours of the usual business day—e.g., weighing, gaging, and measuring of imported merchandise; boarding of vessels at the pier; certification of manifests, sealing of bonded stores; supervision of the lading and discharge of cargo; delivery of public store and release of cargo; etc.

A demonstration of how maximum coverage is given at the port of New York in daytime hours occurs on a day when several passenger vessels arrive carrying an aggregate of more than 5,300 passengers, all of whom, with baggage, must be processed. Such a situation can be found in almost any period, picked at random. On a Monday, for example, the waterfront was stripped during the day to concentrate 206 inspectors on the baggage work required to clear the vessel passengers. The requirements on that Monday night illustrates the drastic fluctuations in workload outside business hours. Only 1 passenger vessel arrived after 5 p.m., and only 35 inspectors were needed to cover it on an overtime basis. Similarly on a Tuesday a few days later, 150 inspectors were required during the day to handle the baggage work for 2,603 arriving vessel passengers; whereas 1 passenger vessel continued to work after 5 p.m. and required the services of 8 inspectors. Further, as a part of the same pattern: 164 inspectors were engaged with vessel passengers and baggage during the day on a Wednesday and 171 inspectors during the day on Friday of the same week, but no baggage inspection continued after 5 p.m. on either date.

Other examples of the unpredictable frequency and volume of work outside regular hours of business could be multiplied endlessly. In one recent 3-week period, baggage inspections occurred on 10 of the dates. The number of inspectors required for the work during the day on those dates ranged from 61 inspectors for 1,288 passengers to 198 inspectors for 4,487 passengers. On only 2 of these dates, a week apart, was overtime after 5 p.m. required—84 inspectors in one case, and 26 inspectors in the other.

The above examples illustrate the practical difficulties encountered in meeting baggage inspection requirements. It is even more difficult effectively to provide cargo supervision and control outside regular business hours.

Although no other port is faced with the critical workload of passenger ship baggage examination as is the port of New York, nevertheless other ports have identical problems relating to processing cargo vessels.

The fluctuating workloads and the unpredictable nature of arrivals are basically the same at all ports. The fact that there is no system for anticipating activity during a given period of the night effectively precludes the possibility of providing inspection service on a tour-of-duty basis. There is a complete absence of a stable work pattern and on many nights there would be no activity whatever requiring customs inspection or supervision.

We cannot visualize how the essential services of customs at any port could be carried out if reimbursement of overtime were eliminated. Overtime assignments at seaports are a necessity and without them normal operations, geared to the way the maritime industry must work, would be impossible. The maritime industry itself cannot function except on a special assignment and premium-pay basis, because it is utterly impracticable to schedule operations with any degree of certainty. At commercial airports, every effort is made under the present system to staff them on tours of duty to meet peak workloads. Despite such efforts, the actual requirements are largely unpredictable because of planes off schedule, second sections, and charter flights, and, as often as not, additional inspectors must be called in to handle the traffic.

It is a basic fact under the law that, if customs officers were not available at unscheduled times to provide protection to the revenue, the operations of the lading, unlading, receipt and delivery of cargo at such times would not be permitted. To have customs services provided at all hours at Government expense—but without authority to control the incidence of costs to the Government—would be unthinkable. On the other hand, failure to provide that the

services could be made available, on assumption of costs by the carrier with control of the situation, would result in a complete impasse. This is, we submit, the complex and realistic reason why reimbursement cannot, as a practical matter, be eliminated.

The reimbursement situation at the port of New York is typical of all ports in terms of the general conditions under which special assignments are made. The particular significance in the overall picture of operations at the port of New York is apparent from the following report in the New York Times for January 16: "The port of New York collects 45 percent of the Nation's import duty receipts and handles about half the Nation's international travel by ship and air."

ADDITIONAL COST TO THE GOVERNMENT TO FURNISH AFTERHOUR SERVICE ENTIRELY AT GOVERNMENT EXPENSE

The cost to the Public Treasury of relieving the transportation industry of reimbursement is the other major obstacle we see to any such move. Budget and policy are involved. It cannot be reasonable denied that there would be substantial additional cost to the Government if reimbursement by private parties for customs service on special assignments were eliminated. There is no way, of course, to determine just what the added cost to the Government would be. This is primarily because it is impossible to know what administrative changes might be attempted in order to absorb the extra cost into regular salaries of an augmented inspectional staff, or what the increased demands of carriers might be for services at night and on Sundays and holidays when they no longer had to reimburse for them.

It is evident as we have said, that the added cost to the Government for customs services alone would be considerably higher than the total sum of $8 million now reimbursed by the carriers. This is because it is felt from experience that, when the carriers are under no compulsion to limit their demands for services, they tend to insist on an amount of service beyond that for which they would normally be willing to reimburse.

Regular tours of duty.—If the Government should attempt to use regular tours of duty to handle the unpredictable arrivals and fluctuating workloads of all types of carriers, we believe it is safe to predict that no staggering of hours or manipulation of tours of duty could efficiently meet the problem. The lost manpower with employees idle because of late or nonarrival of carriers would be substantial and an inexcusable waste of Federal funds. The fact that the maritime industry finds it impossible to operate with shifts leads to the belief that such a plan would be equally uneconomic to the Government.

Every branch of the transportation industry has a history of unstable labor relations. Strikes and walkouts are common and wildcat work stoppages occur without notice. Should one of these incidents occur, large numbers of additional customs employees on tours of duty would be idle as the work of the seaport or airport comes to a standstill. Weather conditions are an important factor. For example: Men will be assigned to a tour of duty to process cargo or passengers when snow, rain, or other conditions prevent the aircraft or vessel from arriving or the vessel from lading or unlading cargo. This means that the Government is then paying the salaries of additional customs employees on tours that are performing no service.

Many additional factors affect the complicated operations of cargo handling, especially in the shipping industry. Examples would be the termination of a cargo discharge operation because of lack of pier space, broken winches, no docking berth, etc. A long list could be compiled. It is enough to point out that they are inherent obstacles to a tour of duty that cannot be overcome.

Manipulation of regular tours of duty in an attempt to provide services during hours which are now outside official hours of business, would necessarily require a marked increase in personnel at every port involved. This fact is too evident to require more than notice of it.

Nonreimbursed special assignments.—We turn to the other possible course open to the Government if reimbursement were eliminated. This course would be for the Government to continue to provide the services now extended on a reimbursable basis, but to do so on special assignments which were wholly at its own expense. To emphasize again, such course would certainly prove more costly to the Government than the aggregate amount of the present cost to the carriers.

Here again, the carriers could be expected to demand services with no regard to the time of the service or the number of inspectors required. Significantly,

the carriers, not the Government, would still be the ones in control of all of the circumstances under which the costs accrued to the Government on such special assignments. Such an eventuality would be a decided backward step not only in efficient utilization of public moneys, but in the administration of customs functions. In the latter respect, we repeat, it would re-create the very conditions that brought about the customs reimbursement laws originally.

SOME OTHER PRACTICAL CONSIDERATIONS

Contrary to a standard contention of the carriers, the costs for reimbursement are in no sense burdensome to the carriers or their customers. During the year 1965, for example, the average cost of reimbursement for customs services at the Kennedy International Aiprort at New York could not have been more than 35 cents per passenger. Overall in 1965, the estimated average actual cost of reimbursed customs services at all ports throughout the United States during the year amounted, at most, to some 24 cents per passenger or importer who used the services of reimbursing carriers in the period.

(The Bureau of Customs estimates the total passenger arrivals, formal entries, and informal entries involving the operations of all classes of carriers in the fiscal year 1965 at figures which total 190,738,458 separate instances of commercial transactions by carriers in connection with which customs services were provided. The total sum paid in reimbursement for customs services by the transportation industry for the same period was $8,173,663. This represents the amount ultimately passed on by the carriers pro rata to their customers for the period.)

An overriding consideration in the public interest on the whole question of reimbursement by private interests is the substantial proportion of the total amount of reimbursement which is now paid by foreign carriers.

The Government makes no distinction between American and foreign-flag carriers when requiring reimbursement. Should the Government abandon reimbursement and furnish free service to all, it would be granting a greater windfall to foreign-flag carriers than to their American competitors.

The following charts shows the pattern of arrivals of foreign- and American-flag carriers at a number of representative ports in the calendar year 1965.

Record of commercial steamship and aircraft arrivals required to enter, and listed as to foreign or American registry, calendar year 1965

SEAPORTS

Port	Foreign flag	American flag	Total	Percentage foreign flag
Baltimore	3,323	763	4,086	81.3
Boston	1,676	435	2,111	79.3
Detroit	1,515	252	1,767	85.7
Los Angeles	3,114	2,275	5,389	57.8
Miami	2,481	651	3,132	79.2
New York	7,232	1,904	9,136	79.2
New Orleans	3,418	876	4,294	79.6
Philadelphia	3,757	895	4,652	80.7
Portland, Oreg	1,477	293	1,770	83.4
Providence, R.I	120	19	139	86.4
San Francisco	2,142	902	3,044	70.4
Seattle	774	877	1,651	49.9
Chicago	1,218	174	1,392	87.5
Total	32,247	10,316	42,563	75.8

INTERNATIONAL AIRPORTS

Boston	2,059	972	3,031	67.9
Detroit	588	391	979	60.1
Los Angeles	3,478	1,296	4,774	72.8
Miami	9,967	6,785	16,752	59.5
New Orleans	874	778	1,652	52.9
Seattle (Tacoma)	2,657	389	3,045	87.2
Chicago	1,509	1,127	2,628	57.4
Total	21,132	11,738	32,870	64.3

The records at Kennedy International Airport (N.Y.) show that 40,344 planes arrived with 2,008,953 passengers from foreign countries in 1965. In the month of July 1965, which is a representative month, the records show the arrival of 218,376 passengers. Of this total, 75,412 or 35 percent arrived on American-flag planes, the remaining 142,964 passengers or 65 percent came in on foreign-flag aircraft.

At the seaport of New York, of the over 9,000 vessel arrivals requiring entry in a year's time, foreign-flag carriers approximate 79 percent, American-flag 21 percent.

6. The customs employees are realistic in being concerned with reimbursement

The immediate reason for the opposition of the customs employees to abandonment of reimbursement is a realistic one which impinges directly on our everyday lives and work. We know that, in the absence of reimbursement, our work would have to be done under a vastly altered system of assignments and, very possibly, within the framework of a drastically deteriorated service.

The funds appropriated for operation of the customs service are already limited in light of the responsibilities of the service. They are always under pressure of reduction when drives to curtail Government expenditures are underway. If an effort were made to make customs services at Government expense available around the clock at every port of entry throughout the United States at which the carriers may wish to do business outside usual business hours, this clearly could not be achieved within present appropriations. Lacking substantial increase in appropriated moneys, the only recourse would be to spread existing funds with consequent deterioration of the total customs function. This in turn would work adverse changes in management practices throughout the service. Resort to the latter course would be inevitable, we believe, and would be greatly to our detriment as Federal employees.

The fact that the proposal advanced by the carriers in S. 1596 does not purport to affect the rates at which customs employees would be paid for overtime services does not meet our objections to the bill. The elimination of reimbursement, in itself, would undoubtedly bring such changes in the way the statutory rates are applied that, potentially, their preservation in the law would come to have little or no value to us in terms of earning power or protection from unduly onerous assignments to duty.

What, then, are the elements of the adverse changes one can foresee in the wake of legislation such as S. 1596?

With the Government footing the entire cost of 24-hour service in order to accommodate irregular night and weekend traffic, it would be impossible to justify administratively the cost of platoon shifts on a 24-hour basis at all the ports where reimbursement is now paid. Members of the association know that there is only one alternative. This would be for the available inspectional staff to be compelled to provide what was in effect 24-hour coverage without being fairly compensated for it. Customs men would have to accept assignments regularly to remain "on call" throughout the hours outside their regular tours of duty. For this perpetual oncall status, overtime compensation would be paid only when actually called to active duty—if and when traffic arrived for inspection.

Most onerous of all, under such arrangements, there would be no deterrent to carriers making demands for service during brief, unpredictable periods, on short notice, and at irregular times throughout the night, and on Sundays and holidays. Such deterioration in working conditions is not a matter of speculation. It is, in fact, the very condition, subject to widespread abuse in depriving officers of any freedom from liability to duty at all hours, which prompted the enactment of the premium pay and mandatory reimbursement principle embodied in existing customs laws.

As we have said, we know abandonment of the principle of reimbursement as practiced under the existing system, would deteriorate the administration of customs from the employees 'standpoint. We believe the present system provides a desirable and workable balancing of the extremes of interest in the situation. We are reinforced in this belief by the fact that the earnings of the customs men under the present system are completely in line with related and comparable work in private industry.

A study of the earnings of the nearly comparable employees in the ports of New York and Boston, i.e., longshoremen, checkers, and delivery and receiv-

ing clerks—shows that overtime earnings at New York accounted for an average of 38 percent of their total earnings in the calendar year 1965. The overtime earnings of customs inspectors in the port of New York in the same period were 25 percent of total earnings. At the port of Boston, the industry workers had overtime earnings of 20 percent of total pay while the customs inspectors earned 18 percent in overtime.

The detriment we have said we are certain would follow to customs employees from elimination of reimbursement is personal to each of us—and it is not a matter of speculation. Our incomes would be cut. The services we would be required to perform at hours that are now outside regular hours of business would be work done under far more burdensome conditions. These are legitimate and understandable personal reasons why we oppose S. 1596.

The present level of income to customs employees results from a combination of base and overtime earnings. The two are closely integrated in the customs pay structure. It is in interrelationship which has evolved gradually under the present system over a long period of time. Because reimbursement to the Government has been a part of the picture for a long time, it is in fact an indispensable element in the economics of the existing system.

We cannot believe that the Congress, being reminded of these things, would vote to cut the income of a large group of loyal Federal employees, as S. 1596 would most certainly cut the incomes of customs employees, solely for the accommodation of the transportation industry.

Our belief in this respect is fortified by the knowledge that the transportation industry is not in fact hurt but is benefited enormously by existing reimbursepractices under customs laws.

CONCLUSION

S. 1596 proposes no less than outright repeal of the whole body of existing statutory provisions for reimbursement by the transportation industry for overtime services. If the bill were enacted there would no longer be authority in the Government to require the carrier to reimburse. This is an unreasonable self-interest proposal which runs directly counter, as we have seen, to both established public policy for the inspectional services and to contemporary governmental policy generally.

More specifically, S. 1956 is a bid for a wholly unwarranted subsidy to the transportation industry. The customs services for which reimbursement is presently required are at the request of the carrier at hours other than the prevailing working hours of the port and are for the special benefit and convenience of the carrier and its patrons. To say that the taxpayer should provide free service on a 24-hour, 7-day-week basis at every place, subject to the whim of the carrier, is completely unacceptable in terms of cost to the Government, difficulty if not impossibility of rational assignment of work, and potential for abuse of the system under which the Federal employees concerned must work.

Senator MONRONEY. The next witness, and then we will take a short adjournment for lunch, is Mr. Thomas C. Gibney, an officer of the U.S. Immigration and Naturalization Service and the national president of the U.S. Immigration and Naturalization Officers' Association.

We are glad to have you with us. You may proceed in your own way.

STATEMENT OF THOMAS C. GIBNEY, NATIONAL PRESIDENT, U.S. IMMIGRATION AND NATURALIZATION OFFICERS' ASSOCIATION; ACCOMPANIED BY RICHARD T. GUTHRIE, FIRST NATIONAL VICE PRESIDENT

Mr. GIBNEY. Thank you, Mr. Chairman.

My name is Thomas C. Gibney, I am an officer of the U.S. Immigration and Naturalization Service and the national president of the U.S. Immigration and Naturalization Officers' Association. I am accompanied at this time by Richard T. Guthrie our first national vice presi-

dent. The members of our association are career officer employees of the U.S. Immigration and Naturalization Service of the Department of Justice, stationed in 50 States, Canada, Mexico, Nassau, Bermuda, and many other foreign countries.

At this time we would like to thank the committee for the privilege of appearing before it, and I assure you that I will be very brief.

We have given careful consideration to the provisions of S. 1596 and would like to go on record as being completely opposed to it. We understand that one of the reasons behind the bill is the charging of extra compensation to private carriers. Therefore, we would suggest that legislation be considered to exempt private planes and vessels from overtime or that a flat fee be established to be charged for each arrival.

Under our present Overtime Act the carriers are charged extra compensation for bringing in vessels or aircraft at unusual hours and on Sundays or holidays for their own convenience and at their request. A recent incident at the port of New York concerned the SS *Bremen* of the North German Lloyd Line. The *Bremen* was scheduled to arrive at its pier on Sunday, January 30, 1966, at 7 p.m. The company did not wish to pay overtime and requested our officers to board the vessel on Monday, January 31, 1966, at 7 a.m. This permission was granted. However, the ship encountered bad weather and did not arrive until February 1, 1966, on which date we boarded the vessel from a Coast Guard cutter leaving the Coast Guard base at 5 a.m.

We cite this incident to show that overtime pay is only charged for the convenience of the carrier and at their request. The general practice of boarding ships at the port of New York is to board by going down the bay some 2 hours before the ship is to dock. However, there are many instances at the request of the carrier, for their convenience and to save the payment of overtime, the vessels are boarded at the pier at 8 a.m., even though the vessel may have arrived during the night.

It has been our experience that when overtime is involved there is practically no waste of manpower for the Government since the imposition of overtime does serve to deter the carrier from requesting the services of our employees many hours before their ship or plane is reasonably expected to arrive and eliminates the deployment of service personnel at the discretion of transportation companies. Generally a ship is boarded within 15 to 45 minutes of the requested time when overtime is involved. When no overtime is involved there is a great space of time between the time the inspector is requested and the time he actually inspects the vessel. This results in a tremendous loss of manpower to the Government. Incidents of this type are wholly contrary to the President's directive to secure the best utilization of manpower of Government personnel.

A few recent examples are the SS *Zion* on December 6, 1965, requested an overland boarding at 8 a.m. and the vessel did not dock until 12:45 p.m.

The SS *Tuhubic* requested an overland boarding at 2 p.m. on December 29, 1965, and the vessel did not dock until 4 p.m.

The *Empress of Canada* requested on January 17, 1966, a 10 a.m. cutter and the vessel was not boarded until 3:45 p.m.

These are just a few of the many incidents of this kind which occur.

On June 1, 1959, the Immigration and Naturalization Service, for the purpose of reducing the amount of overtime paid by the carriers,

put into effect at the seaport and airport sections of the New York district new tours of duty for inspection procedures for what they termed "staffing purposes." These procedures were later put into effect at all other ports on a nationwide basis. This procedure was proven to be so impractical and so costly to the Government that it was discontinued on February 25, 1960.

Requests for special services are entirely at the discretion of the carrier and for his benefit and convenience. We have been given to understand that at the time of the enactment of the 1931 Overtime Act the various passenger steamship companies revised their rates to include a charge for immigration overtime.

At the inception of airplane passenger traffic undoubtedly the cost of overtime was and is still considered as an operation expense. These additional expenses were to cover overtime services. This additional charge is included in the price of the ticket to passengers who arrive during the hours where no overtime is involved or otherwise. This charge therefore is not really paid by the carrier or the general public but by the traveling public who reap the benefits of this extra charge.

It is noteworthy that the traveling public has never protested this additional charge. During the calendar year of 1965, 25,561 planes arrived at Kennedy International Airport carrying 1,990,272 passengers. Of these arrivals, 2,415, or less than 10 percent, were billed to the carriers for a total of $137,271 overtime. This is a charge to the carrier of less than $0.07 per passenger.

In the fiscal year ending June 20, 1965, the carriers reimbursed the Government to the extent of $1,752,858. That is for overtime only. If this bill is passed the Government would have to assume this additional expense and relieve the carriers of it. The savings to foreign-flag operators would be approximately 70 percent of this amount.

In closing I would again like to thank the committee for permitting us to appear here.

Senator MONRONEY. I would like to ask you about the Kennedy International reimbursement. Is that for Sunday work or for overtime?

Mr. GUTHRIE. Sunday work.

Senator MONRONEY. It was premium pay at double time?

Mr. GUTHRIE. Premium pay, and also for work between the hours of 5 p.m. and 8 a.m. under the scheduled arrivals, or arrivals off schedule. We do attempt to cover all weekday arrivals at no expense to the carrier. We have set up various tours of duty from midnight to 8 a.m., from 6 a.m. to 2:30 p.m., from 1 a.m. to 9:30 a.m., from 2 p.m. to 10:30 p.m., and from 4 p.m. to midnight. We do that to try to cover all the arrivals without charging overtime to people who do arrive on schedule.

However, planes do go off schedule. In that event we either have to hold over men who have worked their 8 hours or bring men in who are not working in order to cover the extra arrivals.

Senator MONRONEY. We are talking, of course, about Kennedy, which is one of the three airports in this big United States, with millions of people coming in, that is open on a 24-hour basis. We don't think it is enough. We think there should be more airports where planes can land and discharge their passengers without the

carrier or the plane owner having to pay for that service or an 8- or 9-hour basis. We don't think that the system that worked well perhaps for the steamships is necessarily practical in the year 1966. Don't you think that the customs service needs some change from the past, or should we just keep that old steamship schedule of rates?

Mr. GUTHRIE. I think the Immigration Service tries to keep abreast of these things. As I pointed out, in 1959 we did, at the direction of the Service, start what they called a staffing procedure. It was a tremendous amount of lost time, with an exceptional cost to the Government.

I think that if business arrivals pick up in other ports, undoubtedly the Service will institute 18-hour or 24-hour inspection or whatever they think is necessary. That has been the policy of our Service.

Senator MONRONEY. Do you have any questions, Senator?

Senator HART. No, Mr. Chairman. Like so many things around here, I have discovered that the more you are exposed to a problem, the less easy the assumed solution is. I shall attend and listen and probably be further confused.

Senator MONRONEY. Thank you very much, Mr. Guthrie, for your testimony.

We will recess until 2 o'clock, at which time we will hear Mr. Charles Famulari, president, U.S. Customs Inspectors Association, port of New York, and other witnesses: Mr. Ralph B. Dewey, president, Pacific American Steamship Association, Mr. Gerald D. Finney, general attorney, Association of American Railroads; Mr. William K. Lawton, executive director, National Business Aircraft Association; Mr. A. B. McMullen, executive director, National Association of State Aviation Officials, and other witnesses that have been listed. I don't know whether we will be able to finish this list or not.

We will try to complete this list of witnesses, although we have nine scheduled. Those who can brief their statements and put the full statements in the record, it will be deeply appreciated.

Mr. MCMULLEN. Mr. Chairman, I will submit my statement for the record.

Senator MONRONEY. Mr. McMullen?

Mr. MCMULLEN. Yes, sir.

Senator MONRONEY. We will appreciate that very much. We are ready to receive them. Or you can come forward and brief the statements before the committee. Thank you, Mr. McMullen.

(Statement follows:)

STATEMENT OF A. B. MCMULLEN, EXECUTIVE VICE PRESIDENT NATIONAL ASSOCIATION OF STATE AVIATION OFFICIALS

Mr. Chairman and members of the committee, my name is A. B. McMullen. I am executive vice president of the National Association of State Aviation Officials, whose membership is composed of the various State aeronautics departments and commissions.

NASAO is sincerely appreciative of the opportunity we have been afforded to appear before your committee in support of S. 1596. The exorbitant clearance charges aircraft operators are required to pay when crossing the international borders of the United States during weekend and holiday periods have been a matter of much concern to members of our association for approximately 20 years.

During this time, NASAO has been represented on various Government-industry committees formed to study border crossing problems and charges, and

NASAO officials have met frequently with representatives from the Department of State, Treasury, Agriculture, Customs, Health, and Immigration, and the several other Federal agencies concerned with border crossing regulations, procedures, and charges with the hope of obtaining relief or favorable modification of the latter.

We have also discussed the problem with individual Members of Congress who have interested themselves in the present practice of charging aircraft owners and pilots for the overtime pay of customs agents for border-crossing inspections performed outside the normal Monday-through-Friday 8-hour workdays. However, as evidenced by the introduction of S. 1596, this very undesirable and costly international transportation impediment is still with us.

Over a period of years, NASAO has compiled a record of excessive charges to aircraft operators. The following quotation from one letter in this file, written by the general manager of a construction company, is generally typical of the situation:

"We have paid over a period of 10 years, amounts ranging from $9 to $40 on Sundays for customs * * *. Any correction you can help make on this situation would be appreciated by private and business aviation."

The following excerpts from other letters to our file illustrate the inconvenience caused aircraft owners as a result of these charges.

From a fuel dealer in Vermont: "My wife and I both work and have just weekends and holidays to travel. We like to go to Canada skiing in the winter and fishing in the spring and summer, so we purchased a Cessna 172 last fall with the idea that it would solve all our problems. Shortly afterward we realized that our problems were not solved at all, therefore we are back using the car while our plane sits idle at the airport. We cannot see our way clear to pay the fee imposed on aircraft using the U.S. Customs on Sundays and holidays and then waiting months for a refund, if any. We feel that something should be done at once to give private aircraft the same privilege as cars."

From a flying service in Vermont: "There have been many instances when a number of persons who have flown in here on a Saturday and were going on into Canada did not do so when they found out about the special (customs) charges on Sunday. Many pilots would avail themselves of the opportunity of flying in and out of Canada on Sundays and holidays, if such charges were eliminated, and we, ourselves, would also do so."

While our primary concern in the past has been the fact that the present charges for customs inspection prevent many U.S. citizens from obtaining maximum benefit from aircraft ownership, we are also now of the opinion that rather extensive weekend and holiday air travel from Canada into the United States is being stifled because of the excessive border crossing charges. This appears unreasonable and undesirable at a time when large sums are being expended to encourage persons from other countries to visit the United States as a means of improving international relations and understanding, and of reducing this country's very unfavorable international balance-of-payments situation.

As a result of a long-term study of U.S. border crossing problems, NASAO adopted the following policy statement in 1954, 12 years ago, which the association still strongly supports:

"Border-crossing regulations and requirements should be amended to permit operators of personal and other nonscheduled aircraft to cross the borders of this country at any airport reasonably convenient to established customs or immigration stations, under the same procedure by which privately owned automobiles are cleared and at no additional expense other than transportation charges incurred by U.S. customs, immigration, or health officials to and from airports.

"Many existing airports of entry are not staffed by Federal customs, public health, and immigration officers on Sundays, holidays, and nights, which results in the imposition of exorbitant overtime charges for customs and other services to aircraft operators attempting entry during those periods. Appropriate U.S. Federal agencies responsible for supervising border crossings should staff a reasonable number of airports of entry so that service to aircraft entering or departing the United States may be obtained at any time without additional cost."

NASAO members are of the opinion that inspection and quarantine services required to be performed by any agency of the U.S. Government are performed for the benefit of the Government and the country as a whole, and the cost thereof

should not be borne by the individual owners and operators of aircraft, trains, and vessels. Therefore, the association strongly supports the early adoption of S. 1596, and recommends that the act become effective within 12 months, rather than 18 months, after enactment in order to more quickly remove the discriminatory border crossing charges that are increasingly and adversely affecting U.S. transportation, tourism, and economic development.

Mr. RATHBLOTT. Mr. Chairman, I would like to submit my statement for the record also.

Senator MONRONEY. Thank you, Mr. Rathblott. We appreciate that very much.

(Statement follows:)

STATEMENT OF ALBERT RATHBLOTT, PAST NATIONAL PRESIDENT, LAWYER-PILOTS BAR ASSOCIATION

Mr. Chairman and committee members, I respectfully appear before you, as the representative of the Lawyer-Pilots Bar Association, to join others in urging this committee to report S. 1596 favorably and the ultimate adoption, enactment into law, by the Senate of the United States.

Our association was organized in October 1959 by lawyers of 20 States who had a pilot's interest in aviation law. Today notwithstanding our membership qualification requirement of being a lawyer and pilot, or a lawyer with a specific interest in aviation law, our membership includes lawyers in all 50 States, the Virgin Islands, Puerto Rico, Canada, Mexico, and until recently Japan. Our objective is to encourage a better understanding of the laws, regulations, and procedures as they may apply to aviation; to promote and encourage aviation safety and to foster the just administration of the law.

The seventh annual convention of our association, held last August at Dorval, Quebec, Canada, adopted a resolution urging Congress to enact appropriate legislation eliminating customs overtime charges. The resolution suggests that the enactment of an amendment to the Tariff Act of 1930, section 451, to include aircraft in the exemption from overtime charges accorded to "highway vehicle, bridge, tunnel, or ferry" entering the United States before 8 a.m., after 5 p.m. and on Sundays and holidays.

We. most respectfully, urge your consideration of the following points in your deliberations:

(*a*) The enactment of S. 1596 into law will eliminate the discriminatory practice that now exists with respect to travelers entering the United States by a means of transportation other than by a highway vehicle, bridge, tunnel, or ferry.

(*b*) The present law, with respect to the overtime charges, was adopted in 1944. The proviso as adopted, creating the exemptions, is now antiquated. It is obvious that Congress did not anticipate the rapid development of the "air age."

(*c*) The collection of overtime charges from the air traveler and not from traveler entering the United States by automobile, ferry, or by walking across the bridge, is in effect "unequal taxation" and contrary to the equal protection of the laws which is fundamental in our democracy.

(*d*) The uncertainty of the amount of the levy, and the ultimate application for adjustment and refund, is a costly and burdensome procedure for both our Government and the traveler.

(*e*) The adoption of the pending legislation would promote international goodwill and foster better international relations. It would improve the image of the United States among foreign nationals. It would encourage more visits to our country by citizens of neighboring countries resulting in a direct benefit to our economy. It would accomplish for us, what we as Americans do for Mexico, Canada, and Europe by going to these places.

(*f*) Last, it will promote international commerce.

A personal border crossing experience adds impetus to my conclusion that the enactment of S. 1596 will benefit your constituency and thus the American citizenry. Upon returning from Canada, on a Sunday, in a private aircraft, I was required to make a deposit of $45 to cover customs charges. I was the second airplane to arrive at this port of entry that morning. Another American registered aircraft, which arrived an hour or so before me, deposited $55. The

customs inspector was indeed courteous and helpful. I was assisted in making out the application for adjustment and refund. However, my $19 refund was not received by me until almost 2 months later. Since I had been forewarned by our Canadian membership, that it would be less expensive to stay overnight and depart in the morning, the experience was time consuming and distasteful. I learned, as it were, the hard way, that our Canadian friends avoid coming to the United States unless they can arrive during the days and hours when overtime charges are not in effect.

Now, for myself and our association, may I acknowledge with a sense of deep gratitude your permitting me to make this presentation and for your indulgence in listening to me.

Lastly, I am authorized to report that the Lawyer-Pilot Association endorses the sentiments of all who advocate the enactment of Senate bill S. 1596.

Senator MONRONEY. The committee will be in recess until 2 o'clock.

(Whereupon, at 12:55 p.m., the committee was recessed, to reconvene at 2 p.m., this same day.)

AFTERNOON SESSION

Senator MONRONEY. The Commerce Committee will resume its hearings on the bill, S. 1596.

We completed the statement of Mr. Thomas C. Gibney, national president, U.S. Immigration-Naturalization Officers' Association. We will next hear from Mr. Charles Famulari, president of the U.S. Customs inspectors' Association, port of New York. He also represents the National Association of Customs Inspectors.

We are glad to have you with us. Will you come forward, please?

STATEMENT OF CHARLES FAMULARI, PRESIDENT, U.S. CUSTOMS INSPECTORS' ASSOCIATION, PORT OF NEW YORK; ACCOMPANIED BY JAMES J. McGOWAN, VICE PRESIDENT OF THE NATIONAL ASSOCIATION OF CUSTOMS INSPECTORS; AND MR. CAGNEY

Mr. FAMULARI. Mr. Chairman, my name is Charles Famulari. I am president of the U.S. Customs Inspectors' Association, port of New York. With me is Mr. James J. McGowan, vice president of the National Association of Customs Insepctors, and Mr. Cagney, who is a former vice president of the Inspectors' Association, Port of New York, and a director of the National Association of Customs Inspectors.

Senator MONRONEY. This is the same organization that Mr. Murphy testified for; is that correct?

Mr. FAMULARI. No, sir.

Senator MONRONEY. This is U.S. customs inspectors and theirs is national.

Mr. FAMULARI. Yes, sir.

Mr. Chairman, the attack on the customs overtime is the opening salvo on the easing and ultimate elimination of Government controls by a selfish and vested cartel. These people have unlimited funds and a powerful lobby to achieve what to them is utopia (no Government controls). At this moment their primary purpose is to eliminate the overtime payment to customs inspectors for working after hours and on Sunday and holidays. This is a diversionary tactic, the real aim being elimination of controls.

This association recently conducted a survey at the port of New York which disclosed the fact that at least 90 percent of the ships arriving at the port of New York are flying foreign flags. Among these ships many are owned by American companies who fly foreign flags to evade paying taxes to the United States and eliminate the need for hiring American seamen. This not only deprives the American seaman of his livelihood but tends to further lessen the ranks of an already dangerously depleted merchant marine.

The money they make is kept abroad and they avoid paying the 48-percent corporation tax. Meanwhile five American oil companies which operate these ships under foreign flags: Standard of New Jersey, Texaco, Gulf, Standard of California, and Socony, racked up record earnings of nearly $1.3 billion during the first 6 months of 1964. They are also enjoying the 27½-percent oil depletion allowance.

Foreign registry also eliminates compliance with rigid U.S. safety standards, evidence of this being the recent *Yarmouth Castle* disaster. This was an American-owned vessel flying the Panamanian flag. In the past 5 years, 10 fires on foreign passenger ships have claimed 378 lives, according to maritime statistics.

The even increasing number of American companies putting their ships under Panamanian, Liberian, or Honduran flags is alarming. The total number of U.S. ships under these flags as of January 1, 1964, was 409 and the companies are not fly-by-night operators, but some of the biggest in the United States.

Recently a group of European shipowners had the temerity to suggest to the Federal Maritime Commission not to publicize the enforcement of certain shipping laws. We must note that the U.S. foreign trade and commerce generated the greatest shipping revenues in the world, and that foreign carriers enjoyed the lion's share of the revenue.

Gentlemen, we further note that the Defense Department, desperately in need of shipping for Vietnam, has been considering taking over the vessels flying flags of convenience. In quite a few instances foreign crews refused to carry U.S. war supplies to Vietnam. However, there had been quite a bit of shipping to Communist Cuba until it was stopped by the International Longshoremens Union and the U.S. Government.

The purpose of mentioning the above facts is to prove to you that the very people who show no obligation to the United States, and who, in pursuit of the American dollar, try deliberately to avoid the laws of this Nation, are now asking the U.S. Government to further subsidize them. This they intend to do by asking the Congress of the United States to eliminate the payment of overtime earned by American taxpayers: the customs inspector.

Carriers state that the nighttime inspector or the inspector on overtime does not normally physically check cargo as it is being discharged. This statement is false. The inspector checks all cargo for marks and landed conditions. When he finds a piece of cargo in bad order, he has it taken to a designated area where it is checked and recoopered. He orders special cargo to a designated area for safekeeping and in addition sees to it all cargo landed is manifested.

The inspector would not allow unpermitted cargo to leave the pier and if permitted would only allow release upon compliance of all Government requirements.

The fact that an inspector is on the scene acts as a deterrent against pilferage. There have been numerous instances where the steamship company hired less guards because the inspector was on hand.

The carriers talk of a waterfront night shift, this is misleading. There is no night shift. There hasn't been a night shift for at least 50 years on the waterfront. Working hours on the waterfront are from 8 a.m. to 5 p.m., work during any other hours requires payment of overtime. This holds true for all personnel involved in waterfront work such as pilots, tugboat operators, longshoremen, clerks, truckmen, and so forth. At times as many as 100 to 200 people could be employed on overtime with just one customs inspector being included. The overtime rates paid to everyone but the customs inspectors must be further supplemented by payment to health and welfare funds, social security, vacation funds and pensions to pilots, tugboat operators, longshoremen, clerks, truckmen, and so forth.

I would like to make it clear at this point that at no time does anyone work overtime unless a specific request is made by the interested carrier. This request being made by the carrier for his particular benefit and in many cases on very short notice. Oftentimes carriers do not know if they are going to work on a particular evening and a decision to work could be made after 3 p.m.

I ask the members of this committee: Why are the carriers conspiring to get out from under the requirement that they make overtime payments to the customs inspectors under the act of 1911 and yet they register no objection to making these same payments to the other categories of non-Federal employees, who are far greater in number than the customs inspectors? I refer specifically to the pilots, and so forth. Is it because they are afraid to tackle the unions to which these other employees belong, or, are they willing to make these payments for political reasons? Do the carriers feel that the Congress of the United States, especially the members of this committee, are easier for them to take on to try to cut down paying the customs inspectors overtime, or is it because our Federal employee union is not as strong and powerful as the outside unions?

Ask yourselves: What is their motive in seeking to eliminate all responsibility for making overtime payments to the customs inspectors and yet continue to make these payments for the far larger number of non-Federal employees who service them at the same time? Aside from any other consideration, is this discrimination or isn't it?

A large portion of overtime worked by customs inspectors is not continuous, that is to say, not continuous with his regular daily assignment. He is very often called upon to travel to distant and inaccessible areas. All costs of transportation and responsibility of travel is borne by the individual assigned to the overtime work.

It is becoming more and more the practice in private industry to rely on overtime to take care of the temporary expansion of work. This is a highly accepted practice and found to be economically sound.

Have any members of this committee seen the recent report proposed by the airline industry published in November 1965 in their Air Travel magazine?

The recent carrier report relative to overtime compensation to customs personnel is unfairly biased in favor of the carrier and shows bad faith on the part of its authors. It is a thinly disguised lobby of the carrier using all their former arguments and distorted figures to make a pitch for Government to absorb their legitimate expenses. Omitted from this report is the fact that the Government will assume all the expenses currently shared to a major extent by foreign carriers. Note that part of the moneys now paid by the foreign carrier is returnable to the U.S. Government through employee income tax and circulation within the economy. Under the proposals made by the carriers, the Government would both assume the burden of paying for special services rendered for the private interests of foreign carriers, but also many tax-avoiding, American-owned, foreign-registered carriers.

The U.S. Government provides service for the normal working period and even provides service where a regular schedule can be maintained. In the port of New York, it is common practice for the customs service to provide 50 to 60 inspectors to service the Saturday arrival of American-owned and foreign-registered vessels with no charge to the carriers. It is quite evident that the Government is providing service wherever practical. We would like to bring to your attention the fact that all personnel assigned to work these ships are on an overtime basis with the exception of the customs inspectors.

When the carriers speak of overtime payment, they make it seem like a giveaway program, never mentioning the adverse working conditions which exist on the average pier. On January 27, 1966, the Greek Line SS *Olympia* was scheduled to arrive at the port of New York at 8 a.m. from Greece, with 451 passengers. This ship did not arrive until 9:20 p.m., 13 hours later. It was a bitter cold night. The company immediately discharged the passengers and their baggage. The last passenger was cleared at approximately 4 a.m. It would have been more humane to keep them aboard for the night and clear them through customs at 8 a.m. the next morning. The company found it more convenient to let them out on a cold pier because their ship had to go on a Carribean cruise at 11 a.m., showing a total disregard for their passengers' welfare. I also wish to make mention that all the steamship personnel were paid overtime on that assignment.

We ask the members of this committee, are you going to permit the carriers to get away with their conspiracy to "pass the buck" to the American taxpayer?

We are trying to show how avaricious these companies are. They have one rate for freight coming into the country and a higher rate for freight leaving. This is a difficult situation to understand. Why two rates? Is this still another way of bleeding the United States?

If the carrier did not have to pay overtime to the customs inspectors would he then lower his freight and passenger rates, or would he pocket this extra revenue? What do you think he would do? We are inclined to think he would pocket it because when the platoon system was instituted at the airports, a substantial saving was made by the airlines. Now, did they reduce their rates? Of course, not.

A complaint, has been made relative to the present overtime rate. We would like to state in answer to this that the average longshoreman, who can be classified as a laborer, now makes almost as much as a customs inspector on a yearly basis.

In summation, gentlemen, I would like you to bear in mind that the individual carrier is being asked to pay for services rendered beyond the normal working hours, at and for their own request and benefit. Furthermore, the customs service has always given the carrier fair treatment. This fact is borne out in the act of 1911 which was established by the Congress as fair and equitable to all concerned.

Since 1911 this act has been challenged many times in the Congress and Federal courts. Both have never seen fit to revoke it.

I have additional memorandums to submit to this committee, if agreeable. We were on such short notice that we weren't quite able to prepare it. If I have your permission, Mr. Monroney, to submit that——

Senator MONRONEY. What is the nature of it?

Mr. FAMULARI. In regard to this bill.

Senator MONRONEY. We would like to know a little bit more about it, too. Will this involve statistical items on income, or average income, of your customs inspectors hours worked overtime?

Mr. FAMULARI. Yes, sir. We will give you more detail.

Senator MONRONEY. For the record, the usual grade is grade 9, is that correct, of your customs inspectors?

Mr. FAMULARI. Yes, sir.

Senator MONRONEY. What is their straight-time pay?

Mr. FAMULARI. It varies. There are various steps, Senator.

Senator MONRONEY. Let's take the middle step, grade 9, if you have it. All ports pay about the same on grades, don't they?

Mr. FAMULARI. Yes, sir; more or less.

Senator MONRONEY. A man in a small port is not paid less even though he has fewer ships coming in?

Mr. FAMULARI. That is right, Senator.

I don't have it here, I thought I did. It averages about $8,800 to $8,900.

Senator MONRONEY. What portion of that would be overtime?

Mr. FAMULARI. None, sir.

Senator MONRONEY. That is plus overtime?

Mr. FAMULARI. This is his straight yearly salary.

Senator MONRONEY. Then for anything over 40 hours he gets overtime?

Mr. FAMULARI. Yes, sir.

Senator MONRONEY. How is that figured?

Mr. FAMULARI. In what way do you mean, Senator?

Senator MONRONEY. What is the rate of overtime for a man who works over 40 hours?

Mr. FAMULARI. He is paid—it depends. If he is in at the request of the Government for the benefit of the Government, he is paid at FEPO rates, what we call FEPO—Federal employees payout.

Senator MONRONEY. At what rate would that be?

Mr. FAMULARI. Time and a half—time and a third.

Senator MONRONEY. Time and a third?

Mr. FAMULARI. Yes, sir.

Senator MONRONEY. That is lower than most overtime in Government.

Mr. FAMULARI. Anything above grade 9 is time and a third, at the basic step of grade 9.

Senator MONRONEY. At the basic step of grade 9 he drops down to one and a third?

Mr. FAMULARI. Yes, sir.

Senator MONRONEY. Before he gets there, what is the rate? It is higher to the lower grades?

Mr. FAMULARI. Yes, sir.

Senator MONRONEY. How much is that?

Mr. FAMULARI. It comes to about time and a half, I would say.

Senator MONRONEY. On Sundays and holidays, this is double time?

Mr. FAMULARI. Yes, sir.

Senator MONRONEY. Whether it is in the 40-hour workweek or not?

Mr. FAMULARI. Yes, sir.

Senator MONRONEY. How are these men scheduled? Are they scheduled so that any time is left over out of their basic workweek for Sunday work or not?

Mr. FAMULARI. Our 40-hour week is stretched over a 6-day period.

Senator MONRONEY. You have a 6-day basic workweek?

Mr. FAMULARI. Yes, sir. When we are off on those 40 hours, oftentimes we are not told that we have our 40-hour off period until 3 o'clock the preceding day. We are told your off time; 3, 3:30, or 4 o'clock. And we have our day off for coming into work on Saturday.

Senator MONRONEY. Your men, if they take Sunday work, are really working a Sunday schedule but they are also on overtime.

Mr. FAMULARI. There is no Sunday schedule, Senator.

Senator MONRONEY. I know. I mean if they are called in on Sunday, they have already completed their 40 hours of work for that week; is that right?

Mr. FAMULARI. Yes, sir.

Senator MONRONEY. So the Sunday work is beyond the 40-hour limit.

Mr. FAMULARI. We consider it beyond the 40 hours.

Senator MONRONEY. So actually you are getting time and a half plus a half on Sunday work?

Mr. FAMULARI. No, sir.

Senator MONRONEY. You get two times—double time?

Mr. FAMULARI. Yes, sir.

Senator MONRONEY. If he worked overtime during the week, if he was under $8,800, he would still be paid one and a half times his straight pay for overtime?

Mr. FAMULARI. It is figured this way: During the week and Sunday is figured the same way, as far as the hourly rates are concerned.

Senator MONRONEY. The maximum he can get on Sunday would be double time?

Mr. FAMULARI. That is right, sir.

Senator MONRONEY. And that would figure out to how much on a Sunday tour for this $8,800 man?

Mr. FAMULARI. I don't have the figures——

Senator MONRONEY. $60 or something of that kind?

Mr. FAMULARI. Something between $60 and $70.

Senator MONRONEY. For the day's work?

Mr. FAMULARI. Yes, sir.

Senator MONRONEY. If there is only one job coming in, and he finishes that, does he have to remain for the full day?

Mr. FAMULARI. Most of the time he puts in an 8-hour shift. The ship is discharging——

Senator MONRONEY. You are a ship man. I am thinking more of aviation.

Mr. FAMULARI. Most of the time a ship is discharging full day Sunday, and the inspector is there a full day.

Senator MONRONEY. Do they come in much on Sunday?

Mr. FAMULARI. It isn't coming in. The ship can arrive at a previous date and work that Sunday—unload.

Senator MONRONEY. That would be a freighter?

Mr. FAMULARI. Yes. I am talking about a freight ship now, with cargo. The company decides Friday afternoon that they are going to work that Sunday, and an inspector is ordered in. There are 100 or 150 longshoremen working that day, and 1 inspector. That inspector works the 8 hours.

Senator MONRONEY. How about in aviation? Those who work at John F. Kennedy Airport, which is run on a 24-hour basis, they have to be paid for Sundays?

Mr. FAMULARI. Yes, sir.

Senator MONRONEY. They work how long a tour?

Mr. FAMULARI. They work 9 hours.

Senator MONRONEY. Nine hours on Sunday?

Mr. FAMULARI. They come in at 8 in the morning and work until 5 in the evening.

Senator MONRONEY. They would be getting around, I think you said, $60?

Mr. FAMULARI. Something in that neighborhood.

Senator MONRONEY. Those out on the small airport, who are called in because one private airplane has to get clearance to get back home, if the inspector comes in to inspect the plane, baggage and all, and only takes say an hour, would he get paid the same full day?

Mr. MCGOWAN. According to statute. He is paid for the full 2 days. But he would be on call the rest of the day for any other planes that may arrive at that airport. His time would be arrested.

Senator MONRONEY. He wouldn't get any more money for inspecting 10 planes as he would for 1 plane?

Mr. MCGOWAN. Yes, sir.

days. But he would be on call the rest of the day for any other planes

You have had no experience with airplane inspections?

Mr. MCGOWAN. Yes, sir. I was 8 years at La Guardia and International Airport, N.Y.

Senator MONRONEY. La Guardia doesn't have customs inspection now. Are they on call?

Mr. MCGOWAN. When I went out to the airport in 1948, at that time the International Airport, practically all arrivals were at International Airport. I believe in 1948 J. F. Kennedy Airport, then

known as Idlewild Airport, opened up. And they had very few arrivals because at that time the international arrivals were split between La Guardia and Idlewild, where your Canadian planes and Bermuda planes, from Panama and Trans-Canada Airlines and Colonial Airlines, arrived at La Guardia Airport. The other carriers had their planes arrive at Idlewild.

We did have to travel in between these two airports. At that time it was very hard for the carriers to determine when, where, and how and what time their planes would arrive. Oftentimes we were working on the 4 to 12 shift, which was a free shift, and we would work until 1 or 2 in the morning on overtime, we would go home, only to get home and be called back that there was a plane on the ground at La Guardia or Idlewild, would we please get in our car and come back. This happened on numerous occasions.

Also, prior to the schedule as being adhered to now before the jets came into the picture—that was with the Constellations and the DC–7's and DC–8's, oftentimes we were called up at 4:30 and 5 in the morning when we were on the 8 to 5 shift to get into the airport to service and inspect these planes at 8 a.m., because the planes had made up time coming over the ocean due to favorable winds and other conditions.

These are some things that are beyond the control of the customs and also beyond the control of the carrier. Yet if you were to put on platoons and shifts you may have men around the clock many times doing nothing.

We had made a survey and we found out that the custom inspector works an average 20 percent of his time a year on overtime.

Senator MONRONEY. You say that is the going average for all of your customs inspectors, 20 percent?

Mr. MCGOWAN. Yes, sir.

Senator MONRONEY. Of their income?

Mr. MCGOWAN. Yes, sir.

Senator MONRONEY. Twenty percent of their income would be overtime?

Mr. MCGOWAN. Yes, sir.

Senator MONRONEY. Don't you feel that 8 to 5 is too short a period of time to expect airplanes to complete their work? This might fit a steamship schedule. It seems to me that you are living completely in the Dark Ages when you say this is conspiracy and so forth, to cheat you out of your overtime.

This bill is to try to find out how we can expedite the great transportation system of the United States. I don't think the airline industry can exist on an 8 to 5 transportation period. That is aside from three airports in the country. We have only three that are open on a 24-hour-a-day basis for customs inspection.

Mr. CAGNEY. The primary duty of the customs inspector is the protection of the revenue. We are not here to expedite air traffic. Our primary purpose is the protection of our revenue.

I work locally in the local area, which is the Washington area, three airports: Washington National, Andrews Air Force Base, and Dulles. And you can rest assured, Mr. Chairman, that a lot of these facts that were put forth by Mr. Tipton are not true in nature. He

refers primarily to the cargo work or the express or the supersonic planes. It is very easy, on the first port of arrival, if it should be New York, and they have cargo that they want to expedite to the inner part of the country, they don't need a customs inspector in Washington or any other place. They can just ship that in bond and leave it aboard the same aircraft.

They also, on numerous occasions, had requested the service of customs inspectors to build figures up when it was unnecessary to have these services.

These points have to be brought out, Mr. Chairman.

Senator MONRONEY. I feel you are being completely and totally unrealistic.

Mr. CAGNEY. Why do you say that?

Senator MONRONEY. To try to keep our air traffic at an 8 to 5 schedule.

Mr. CAGNEY. No, I think the Bureau of Customs is doing a wonderful job, Mr. Chairman. There are tours of duty at all airports when the passenger or the cargo requires it. The Bureau goes along and the tour is established giving this service. This is around the clock in many instances, Saturdays and Sundays, inclusive.

You refer to the rate of pay of the customs inspector. We have to also consider the rate of pay of the longshoreman, the steamship checkers, that are an equal part as far as an overtime basis goes. But the only question here seems to be about the customs inspectors.

Senator MONRONEY. The customs inspectors I don't think are mentioned in this bill. What we are trying to do is get better service for the American public.

Mr. CAGNEY. I think that we are doing a fine job, Mr. Chairman.

Senator MONRONEY. I don't think that keeping only three airports in the United States open on a 24-hour basis in which the user doesn't have to pay for the service of the customs officer is a very good job. We may differ on that, but I think the public expects better service than to go back to 1911 and say what was good then is going to be good enough for our transportation system today.

Mr. CAGNEY. Would you figure that just to have the men available for the arrival of these planes, or would you——

Senator MONRONEY. I think we need more than three U.S. airports on a 24-hour basis. Yes, I do think we need more than that. And I think the Federal Government, since these men are there not to protect the airplane passenger, not to protect the airline in any way, but there to protect the revenue of the United States, to keep people from smuggling or bringing things in duty free should bear the cost. They are on the job because of the country's need for revenue, and not for rendering a service for the traveler, and to expect the traveler or the airline to pay for that and not have an entry period that will accommodate itself to the hours and the periods that the public is traveling, is being unrealistic.

Mr. CAGNEY. I don't think the burden should be borne by the Government.

Senator MONRONEY. We pay for your regular time, don't we?

Mr. CAGNEY. Yes, you do.

Senator MONRONEY. And that is your 8 to 5 period?

Mr. CAGNEY. That is right.

Senator MONRONEY. Eight to five is not long enough you might say for this store to stay open with the volume of traffic we have, particularly on the airlines.

Mr. CAGNEY. I think then we would have to go back to Kennedy Airport where we have at least six tours of duty.

Senator MONRONEY. That is right. You have three of those in the whole United States. That is not enough.

Mr. CAGNEY. Do you think, Mr. Chairman, that Dulles Airport would warrant such service?

Senator MONRONEY. I don't think Dulles would. We hope it will sometime. I am sure it doesn't now.

Mr. CAGNEY. Or Friendship Airport?

Senator MONRONEY. I am afraid it doesn't. But there are airports that would warrant that, and would build up. How do we know, when most of them are only open 8 to 5?

Mr. CAGNEY. I think that the Bureau of Customs is well aware, Mr. Chairman, of where these services are needed.

Senator MONRONEY. I think the Bureau of Customs is old fashioned if it insists that an 8 to 5 day can meet today's U.S. transportation system on an international scale. You are open 24 hours and Sundays at many highway points today. That cost is not borne by the bus companies or by the passenger or car owner, but by the Federal Government as a public service. But private airplane owners wanting to come into the United States without paying $62 for crossing the border at someplace between the United States and Canada would have to remain over perhaps Sunday, and longer if on a holiday.

Mr. CAGNEY. I believe, Mr. Chairman, that the Sunday holiday that we are so concerned with, and also the pilots that fly these planes, are given extra compensation on Sundays, too.

Senator MONRONEY. I don't believe they are.

Senator BARTLETT. We are talking about private pilots.

Senator MONRONEY. We are talking about private pilots who pay $62 for less than 30 minutes' work to come back into the United States, when on the other side of the line, Canada, and Mexico, there is little or no charge made.

Mr. CAGNEY. Don't you think this is very remote? How many people actually in the United States are able to afford their own private plane?

Senator MONRONEY. There are roughly a hundred thousand private planes, and many share ownership—probably 200,000 people.

There would be more traveling in foreign countries if they didn't have to pay such large fees to come back into the United States. These are corporation aircraft in addition to that.

This is what we are trying to avoid—this infringement on the rights to travel, to come back in on Sunday without having to pay $62.

Mr. FAMULARI. Mr. Chairman, I believe that where the recurring need occurs, that the Bureau will implement them as they go along. But to indiscriminately place inspectors around airports around the country just for the sake of having them there, I believe that that is an extravagance.

Senator MONRONEY. Nobody is talking about that, and you know it.

What we are talking about is trying to improve this service, trying to have it available a little bit better than on an 8 to 5 banker's hours basis to take care of this dynamic air transportation.

We think that is important.

Mr. FAMULARI. I repeat, Mr. Chairman, that the recurring need will be taken care of by the Bureau. The Bureau is always studying these different needs. And their proof is that at various airports different tours of duty are being implemented.

Senator MONRONEY. At how many ports do you have customs inspectors on the Atlantic seaboard?

Mr. FAMULARI. There are about 53 ports, nationwide.

Senator MONRONEY. Fifty-three ports. And assigned to these 53 ports are your customs inspectors on a 6-day-week basis, is that correct?

Mr. FAMULARI. That is correct.

Senator MONRONEY. And those hours in those ports are what—in those 53 ports?

Mr. FAMULARI. Normally 8 to 5.

Senator MONRONEY. A ship docking from 8 to 5, there is no charge for inspection services?

Mr. FAMULARI. For these services, that is right.

Senator MONRONEY. So they can make it, because the day is not too important in the ship's life but it is pretty important to an airplane arrival if it is an hour late.

Mr. FAMULARI. Senator, I beg to differ with you on that. I think it is just as important to a shipowner to have his ship cleared as it is to an airliner. It is just as important for a shipowner to have his ship cleared so he can turn around and go out and get more business. It is just as important to him. I wouldn't differentiate between the two of them.

Senator MONRONEY. I do, because I think it is quite important that the airline that made the flight from Europe in 6 or 7 hours and it will be making it in less time than that, can't say that it will get in there between 8 and 5. It may get there at 6 o'clock. And we ought to be ready to do business with them.

Do you have any questions, Senator?

Senator BARTLETT. Just one or two.

How long does the inspector work at John F. Kennedy Airport? How many hours a day?

Mr. MCGOWAN. He works an 8-hour tour. Forty hours a week. He gets an hour for lunch.

Senator BARTLETT. I thought you said he worked 9 hours?

Mr. MCGOWAN. It is with 1 hour for lunch. It is a 9-hour period.

Senator BARTLETT. This overtime pay, is that computed for retirement purposes?

Mr. MCGOWAN. No, sir. Not for social security, either.

Senator BARTLETT. One final question. Why should the Government pay for the hours between 8 and 5? Why shouldn't the user pay around the clock?

Mr. CAGNEY. On many occasions, Senator Bartlett, the carrier has to compensate the Government for the services of the inspector during the week.

Senator BARTLETT. It was said here if a ship came in between 8 and 5, for example, no charges were assessed against the owner.

Mr. CAGNEY. There are a lot of cases where the importer or the carrier will take a ship out of the limits of the port and the Government charges the full day's pay to the carrier.

Senator BARTLETT. I don't follow that. What is the line of demarcation?

Mr. CAGNEY. When he requires inspection services of the Government.

Senator BARTLETT. What kind of inspection services?

Mr. CAGNEY. Marking at his place of business, where the inspector has to leave his normal post and go up to the importer's place of business and supervise the legal marking of the merchandise.

Senator BARTLETT. Is there much of that?

Mr. CAGNEY. On occasion there is quite a bit.

Senator BARTLETT. Ordinarily, when a ship comes into port, the owner's ship doesn't pay any charges between 8 and 5, is that correct?

Mr. CAGNEY. That is right.

Senator BARTLETT. My question then will be repeated.

Why does this break occur? Why does the user pay after a certain hour? Why wouldn't the Government pay all the charges incurred through a 24-hour period, or why wouldn't the user? I fail to follow this breakdown.

Mr. FAMULARI. Senator, the Government supplies the services in a normal working day. Anything after a normal working day, there is this overtime charge incurred.

Senator BARTLETT. I am bound to agree with the chairman that in transportation there can't be such a thing as a normal working day as to arrivals. It just don't come that way.

Mr. FAMULARI. We say wherever there is a recurring need, we will supply the services of an inspector to them, but where there isn't a recurring need, we charge the overtime rates.

Senator BARTLETT. I don't understand that. You said in your statement:

> The Customs inspector is very often called upon to travel to distant and inaccessible areas. All costs of transportation and responsibility of travel is borne by the individual assigned to the overtime work.

Will you give us an illustration or two of where he might have to travel to from New York which would be distant and inaccessible?

Mr. FAMULARI. Yes, sir.

An inspector leaves the city of New York and goes to a little town of Melville, in Long Island, which is a distance of 86 miles. Tankers come in there and discharge their oil and they require the service of an inspector. The inspector is dispatched from New York to Melville. We have inspectors going to Peekskill, which is some 50-odd miles.

Senator BARTLETT. Are these places inaccessible?

Mr. FAMULARI. I would say they are relatively inaccessible.

Senator BARTLETT. Let's go out to Montana, for an example, a big State. Would an inspector occasionally have to travel a hundred or two hundred miles to go to an airport there to clear a plane?

Mr. FAMULARI. I didn't get your question, Senator.

Senator BARTLETT. Say an inspector was a distance of 150 miles from an airport, where a private plane had to be cleared. Would the inspector be required to travel there at his own expense?

Mr. FAMULARI. Yes, sir. I don't know. On an overtime assignment it would be at his expense.

Senator BARTLETT. It could be or is?

Mr. FAMULARI. Is at his expense.

Senator BARTLETT. All travel away from his base of operations for this kind of work is at his own expense?

Mr. FAMULARI. Yes, sir. On overtime assignments.

Senator BARTLETT. Thank you. That is all.

Senator MONRONEY. That will be all. Thank you.

(Subsequently, the following information was received:)

SUPPLEMENT TO THE STATEMENT OF CHARLES FAMULARI, OF THE U.S. CUSTOMS INSPECTOR'S ASSOCIATION, PORT OF NEW YORK

Mr. Chairman and members of the committee, we respectfully submit the following supplement to the statement presented to the Senate Commerce Committee on February 10, 1966, relative to bill S. 1596.

It is our contention that enactment of bill S. 1596 would create a monstrous financial problem for the Federal Government. In the bills' attempt to eliminate some isolated injustices, a greater injustice would ensue. S. 1596 tends to couple the problem of the private airplane owner with those of the commercial airlines. Gentlemen, we feel that the difference between the two is so great that a commingling is in no way justified.

Let us look into the ramifications involved when the Federal Government is asked to pay for overtime services rendered to commercial airlines. To begin with, customs services are only required for planes arriving from a foreign country and in no way affect domestic travel. Of all flights made by U.S. citizens, only 1 percent have been made to foreign countries. Of this percentage 65.5 percent were carried on foreign owned airlines. At this time there are only three American airlines that fly scheduled foreign flights, they being Pan American which carries 19.8 percent, TWA which carries 13.2 percent and Eastern Airlines which carries 1.5 percent. The balance of the foreign traffic is carried by 18 foreign airlines with an anticipated addition of 2 new ones, Japan Air and Olympic. Most of the foreign airlines are governmentowned and operated, and also show very definite signs of expanding.

Let us now use John F. Kennedy International Airport as an example since it is the most heavily traveled relative to foreign flights. For the year 1965 John F. Kennedy Airport processed 2,008,953 passengers from foreign flights. The total cost of overtime paid to customs inspectors was $663,814 which comes to about 33 cents per passenger. Of the total cost, U.S. airlines paid only 34.5 percent while the remainder was paid by foreign carriers. In effect if the Government were to take up overtime payments, the chief beneficiaries would be the foreign owned carrier. Elimination of this obligation would not only be unfair to the entire U.S. citizenry, but would be advantageous to the foreign carrier from a competitive point of view. For every dollar saved by American-owned airlines, the foreign carrier might in some cases save $5 or more depending upon the currency exchange rate of the country involved.

The carriers, both American and foreign, state that they are obligated to provide service on a 24-hour basis. We, however, question this statement when it is a fact that no scheduled flights arrive in Europe between the hours of 12 midnight and 7 a.m., because of existing limitations set by the authorities of some countries. While this country is obligated to provide 24-hour service to cover all incoming flights, many flights are made at odd hours and at the convenience of the airline. If hours and days of the week are of no consequence to the carrier whose professed desire is to accommodate, then why the difference in rates at prime travel hours and days as compared with those of nonprime hours and days?

Even though air travel has increased over 150 percent in the past 15 years, the reimbursable overtime charges paid for the year 1965 were far less than paid 15 years ago. This being due to the fact that the U.S. Government is providing service wherever practical. At John F. Kennedy Airport the customs service has provided six tours of duty to cover the workload. The tours being 7 a.m. to 4 p.m.; 8 a.m. to 5 p.m.; 1 p.m. to 9 p.m.; 2 p.m. to 10 p.m.; 12 midnight to 8 a.m.; and 4 p.m. to midnight. Sunday is not included as a tour day, however, the inspectional force gets paid double time on an 8-hour basis and in reality these men work 9 hours. Sunday is a day requiring premium pay throughout the Nation and the customs inspector should be no exception to this rule.

Let us now consider the private plane owner. To begin with, the figures quoted as to the number of flights are questionable. It seems to us that this

figure is all encompassing and not just a figure indicating the number of flights made to foreign countries. We would like the committee to know that the amount of foreign flights in private airplanes is infinitesimal. The private plane owner feels that he is being discriminated against by comparing automobile travel with air travel. The one salient point omitted is that citizens traveling in private owned cars must cross the borders at prescribed check points which are fully manned and paid for by the Federal Government. However, the private plane owner can choose from 75 scattered airports, some of which are far removed from customs installations. Now we ask the committee is it feasible for the U.S. Government to man on a 24-hour basis these 75 scattered airports, some of which might not be used for months, and others on a sporadic basis? The complaint of discrimination is untrue because in areas where customs facilities exist, reimbursable charges are low and in most instances nonexistant. For example at La Guardia Airport where the bulk of the private foreign flights arrive, 24-hour coverage is provided with no charge to the private owner. However, occasions arise where a private plane might arrive at a time when the inspector, who is provided from John F. Kennedy Airport, might be finishing his tour. In this case, the private craft is charged a nominal fee. Oftentimes the arrival is delayed by weather conditions or just plain miscalculation.

The isolated instances used in an attempt to justify passage of the S. 1596 tend to give the impression that the average American citizen is an airplane owner and that he flits back and forth between countries. Gentlemen, we contend that this is the exception rather than the rule. We are in accord with a fair and equitable solution to these isolated instances, but let us not lose sight of the all-encompassing factors contained in the S. 1596. Passage of this bill would in fact cause the U.S. Government to further subsidize American-owned commercial airlines and to a greater degree subsidize foreign-owned airlines.

Relative to elimination of some inequities, we urge the committee to bear in mind that only private owned airplanes used for noncommercial purposes be considered. In line with this H.R. 6917 (Mr. Blatnik) and H.R. 6433 (Mr. Langen) seem to offer a solution, but we insist that Congress retain the language which reads:

"Nothing in this act shall be construed to affect the amounts payable under any provision of law or regulation to the officers or employees who perform the services involved."

In conclusion, we should like to brand as false the statement which contends that overtime charges impair the ability of the Bureau of Customs to operate at its most efficient level. The opposite is true because if it were not for the overtime payment the customs service could not be as flexible and efficient as it is. The customs service implements a formula which has been devised and used by private enterprise to cope with sporadic overloading of work. This method has been found to be the most efficient yet.

Once again, gentlemen, we urge you to consider the overwhelming financial burden that passage of S. 1596 will place on our country. A burden which can by no stretch of the imagination be justified.

Senator MONRONEY. Our next witness is Ralph B. Dewey, president of the Pacific American Steamship Association, and representing the foreign shippers of the Pacific coast.

We are happy to have you before the committee, Mr. Dewey. You may proceed in your own way. If you can brief your statement, the other data which can be published in the record will be inserted.

STATEMENT OF RALPH B. DEWEY, PRESIDENT, PACIFIC AMERICAN STEAMSHIP ASSOCIATION

Mr. DEWEY. Thank you. I am Ralph B. Dewey, president of the Pacific American Steamship Association.

My testimony is in support of S. 1596, although we will ask for some amendments to clarify its intended scope. I am joined in this presentation, and have the authority to speak for:

New Orleans Steamship Association;
Puget Sound Steamship Operators Association;
Portland Steamship Operators Association;

Los Angeles Steamship Operators Association; and
Foreign Shipowners Association of the Pacific Coast.

I would also note that the American Merchant Marine Institute and Committee of American Steamship Lines intend to file letters in support of S. 1596 indicating views basically identical to ours.

This is the second occasion within recent months when Congress has considered the matter of overtime inspection. On August 6, 1965, in hearings on S. 1875—a bill which remands to the Secretary of the Treasury various user charges for customs services now set by statute—we simply asked that the level of charges and setting of overtime hours likewise be remanded back to the Secretary of the Treasury. This bill is still pending in the Commerce Committee.

Senator Monroney's bill, S. 1596, broadens this inquiry beyond customs services to include all forms of overtime inspection, that is, it also includes Public Health Service, Immigration, and U.S. Department of Agriculture inspectors within its scope. The bill would not become effective for 18 months, thus allowing the agencies themselves, the Bureau of the Budget, and the Appropriations Committees to provide funds for the overtime tours of duty which would be established pursuant to the enactment.

The steamship industry incurs overtime charges from all four services whenever entry of a vessel is accomplished during nighttime, Sunday, or holiday periods.

Senator MONRONEY. That would include four branches: Bureau of Customs, Immigration and Naturalization Service, Agricultural Quarantine, and Public Health Service?

Mr. DEWEY. That is right, sir. We have a public health inspection of both the crew and any passengers that are aboard. We have an inspection inbound on meat products, as well as agriculture inspection of passengers. We also have an agriculture inspection outbound regarding quality control on wheat. This would be on overtime in the vessel if loading wheat at night. There is overtime incurred from immigration clearance of the crew and passengers. And, of course, customs overtime in the case of entering a vessel.

Nighttime arriving ships can often postpone entry until daytime hours. However, our biggest complaint is the cost of customs and U.S. Department of Agriculture inspections of the cargo itself incurred during the loading and discharge period which often extends over several days' duration—days and nights, I should say.

Almost every major waterfront on the United States is now routinely open and working cargo both night and day because ships costing $5,000 per day simply must work around the clock. Thus, the modern high-speed merchant ship is forced to live by the customs laws of 1911 when discharging and loading of ships was done mostly in daylight.

I might add in 1911 we didn't have the same kind of lighting facilities on our piers, the crew of a ship was earning a fraction of what they earn now. A vessel could sit out the night, and did. It was an occasional thing, whereas now it is a routine thing for vessels to work in the night hours.

On the Pacific coast, 40 to 45 percent of longshore work hours are after 5 p.m. and before 8 a.m. on weekdays, or take place on Sundays and holidays. In the gulf, about 31 percent of the work is performed during these overtime hours. The east coast is probably somewhere in between.

Because of this we suggest the need for amending S. 1596 to insure that wherever an affected party can show sufficient regular and substantially continuous demand; that is, where a port can show a work pattern which consistently includes nighttime work shift, that the inspection service shall be provided without reimbursement. The word "schedule" in S. 1596 might include "work pattern" but it should be spelled out.

May I say parenthetically that my language, which would accomplish this, I have taken from a bill introduced at the request of the Civil Service Commission, which in turn was a product of a lengthy study over many years by the Civil Service Commission, and that bill is S. 1933, introduced in the 86th Congress. It had other predecessor bills. I refer to that bill because that language which would describe a work pattern such as now exists on our waterfronts is in that legislation.

For the record, I would like to insert a copy of the bill S. 1933.

Senator MONRONEY. It will be received for the committee file.

Mr. DEWEY. Let me briefly summarize present overtime inspection requirements by the customs service, as an example of how the vessel owner is affected. The 1911 Overtime Pay Act, as amended in 1920, contains the formula under which overtime is currently paid by the carriers, resulting in inspectors in certain cases receiving as much as 2 days' pay for as little as 3 hours' work. A sample of fees paid in just one port—Seattle—for a short period of 3 months during 1965 is attached in the appendix of this statement. It will be noted that a number of inspectors were paid by shipowners as much as $70 or more for only 3 hours' work, and that it is commonplace for a vessel owner to pay two inspectors 2 days' pay each for a night assignment. One inspector earned $70 for 1 hour's work, it will be noted.

Senator MONRONEY. Is this the overtime, or is this Sunday work you are talking about?

Mr. DEWEY. The exhibit to which I am referring, Senator, is the very last one in my appendix. And the incident where the inspector earned $70 for 1 hour's work occurred on March 14, 1965.

Senator MONRONEY. Is this in the attachment, on the next to the last page?

Mr. DEWEY. Yes, sir; entitled "Customs, PHS, and Immigration Overtime, Seattle, Wash." It covers a 3-month period for such companies as reported during that period.

This is not all of the overtime paid during that period. This is all of the overtime——

Senator MONRONEY. I don't find that. What is the rate of pay for weekday overtime?

Mr. DEWEY. May I have the question again?

Senator MONRONEY. I am trying to ascertain the rate of pay for an inspector on a weekday, overtime basis.

Mr. DEWEY. During the night hours, weekdays? It would be half a day's pay for each 2-hour increment or fraction thereof. And the fraction must be 1 hour. Each 2-hour increment of fraction thereof, and the fraction must be 1 hour.

If you will look at this list of pay periods for the 3-month period, you will note, for instance, cases where two inspectors, supervising the unloading period—let me take January 27, General Steamship Co., had a ship—I am trying to pick one. On January 8, 1965, a man

worked from 7 p.m. until midnight and earned $61.12. And the next man came on at midnight and worked that shift from midnight until 4 a.m. and he earned $66.88. Each of those men was earning 2 days' pay for the period he worked. The first man worked 5 hours and earned 2 days' pay, and the next man worked 4 hours and earned 2 days' pay.

That was one night shift for one vessel.

Senator MONRONEY. This wasn't Sunday? Sunday pay?

Mr. DEWEY. It could have been a Sunday night. I suppose Saturday-Sunday-holdiday night.

Senator MONRONEY. I know that the pay is 2 days' pay for 1 day's work on Sunday, but I was trying to ascertain the exact amount of the overtime. I think you have given it to me on a half day's pay for each 2 hours. Is that correct?

Mr. DEWEY. I am told that the calendar shows that this was a Friday.

Senator MONRONEY. You may proceed.

Mr. DEWEY. The irony of all this is that the customs inspector at any time, day or night, is on the pier during discharge of cargo solely to protect the revenue of the U.S. Treasury and he is not there for any tangible benefit to the shipowner. If he is required to be there during loading, it is for export control purposes and thus serves a public, not a private purpose. The nighttime inspector on the Pacific coast does not normally physically check cargo as it is being discharged; he does not normally certify cargo for delivery at night or Sundays and holidays. He is there solely because the law says he must be there. Occasionally, it is hard to locate the inspectors since they do not seem to have any fixed post on the pier or on the ship—at least, during overtime periods, when cargo is not being delivered to consignees.

It was an unexpected interpretation of the Federal Employees' Pay Act of 1945 which raised the customs overtime rate nearly 40 percent when "day's pay" was interpreted to be one two-hundred sixtieth of a year's pay instead of one three-hundred sixty-fifth of a year's pay as previously. The shipowner, of course, picked up the tab for most of this although the Government itself does pay some of the annual overtime bill.

Senator MONRONEY. How did that occur?

Mr. DEWEY. It was a legal interpretation. A legal customs officer went to court on the question of what was a day's pay. It had been previously interpreted——

Senator MONRONEY. Except Sundays and holidays, I presume?

Mr. DEWEY. Yes. This would be one two-hundred sixtieth, 52 times 5 days—a 5-day week.

Senator MONRONEY. I understand they work a 6-day week—40 hours in 6 days?

Mr. DEWEY. Senator, I would have to go back to that court case.

Senator MONRONEY. You say, just above that—

Occasionally it is hard to locate the inspectors, since they do not seem to have any fixed post on the pier or on the ship * * *.

Mr. DEWEY. (Reading):

* * * at least, during overtime periods, when cargo is not being delivered to consignees.

Let me interpolate. When the pier door is opened, and consignees are seeking cargo during our delivery hours, which are 8 a.m. to 5 p.m.—those are the delivering hours when the clerks are on the scene

and when the cargo is being processed and delivered to the consignees—during those hours the customs officer would be certifying as to the discharge of that cargo and its authority to move its commerce; that is, whether or not duties have been made or whether the consignees' cargoes have been sent to the appraisers' stores, or whatever the function would have to be. But at 5 o'clock the pier door closes and locks and a Pinkerton guard is put on the door, or even a customs guard may be assigned. During that period there is no delivery taking place. So the inspector does not have a form at the window where a consignee is receiving his authority to take the cargo off the dock. So he has a roving post around the pier. If you ask should it be at the hook where the cargo is being discharged, they might stand there a while, or be aboard the ship looking to see that they are protecting the revenue, whatever function is required for that. Their post is not a specific one at night. You don't always know just where they are supposed to be.

There is actually need, I think, for a little more clarity in that particular aspect.

The cost at present totals $8.3 million annually, of which about $5 million is applicable to inspection of merchant vessels during night hours and on Sundays and holidays; about $1.9 million is paid by the Government itself at border points and about $1.5 million is paid at airports and other places.

One questionable interpretation of present law appears in the customs regulations (19 CFR 24.16) and provides that if the employee reports after the first 4 hours and before the last 2 hours of a night shift, he is entitled to 4 hours' pay at double time—that is, he has earned a day's pay before he even reports—in addition to the double-time pay for the time actually worked, in increments of 2 hours or fraction thereof. This means that on a waterfront night shift which begins at 6 p.m. and ends at 3 a.m., a vessel owner would, and does, pay two inspectors 2 days' pay each, or about $66 each, depending on the seniority of the inspectors.

We could submit a great deal more data, but I think it is sufficient to point out that we are incurring, during periods of what might be called routine operations that we are open, that the ship is unloading, we are unloading most every single night of the year in the ports on the west coast, the gulf, and in the Atlantic.

The fact that longshoremen are on overtime, and we are not objecting to inspectors being on overtime. We think that should be at night. Our point is that the statute reads, when we are beyond the normal working hours, that tours of duty should be assigned.

There was a great deal of testimony given today by representatives of the customs officers that it would not be possible to assign a tour of duty in a port area because of the wide dispersal of the piers. I simply can't accept that that is impossible. You can segmentize any waterfront area and assign, certainly with the pier door locked, where security is intact, you can assign tours of duty wherever a good showing can be made, so that continuity of work goes on every night. From that standpoint we are not talking about those opportune times where overtime is levied nearly as much as were the requirement to pay those overtime levies during regular working hours.

The Treasury Department itself has questioned whether inspection is a legitimate charge against carriers. They have even questioned whether it is essential to have continuous surveillance over discharging

of cargo when even pier doors are locked, goods are under custody of guards and no clerks are present and no delivery is taking place. Certainly, if the mere legalistic presence of an inspector is required "to protect the revenue" of cargo which is already under guard, the cost should be borne by the Treasury Department except where the service is required at remote places and odd times at variance with normal port hours or work patterns.

Let me conclude with a rehearsal of the many studies and legislative proposals which have been made in the past 20 years to correct this situation. The most recent is the Treasury Department's own report published in December 1964, and released to the public in March 1965. Known as the Stover report, this management survey dwells at length on internal problems and inconsistencies in the customs inspections overtime scale as per the 1911 statute. We have attached as an appendix hereto, pertinent excerpts from the Stover report and summarize them briefly herein:

1. The Overtime Act provides 30 percent of customs personnel (about 2,650 people) with $8,362,400 of annual overtime. Of this, $6,986,700 is reimbursed by ship, rail, and aircraft operators. Shipowners reimburse about $5 million of the reimbursable total. About $3,150 per man, per year, is the average paid to each inspector. (Note: Ship inspectors average over $4,000 per year.) Reimbursed overtime equals about one-eighth of customs total income. It represents an equivalent of 1,105 employees at straight salary.

2. Because of overtime payments, inspectional personnel have no incentive to move into other jobs in the customs service. Similarly, good personnel in other divisions often leave promising careers to become inspectors because they want the overtime. Also, the reduction in income upon retirement is so great that most inspectors cannot afford to retire.

3. There is a basic question as to whether the Government should require reimbursement for services which are for the purpose of protecting the public or producing (Federal) revenue.

4. Treatment is inequitable between types of carriers. Trucks pay no charges at bridges but railroads do so. Commercial aircraft usually pay overtime only after midnight, at least at large airports. Private aircraft and yachts pay according to how many other planes or yachts enter customs jurisdiction during that particular overtime period.

5. Adequate tours of duty (should be) provided in lieu of reimbursable assignments where this is justified.

6. Whenever public servants perform services which are reimbursable from private interests, there is a chance of undue influence being exerted either by those performing or those receiving the service.

7. There are substantial and confusing differences among the four inspectional services (Immigration, Public Health Service, Agriculture, and customs) as to (1) overtime hours and (2) charges to the user.

8. The Treasury Department should seek legislation which would clearly set a uniform Government-wide policy on reimbursement for inspection services.

9. Serious controversies (re overtime earned) have arisen between employees and management, resulting in long and costly litigation.

Other reports in previous years are those which were developed by the Civil Service Commission pursuant to Public Law 328 of the 78th Congress. That 1944 law amended the Tariff Act to require customs officers to be paid overtime by the Government for services at bridges, tunnels, and ferries. But in a mood of frustration, Congress said in section 3:

> SEC. 3. The United States Civil Service Commission is hereby directed to cause an investigation to be made and to report its recommendations to the Congress on or before the expiration of ninety days after the date of the enactment of this Act concerning differences between the compensation of Customs officers and employees performing inspectional work and the compensation of other Federal employees performing comparable work under comparable circumstances, and to include in such report recommendations for the equalization of any differences found in such manner as will eliminate any necessity for the assignment of individual Customs officers or employees to work regularly on seven days in any week. The Commission shall also include in such report recommendations with respect to the establishment of pay differentials for Customs officers and employees are required to work at nights or on Sundays and holidays in performance of the work to which they are regularly assigned.

The 1944 statute was the progenitor of a 1947 report by an interagency committee chaired by the Civil Service Commission. Not much happened, but in 1955 another report, much more thorough and enlightened, was published by the Interagency Committee on Premium Pay for Certain Inspectors, again chaired by the Civil Service Commission. Its findings are also in the appendix to this statement. We heartily agree with the conclusions of both the 1955 and the 1964 reports. S. 1933 (86th Cong.) reflects the findings of the 1955 report.

That is the considered thinking of the Civil Service Commission on the subject of equating overtime pay and providing adequate overtime pay as well as a method whereby carriers will continue to pay overtime, reimbursable, when it is deemed proper, and that they will henceforth be relieved of that obligation when it can be shown that there is continuous work pattern or scheduling of their work.

We agree with Senator Monroney when he introduced S. 1596. At that time he said in his remarks on the Senate floor:

> Our existing laws on inspection services are archaic, inconsistent, and detrimental to the movement of people and property into and out of the United States. Since these services are for the benefit of the public as a whole, I do not believe that overtime fees should be imposed on any individual or group.

We urge enactment of S. 1596. Its language and intent should include "work patterns" as a criteria for establishing tours of duty, and we so recommend for the sake of clarity.

That concludes my statement, Mr. Chairman. May I have my appendix put in the record, too?

Senator MONRONEY. Yes.

Mr. DEWEY. I will ask the staff, if it duplicates similar appendix items put in by the Air Transport Association, I have no objection——

Senator MONRONEY. We will have the staff check that carefully to be sure we are not duplicating any general pattern. I wasn't able to examine the ATA's appendix.

(The attachment follows:)

REIMBURSABLE CUSTOMS INSPECTION OVERTIME CHARGES

(Excerpts from the "Stover Report" of the Treasury Department, March 1965)

IMPACT OF CUSTOMS OVERTIME PAYMENTS

(Including an historic summary of statutes and court decisions, impact upon carriers, cost of present overtime services, etc.)

(*g*) The 1911 Overtime Act militates against career development, manpower utilization, and mobility on the part of employees. It also tends to prevent employees from retiring.

B. Impact of customs overtime payments on personnel management

1. *Background.*—Provisions for overtime payments for night service by customs inspectors date back to the act of March 3, 1873. The act of February 13, 1911, is the basic statute in existence today which makes general provisions for extra pay for customs inspectional services at night, on Sunday, or on holidays, and provides for reimbursement at the expense of private interests seeking special services.

The act of February 7, 1920, amended the act of 1911, to designate the hours 5 p.m. to 8 a.m. as constituting the night, extended coverage to the examination of baggage, and established the basis for rates of overtime, Sunday, and holiday pay. Section 451 of the Tariff Act of 1930 extended the coverage of the premium pay provisions to inspectors performing services at most border crossings, without reimbursement to the Government. (For further details of this history see appendix A V–13–15.) All of the basic statutes based overtime rates in terms of a day's pay or a portion of a day's pay. Thus, prior to 1945, rates were computed on a day's pay which was then one three-hundred-sixtieth of annual salary. The Federal Employees Pay Act of 1945 changed this method of computing pay. "Quite inadvertently," according to a Civil Service Commission Interagency Committee report on overtime pay for certain inspectors, "it had the effect of increasing overtime pay under customs-type statutes." A day's pay thus became one two-hundred-sixtieth of an employee's annual salary rather than one three-hundred-sixtieth that it formerly was. Overtime rates were thereby increased by almost 40 percent.

Throughout the years since enactment, these overtime statutes have been the subject of numerous problems and litigation. The decision of the U.S. Supreme Court in 1944, in the case of *United States* v. *Howard C. Myers*, upheld the argument of customs employees that they were entitled to extra pay under the law when serving at international bridges, tunnels, and ferries, on regular tours of duty on Sundays or holidays regardless of the fact that they had received another day off in lieu of the Sunday or holiday worked. Then in 1947, the Court of Claims held, in the case of *O'Rourke* v. *United States*, that customs employees performing services at free international highway crossing facilities were entitled to extra pay for services performed on regular tours of duty on Sundays or holidays.

At present, the administrative regulations prescribed by the Secretary of the Treasury define overtime services under the laws, rates of overtime compensation, and when such compensation is reimbursable to the Government by a party or parties in interest. These overtime services are categorized as night, Sunday, and holiday overtime.

Night overtime is defined as: Work after a regular tour of duty and performed between the hours of 5 p.m. and 8 a.m., and after 8 hours on a Sunday or holiday, payable at double time rates, but not to exceed 2½ days' pay for the full period from 5 p.m. to 8 a.m. The minimum payment is for 2 hours' pay at the double time rate. If the employee reports after the first 4 hours and before the last 2 hours of the night, he is entitled to 4 hours' pay at double time rate in addition to the double time pay for the time actually worked.

Sunday and holiday pay for nonovertime duty is at the rate of 2 days' additional pay for 8 hours of duty or any portion thereof. Work in excess of 8 hours is compensated for at the night overtime rates.

Policy in administering the customs overtime laws is defined in Bureau Circular INS–2–FI of July 15, 1953 (X–27), and amendments thereto. These directives have established basic assignment policy to insure equalization of earnings and assignment desirability within the various participating groups.

Overtime pay in the customs service consists, mainly, of two categories; reimbursable and nonreimburseable. Carriers are required to reimburse the Government for overtime services performed at seaports, railroad ports of entry,

and international airports. One the other hand, the Government, in general, bears the cost of customs inspection at all border crossings on Sundays and holidays.

2. *Overtime costs.*—During fiscal year 1963, reimbursable overtime payments amounted to $6,989,700, while nonreimbursable overtime paid amounted to $1,375,700 or a total of $8,362,400. This figure equals approximately one-eighth of the customs appropriation for the fiscal year.

The total of over $1,375,000 spent on nonreimbursable overtime during 1963, when compared with the salary of a GS–9 inspector at step 5 of $7,575, shows that customs is paying for the full-time services of about 180 customs inspectors in overtime payments at our border crossings, but is only receiving man-hours worked equal to 100 full-time inspectors, at the most.

Reimbursable overtime presents more problems than the nonreimbursable. These can be roughly categorized as follows:

(*a*) The concept of reimbursement;
(*b*) Charges to the user and administration costs; and,
(*c*) Utilization of funds and manpower.

One of the basis problems in dealing with reimbursable overtime compensation is the concept of reimbursement. House Report 1214, 71st Congress, which dealt with the 1931 act authorizing charges for immigration inspections states:

"The principle of overtime compensation for Government employees at the expense of private interests seeking special services has been recognized by Congress many times, the most notable and pertinent to our present consideration of H.R. 3309 being the act of February 7, 1920, providing overtime compensation for customs inspectors and other customs employees * * * [1]

Senate Report 1720, 71st Congress on the same bill went on to state:

"It is the opinion of the committee that the bill is justified by the principle that transportation companies should reimburse the Government for special services at unusual hours that advance their own interests." [2]

A basic question is whether the Government should require reimbursement for work which is for the purpose of protecting the general public or producing revenue rather than providing a service for the person or firm making the reimbursement. A second question is, "What are special services and unusual hours?" As illustrated in the following paragraphs, there are differences among agencies on: (1) overtime hours; and, (2) charges to the user (i.e., special services).

There are four Federal activities having inspectional personnel who work side by side and frequently perform each other's work. They are Agriculture, Public Health Service, Immigration and Naturalization Service, and the Bureau of Customs. As chart V–9 partially indicates, there are differences in definitions of overtime periods and on scheduling and pay for Sundays.

The second problem is charges to the user, which are a source of constant complaint and adversely affect the public image of customs and the customs employees. There are inconsistencies in the application of the customs overtime laws to various means of transportation. The customs regulations (section 1.8 (f)) provide for the establishment of tours of duty outside the regular hours of service where there is a regular recurring need for such services. Following this practice, tours of duty have been established at most major international airports to provide service without charge for scheduled aircraft arrivals (except on Sundays and holidays). However, individual vessel arrivals cannot usually be scheduled in advance or on a regular recurring basis, and, therefore, services provided outside of regular hours are on an overtime basis. On the border, arrivals at highways and international bridges are inspected without charge, but private aircraft arriving outside of regular hours of service often encounter overtime charges.

The growth of international travel by private aircraft in recent years has resulted in complaints of unreasonable overtime charges to the owners of such aircraft arriving at international airports during overtime periods or on Sundays and holidays. The overtime services of customs inspectors at these airports must be charged on a reimbursable prorated basis among the owners of the arriving aircraft. Thus, the amount charged for clearance of a private plane depends upon the number of planes arriving during an overtime period.

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[1] H. Rept. 1214, 71st Cong., 2d sess., to accompany H.R. 3309, overtime compensation for immigration employees, dated Apr. 18, 1930, pp. 3–4.
[2] S. Rept. 1720, 71st Cong., 3d sess., to accompany H.R. 3309, overtime compensation for immigration employees, dated Feb. 17, 1931, pp. 1–2.

CHART V–9

Premium pay provisions for inspectional personnel under existing statutes and Agency regulations

Premium pay provisions	Department of Agriculture Inspection and Quarantine, Import-Export	Department of Health, Education, and Welfare, Public Health Service	Department of Justice Immigration and Natralization Service	Treasury Department, Bureau of Customs
OVERTIME PAY				
Definition of an overtime period	Duty between 6 p.m. and 6 a.m. on weekdays, other than holidays, if such duty does not fall within a regular tour of duty of the employee.[1]	Duty between 6 p.m. and 6 a.m. on weekdays, other than holidays, if such duty does not fall within a regular tour of duty of the employee.[1]	Work between the hours of 5 p.m. and 8 a.m., not within hours of a regular tour of duty of the employee. Also, after 8 hours on a Sunday or holiday.[1]	Work between the hours of 5 p.m. and 8 a.m., not within the hours of a regular tour of duty of the employee. Also, after 8 hours on a Sunday or holiday.[1]
Overtime rate	1½ times the employee's rate of basic compensation not to exceed the minimum scheduled rate of GS–9.	2 times the basic hourly rate	Double time	Double time.
Limitation on overtime pay	Overtime plus base pay for any pay period not to exceed the maximum step of GS–15.	Maximum 12 hours at 2 times the basic hourly rate.	Overtime pay may not exceed 2½ days' pay during any period between 5 p.m. and 8 a.m.	Overtime pay may not exceed 2½ days' pay during any one night.
Callback assignments	Minimum of 2 hours, including commuted travel time period for which the employee shall be paid at the overtime rate.[3]	Minimum of 1 hour's pay at double time rate. Maximum of 2 hours' pay at double time rate for period between 2 overtime assignments during a night.	Minimum 2 hours' pay at double time rate. Maximum of 2 hours' pay at double time rate for period between 2 overtime assignments during a night.	Minimum 2 hours' pay at double time rate. If employee reports after first 4 hours and before last 2 hours of the night, he is entitled to 4 hours' pay at double time rate in addition to time actually worked.[2] Waiting time between 2 overtime assignments during a night considered on duty if less than 2 hours intervene. If more than 2 hours intervene, service may be considered as continuous, or as 2 separate assignments.[2]
Compensatory time off	Not allowed. Overtime must be paid.	No provision under special statute.	No provision under special statute.	No provision under special statute.

See footnotes at end of table.

Premium pay provisions for inspectional personnel under existing statutes and Agency regulations—Continued

Premium pay provisions	Department of Agriculture Inspection and Quarantine, Import-Export	Department of Health, Education, and Welfare, Public Health Service	Department of Justice Immigration and Natralization Service	Treasury Department, Bureau of Customs
HOLIDAY PAY				
Rate for overtime holiday duty	Holiday rate under FEPA as amended. 1½ times the regular rate not to exceed the minimum scheduled rate of GS–9.	Holiday rate under FEPA as amended. Actual time spent on inspection (or in operating a vessel) and, in addition, up to 2 hours standby or waiting time, payable at overtime rates.	2 days' additional pay for 8 hours of duty or less. Same as for nonovertime holiday duty. Work in excess of 8 hours on a holiday compensated for at overtime rates.	2 days' additional pay for 8 hours of duty or less. Same as for nonovertime holiday duty. Work in excess of 8 hours on a holiday compensated for at overtime rate.
Callback assignments	Minimum of 2 hours, including commuted travel time period for which the employee shall be paid at the overtime rate.[2]	Up to 2 hours, standby time, plus time actually worked.	Minimum 8 hours' pay at double-time rate.	Minimum 8 hours' pay at double-time rate.
SUNDAY PAY				
Premium rate for nonovertime Sunday duty.	Part of administrative work week—No premium pay.	Part of administrative work week. No premium pay.	2 days' additional pay for 8 hours of duty or less.[4]	2 days' additional pay for 8 hours' of duty or less.[4]
Rate for overtime Sunday duty	1½ times the regular rate, not to exceed the minimum rate of GS–9.	Same as holidays	Same as for nonovertime Sunday duty. Work in excess of 8 hours on Sunday compensated for at overtime rate.	Same as for nonovertime Sunday duty. Work in excess of 8 hours on Sunday compensated for at overtime rate.
Callback assignments	Minimum of 2 hours, including travel time period for which the employee shall be paid at the overtime rate.[3]	Same as holidays.	Minimum 8 hours' pay at double-time rate.	Minimum 8 hours' pay at double-time rate.

[1] Work between the corresponding hours at ports or stations where the regular hours of business have been established to agree with local prevailing working hours.

[2] If an employee reports for duty after the first 4 hours and before the last 2 hours of the night, and services are not performed by reason of circumstances beyond the control of the employee, he is entitled to 6 hours' pay at the double-time rate.

[3] When travel is performed solely on account of overtime or holiday service, a commuted travel time period shall be allowed which shall be paid for at the overtime rate, and shall be prescribed in administrative instructions issued by appropriate division directors for the ports, stations, and area in which the employees are located or the services performed. The period shall be established as nearly as may be practicable to cover the time necessarily spent in reporting to and returning from the place at which employees perform such holiday or overtime service.

[4] It is a general practice in the agencies concerned to schedule Sunday as an overtime day, i.e. as a 6th or 7th day of work.

DEPARTMENT OF AGRICULTURE—INSPECTION AND QUARANTINE SERVICES

Overtime payments are based on the FEPA and on the basic legislation contained in the act of August 28, 1950 (64 Stat. 561, 5 U.S.C. 576), which reads as follows: "That the Secretary of Agriculture is authorized to pay employees of the United States Department of Agriculture performing inspection and quarantine services relating to imports into and exports from the United States, for all overtime, night, or holiday work performed by them at any place where such inspection and quarantine services are performed, at such rates as he may determine, and to accept from persons for whom such work is performed reimbursement for any sums paid out by him for such work."

PUBLIC HEALTH SERVICE—QUARANTINE INSPECTION

Overtime payments are based on the FEPA and on the basic legislation contained in section 364 of the Public Health Service Act, as amended, by Public Law 85–58 and Public Law 85–580.

"SEC. 364 * * *

(c) The Surgeon General shall fix a reasonable rate of extra compensation for overtime services of employees of the United States Public Health Service, Foreign Quarantine Division, performing overtime duties including the operation of vessels, in connection with the inspection or quarantine treatment of persons (passengers and crews), conveyances, or goods arriving by land, water, or air in the United States or any place subject to the jurisdiction thereof, hereinafter referred to as 'employees of the Public Health Service,' when required to be on duty between the hours of 6 o'clock postmeridian and 6 o'clock antemeridian (or between the hours of 7 o'clock postmeridian and 7 o'clock antemeridian at stations which have a declared workday of from 7 o'clock antemeridian to 7 o'clock postmeridian), or on Sundays or holidays, such rate, in lieu of compensation under any other provision of law, to be fixed at two times the basic hourly rate for each hour that the overtime extends beyond 6 o'clock (or 7 o'clock as the case may be) postmeridian, and two times the basic hourly rate for each overtime hour worked on Sundays or holidays. As used in this subsection, the term 'basic hourly rate' shall mean the regular basic rate of pay which is applicable to such employees for work performed within their regular scheduled tour of duty.

"(d)(1) The said extra compensation shall be paid to the United States by the owner, agent, consignee, operator, or master or other person in charge of any conveyance, for whom, at his request, services as described in this subsection (herinafter referred to as overtime service) are performed. If such employees have been ordered to report for duty and have so reported, and the requested services are not performed by reason of circumstances beyond the control of the employees concerned, such extra compensation shall be paid on the same basis as though the overtime services had actually been performed during the period between the time the employees were ordered to report for duty and did so report, and the time they were notified that their services would not be required, and in any case as though their services had continued for not less than one hour. The Surgeon General with the approval of the Secretary of Health, Education, and Welfare may prescribe regulations requiring the owner, agent, consignee, operator, or master or other person for whom the overtime services are performed to file a bond in such amounts and containing such conditions and with such sureties, or in lieu of a bond, to deposit money or obligations of the United States in such amount, as will assure the payment of charges under this subsection, which bond or deposit may cover one or more transactions or all transactions during a specified period: *Provided*, That no charges shall be made for services performed in connection with the inspection of (1) persons arriving by international highways, ferries, bridges, or tunnels, or the conveyances in which they arrive, or (2) persons arriving by aircraft or railroad trains, the operations of which are covered by published schedules, or the aircraft or trains in which they arrive, or (3) persons arriving by vessels operated between Canadian ports

and ports on Puget Sound or operated on the Great Lakes and connecting waterways, the operations of which are covered by published schedules, or the vessels in which they arrive.

"(2) Moneys collected under this subsection shall be deposited in the Treasury of the United States to the credit of the appropriation charged with the expense of the services, and the appropriations so credited shall be available for the payment of such compensation to the said employees for services so rendered."

For example.—You arrive at Burlington, Vt., Airport from a foreign country in your private plane on Sunday, or a holiday, and are the only plane arriving that day. You will be charged $58.40 for the services of a GS–9 customs inspector (in step 5) to clear your plane.

If your plane is 1 of 10 arrivals, the charges will be prorated so that you will have to pay only $5.84. However, as the customs inspector will have no advance knowledge of the number of arrivals, if you are the first arrival, you will be required to deposit the full amount of $58.40 and later be refunded any excess deposited.

But.—If you travel by private automobile and arrive from a contiguous foreign country on Sunday or a holiday, you can be cleared by the same inspector of customs, without charge.

If you arrive at an airport where an immigration officers is acting as a customs officer, no charge is made since the immigration and Naturalization Service has administratively determined not to charge for clearance of private aircraft.

Complaints of the steamship lines, airlines, and railroads, concerning reimbursable overtime charges seem to be caused usually by three provisos in the overtime regulations, namely: (1) the proviso which precludes assignment of inspectional manpower to tours of duty on Sunday even where there is a regular, recurring need for such assignments; (2) the proviso which provides for a charge of 2 days' pay for any time worked on a Sunday or holiday up to a maximum of 8 hours; and, (3) the proviso which states: "* * * The compensable time shall be the period betwen the time the employee is assigned and reports for duty and the conclusion of the services, plus 4 hours, if the time of the assignment is after the expiration of the first 4 and before the beginning of the last 2 hours of the night * * * (Customs Regulations, sec. 24.16(g).)

For example (using GS–9 inspector, in 5th step).—Proviso (1) above (Sunday overtime):

(*a*) Inspector called out to work a plane arriving on Sunday or a holiday. Total time worked—9 a.m. to 10 a.m., 1 hour. (No further work that day.)

Total charge: 2 days or $58.40.

Charge per hour worked: $58.40.

(*b*) Inspector called out to work a special train arriving on Sunday or a holiday. Total time worked 9 a.m. to 12 noon, 3 hours. (No further work that day.)

Total charge: 2 days or $58.40.

Charge per hour worked: $19.47.

(*c*) Inspector called out to work a ship arriving at 10 a.m. on Sunday or a holiday. Total time worked 10 a.m. to 3 p.m., 5 hours. (No further work that day.)

Total payment: 2 days or $58.40.

Charge per hour worked: $11.68.

Proviso (2) above (night overtime):

(*a*) Inspector called out to work a ship due to arrive at 4:30 a.m. (port hours—8 a.m. to 5 p.m.) Total time worked 4:30 a.m. to 8 a.m., 3½ hours.

Total charge (3½ and 4 hours): 4 periods or 2 days—$58.40.

Charge per hour worked: 3½ or $16.69.

(*b*) Inspector called out to work a ship arriving at 10 p.m. (port hours 8 a.m. to 5 p.m.) Total overtime worked 10 p.m. to 1 a.m., 3 hours.

Total charge (3 and 4 hours): 4 periods or 2 days—$58.40.

Charge per hour worked: $19.47.

Although we have used only one rate of pay in the foregoing examples, we point out that the rate charged is dependent upon the basic salary of the employee who performs the service, so that varying rates are another irritation to the user, who finds it difficult to understand why he cannot expect to be billed on a uniform basis for equivalent service performed. Inspectors and supervisory inspectors and other personnel may be utilized to perform these services in grades GS–7–11, and paid at varying rates within these grades.

From these examples, which are not unusual, one can see why these overtime charges have been a source of recurring irritation to the carriers requesting such services.

Further, the amount of almost $7 million paid in reimbursable overtime to the Government by the various carriers does not reimburse the Government for any of the administrative burden involved in the processing of the payrolls or the bills for the services.

The administrative burden of billing for reimbursable services and the computing of payrolls for all customs overtime services are time consuming and costly processes for both the customs service and the parties in interest.

The third problem is a basic one of utilization of funds and manpower. The amount of $6,986,700 for reimbursable overtime would pay for the salaries of over 925 inspectors at GS–9, step 5. This is more than 10 percent of the total customs employment today. Since the user reimburses the customs service for the services rendered on a reimbursable basis, this provides a basis for funding customs manpower in that private industry pays for many services performed outside of regular working hours. Because of budgetary restrictions, it is sometimes impossible to establish tours of duty outside of regular hours even when the need is justified, with the result that private interests pay for such services.

3. *Personnel management problems.*—Overtime earned by Customs employees causes personnel management problems which do not lend themselves to easy solutions. Serious controversies have arisen between employees and management, resulting in long and costly litigation. It is impossible to accurately measure the monetary cost of the time and effort used in the processing of overtime claims through administrative channels and the courts, as well as the cost of the loss in mutual confidence between employees and management.

At present there are approximately 2,650 employees regularly participating in overtime. The average annual overtime earnings per employee will amount to approximately $3,150. With this figure in mind, we can safely assume that the average GS–9 inspector of customs, with salary of $7,575 (fifth step of the grade) will have a gross income, with overtime, of some $10,725, or the equivalent of the fifth step of grade GS–12. (See chart V–10.)

Obviously, it becomes difficult, if not impossible, to convince an inspector, GS–9, grossing over $10,700 per year that he should accept a promotion to GS–10 or GS–11 which will also involve the loss of overtime earnings. As a result, the Customs Service has a continually greater problem of obtaining the best qualified replacements for vacancies in administrative and supervisory positions.

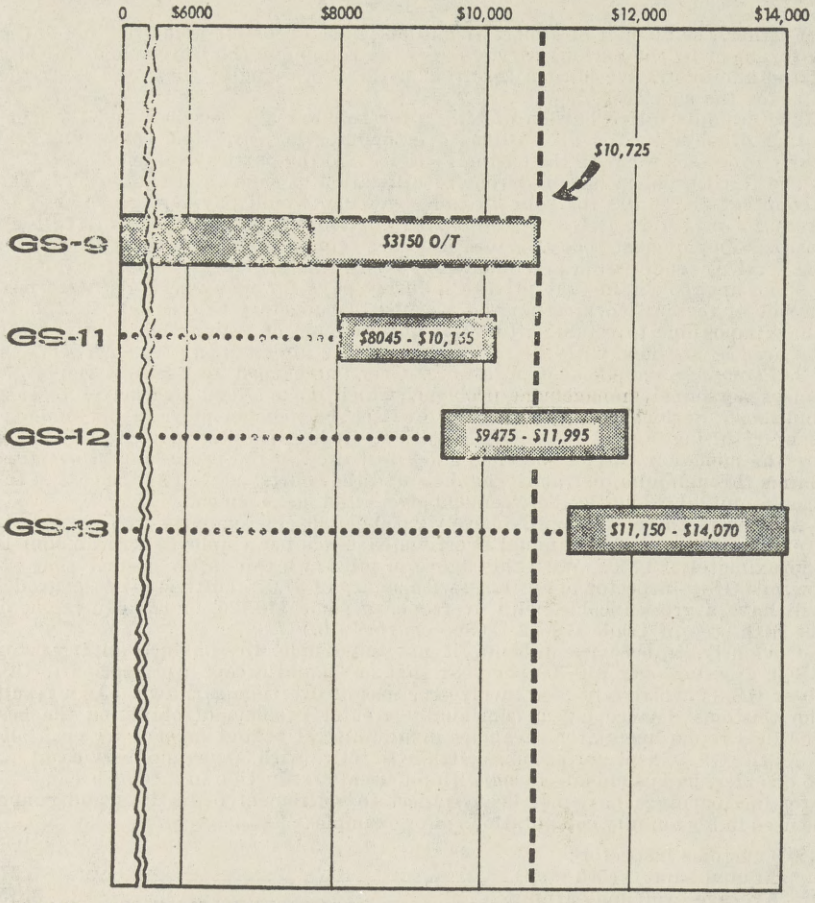
As the GS–9 inspector becomes eligible to retire with 30 years of service, at age 55 or older, he is suddenly faced with too great a reduction in income because his overtime earnings have not been subject to retirement deductions and cannot be used in his annuity computation. For example:

GS–9 customs inspector:	
Annual salary (5th step)	$7,575
Average overtime earnings	3,150
Gross income	10,725
At age 60 with 30 years service average salary, high 5 years $7,000, gross annuity earned	3,940
Loss of gross income upon retirement	6,785

Chart V-10 V-34

BUREAU OF CUSTOMS

EFFECT OF 1911 O/T EARNINGS ON TOTAL COMPENSATION



* NOTE: All data based on 1962 Salary Schedule

Very few customs inspectors can accept such a reduction in gross income, so the average age of customs inspectors is much higher than would normally be anticipated. In fact, over 14 percent of all customs inspectors are now eligible to retire.

The amount of overtime earned varies from port to port within a district which tends to reduce the mobility of inspectional personnel, and may result in too much specialization by inspectors in only one type of inspectional work. Overtime payments preclude any prolonged cross-career training of inspectors in entry, liquidating, or other customs functions where there is no overtime paid.

Because of the overtime earnings, the inspection function has been the most alluring to many young employees, who may have had more potential for other types of customs work. Overtime payments to inspectors also tend to create a morale problem among employees who do not participate in the overtime earnings. Whenever public servants perform services which are reimbursable from private interests, there is a danger of undue influence being exerted either by those performing or those receiving such services.

It should be pointed out that the majority of overtime is not necessarily earned in assignments of brief duration at extremely high overtime rates. Most overtime is earned by assignment for a full 8 hours of service in excess of the employee's regular 40-hour workweek and for which the rate of return is equivalent to double time. (Examples are Sunday assignments at border crossings and airports and night assignments to many vessel operations at seaports.) The necessity to be available and to perform emergency overtime assignments, which cannot always be predicted in advance, affects the employee's personal life. At some ports the excessive amounts of overtime required raise a question concerning the health of employees and the effect of extensive overtime work on the employee's performance during his regular assignment.

4. *Comparison with other inspection services.*—Numerous studies have been undertaken in the past to compare customs overtime charges with those of other inspectional services of the Government, and with overtime charges of similar industrial occupations, including longshoremen, transportation, airlines, railroads, and service industries. The most recent study, in depth, was made in 1955 at the direction of the President, by the Interagency Committee on Premium Pay for Certain Inspectors under the supervision of the Civil Service Commission. Their report, known as the Milkey report, pointed up the wide variations in overtime provisions, charges in the inspectional services of the Government, and the differences between such charges and those charged in related industrial occupations. An updated summary of the differences in overtime and holiday legislation and regulations for the four inspectional services is in chart V–9. Their findings remain valid, for the most part, at this time.

Recommendations of the interagency committee were supported by the administration and a legislative proposal was drafted. (Conclusions and recommendations contained in the report of this committee are contained in app. A V–16–22.)

5. *Conclusions.*—(*a*) During fiscal year 1963, overtime payments amounted to $8,362,400 or an amount equal to one-eighth of the total money appropriated to the Service for that year. This overtime, paid to approximately 2,650 employees, was the equivalent to straight salaries for 1,105 employees. These facts raise serious questions as to whether this repreesnts the best use of manpower and money.

(*b*) The Government charges for overtime services at seaports, railroad ports of entry, and international airports, but does not charge for similar services at border crossings. This is done on the concept that "transportation companies should reimburse the Government for special services at unusual hours that advance their own interests." This is a basic question as to whether the Governmnt should require reimbursement for services which are for the purpose of protecting the public or producing revenue.

(*c*) There are differences within the customs service and between customs and other inspectional agencies concerning (1) services for which reimbursements are required, and (2) charges for services rendered. These differences need to be resolved.

(*d*) Charges for inspection of a private aircraft arriving on a Sunday or holiday vary based upon the number of aircraft arriving at that airport on that day and the salary of the inspector and can run as high as $58.40 for an inspection. Charges are, therefore, not consistent for the same service and frequently excessive.

(*e*) Steamship lines, airlines, and railroads must pay for inspections performed on overtime; trucks normally do not. Regular hours of duty vary throughout the country; e.g., airport versus seaports. Therefore, treatment is inequitable depending upon the type of carrier.

(*f*) Overtime payments cause serious personnel management problems because (1) employees will not accept promotions or reassignments involving loss of overtime earnings and reductions in take-home pay, (2) most employees in the collector's force tend to seek and retain inspector positions, and (3) the reduction in income upon retirement is so great that most inspectors cannot afford to retire.

RECOMMENDATIONS

V–1. Customs should make full use of its relatively favorable salary position by increasing the competition for appointment, and promotion, to the technical positions, GS–5 and above.

V–2. Qualification standards for technical positions should be reevaluated in the light of actual job requirements. In the event the FSEE is not the most appropriate test of essential skills and abilities for entry into these occupations, other examinations should be developed to obtain high-quality personnel.

V–3. Qualification standards should be applied uniformly in both competitive and noncompetitive actions.

V–4. Nationwide examining should be conducted for initial appointment to technical positions in the customs service.

V–5. Areas of competition for reassignment or promotion should encompass all employees in a geographic area, such as the proposed regions, or all employees in the customs service, depending upon the grade and organizational level of the position involved.

V–6. Selection boards should be utilized in making selections for key positions in lower organizational levels; e.g., a headquarters selection board of top career employees should screen and nominate candidates for key positions in regions.

V–7. Breadth of experience should be emphasized and be made a prime consideration for entrance into key positions in the field and in the headquarters.

V–8. A means of more closely controlling compliance with Bureau policy on overtime should be installed to insure: (1) All nonreimbursable tours of duty that are not vital are eliminated; (2) adequate tours of duty are provided in lieu of reimbursable assignments where this is justified; and, (3) the extent of overtime worked by any employee does not impair his efficiency during the regular tour of duty. This can be done by improved reporting to the Bureau, giving more responsibility to field auditors, and by assigning functional supervision of inspectional activities to operations divisions at regional offices.

V–9. A review should be made of present administrative policies to determine if further reduction in reimbursable overtime can be accomplished within the framework of present legislation. For example, present regulation provides for the establishment of regular tours of duty outside of normal hours of service if a regular recurring need is established. This can be done at major airports on scheduled aircraft arrivals. Review should be made to determine if additional tours of duty can be justified to:

(*a*) Provide additional tours of duty at airports to service private aircraft arrivals where the volume of contemplated arrivals based on experience or valid projections will generally occupy an employee's time; and

(*b*) Provide tours of duty at seaports outside regular hours if a regular recurring need can be shown based on experience.

V–10. The Treasury Department should request the Bureau of the Budget to seek legislation which would:

(*a*) Clearly set a uniform Government-wide policy on reimbursements for inspectional services;

(*b*) Establish uniform charges for those services for which charges are made;

(*c*) Establish Government-wide definitions of overtime for inspectional services;

(*d*) Set uniform rates for overtime and holiday pay for inspectional services; and

(*e*) Provide equitable treatment, with appropriate savings provisions where necessary, for employees concerned.

V–11. As the first step in carrying out recommendations V–1 through V–4 above:

(*a*) The Bureau should establish nationwide recruitment, examination, selection, training, and initial assignment programs for inspections similar to those programs in the USDA Plant Quarantine Division, the Immigration and Naturalization Service, and the Public Health Service, Foreign Quarantine Division.

(*b*) Effective use should be made of the peak workload season in the port of New York to provide a combination of classroom instruction and on-the-job training for new appointees.

V–12. The Bureau should make a comprehensive inventory of training needs to determine priority requirements, and develop specific plans for meeting those requirements on a time-phased basis.

V–13. Needed training manuals and guides should be developed to insure the effectiveness of on-the-job instruction and this method and programed correspondence courses should be used to full advantage in meeting the training requirements of the service.

V–14. Action should be taken to clarify and strengthen the role of the employee development officer, issue more comprehensive policy and guidance concerning training responsibilities, and provide adequate staffing and budgetary support for the training function.

BRIEF HISTORY OF CUSTOMS OVERTIME LAWS

The present customs overtime statues are section 5 of the act of February 13, 1911, 36 Stat. 901, as amended by the act of February 7, 1920, 41 Stat. 402 (19 U.S.C. 261, 267) and section 451 of the Tariff Act of 1930, as amended (19 U.S.C. 1451).

Section 5 of the act of February 13, 1911, supra, provided that "the Secretary of the Treasury shall fix a reasonable rate of extra compensation for night services of inspectors, storekeepers, weighers, and other customs officers and employees in connection with the lading or unlading of cargo at night, or the lading at night of cargo or merchandise for transportation in bond or for exportation in bond, or for the exporation with benefit of drawback, but such rate of compensation shall not exceed an amount equal to double the rate of compensation allowed to each such officer or employee for like services rendered by day, the said extra compensation to be paid by the master, owner, agent, or consignee of such vessel or other conveyance, whenever such special license or permit for immediate lading or for unlading at night or on Sundays or holidays shall be granted, to the collector of customs, who shall pay the same to the several customs officers and employees entitled thereto according to the rates fixed therefor by the Secretary of the Treasury." The section also provided for the payment of such extra compensation to boarding officers.

The act of February 7, 1920, supra, amended section 5 of the 1911 act to provide that the rates of extra compensation shall be fixed "on the basis of one-half day's pay for each 2 hours or fraction thereof of at least 1 hour that the overtime extends beyond 5 o'clock postmeridian (but not to exceed 2½ days' pay for the full period from 5 o'clock postmeridian to 8 o'clock antemeridian), and 2 additional days' pay for Sunday or holiday duty." The amendment made some other changes including substitution of "overtime services" for "night services," using the phrase "required to remain on duty" between 5 p.m. and 8 a.m., and providing that extra compensation shall be paid "if such officers or employees have been ordered to report for duty and have so reported, whether the actual lading, unlading, receiving delivery or examination takes place or not." For discussion of the 1920 amendment see (1919) 59 Congressional Record 640; (1920) House Report No. 567, 66th Congress, 2d session; (1920) 59 Congressional Record, 2171.

The first, second, third, and fourth sections of the act of February 13, 1911, supra, providing for special licenses to lade or unlade cargo of vessels at night and related matters ,were repealed by section 643, Tariff Act of 1922, which provided, in sections 450, 451, and 452, for special licenses to lade and unlade upon the giving of a bond conditioned, among other things, upon the payment of overtime compensation in accordance with section 5 of the act of February 13, 1911, supra. Sections 450, 451, and 452, of the Tariff Act of 1930, were similar to the corresponding sections of the 1922 Tariff Act, except that the new section 451 contained additional provisions for assigning customs officers and employees upon request of the master, owner, or agent of a vessel. Section 451 of the 1930 act was amended by section 9 of the Customs Administrative Act of 1938, to provide that "Upon request made by the owner, master, or person in charge of a vessel or vehicle, or by or on behalf of the owner or consignee of any merchandise or baggage" for overtime services, officers or employees will be assigned to perform "any such services which may lawfully be performed by them during regular hours of business." Thus the coverage of the overtime provisions were ex-

tended so as not to be limited to services in connection with the lading or unlading of vessels.

The term "day's pay" in the above-mentioned 1920 amendment was the subject of a decision by the Court of Appeals for the District of Columbia in *Meyer* v. *Morgenthau* (1941) 122 Fed. (2d) 216. The Treasury Department had provided (in Treasury Decision 49669) that the daily rate of pay for overtime services should be the gross daily rate of regular compensation, except that when such gross daily rate of regular compensation was less than $5 or more than $8, the daily rate of extra compensation should be $5 or $8, as the case might be. The court held that the term "day's pay" as used in the statute meant a day's pay at the employees regular rate of pay, and that the Treasury regulation was, therefore, invalid.

The above-mentioned provision of section 9 of the Customs Administrative Act of 1938, amending section 451, Tariff Act of 1930, also provided that "Nothing in this section shall be construed to impair the existing authority of the Treasury Department to assign customs officers or employees to regular tours of duty at nights or on Sundays or holidays when such assignments are in the public interest." This related to the practice of assigning customs employees to regular tours of duty without extra compensation at night and on Sundays and holidays at border crossings (and some other places) where customs service was required at all hours of the day and night during the 7 days of the week. This practice was held by the Supreme Court of the United States in the case of *United States* v. *Myers* (1944) 320 U.S. 561 and 321 U.S. 750, to be valid as to night services on weekdays but invalid as to Sunday and holiday services. The Court held that extra compensation under the 1911 act, as amended by the 1920 act, must be paid for all services within its purview performed at any time during the 24 hours of a Sunday or holiday.

After the decision in *United States* v. *Myers*, supra, section 451, Tariff Act of 1930, as amended, (19 U.S.C. 1451), was further amended by the act of June 3, 1944, 58 Stat. 269, to exempt the owners, operators, or agents of highway vehicles, bridges, tunnels, or ferries from reimbursing the Government for extra compensation of customs employees for services performed at these facilities.

Another important court decision on the customs overtime laws was the decision of the Court of Claims in *O'Rourke* v. *United States* (1947) 109 Ct. Cls. 33. In that case, the court held that extra compensation under the 1911 act, as amended, was payable for inspectional services performed at free bridges and highways as well as for services at toll facilities. There were also a number of other questions decided in the case.

The current customs regulation on extra compensation under the customs overtime laws in section 24.16 of the Customs Regulations of 1943 (19 CFR 24.16), as amended. One provision of that regulation which has been the subject of considerable discussion is the provision, in certain situations, for compensable time in addition to the time spent at the place of the overtime assignment. This provision (in para. (g), as amended by T. D. 52903) is supported by the authority given to the Secretary of the Treasury in the 1911 act, as amended, to fix reasonable rates of overtime compensation. In this connection, reference is made to the above-mentioned decision in the case of *Meyer* v. *Morgenthau*, 122 Fed. (2d) 216, in which the court said that "The fixing of pay for overtime services includes two elements; the definition or measurement of the 'overtime service,' and the definition of the pay for such services. The Secretary, has, and exercises, a considerable discretion in regard to the first element * * *."

This memorandum does not purport to mention every statute that has ever been passed or every court decision on customs overtime. Some old statutes prior to the act of February 13, 1911, and a few court decisions on particular points, which would not seem to be of interest in connection with the present consideration of the overtime question, are omitted.

Statutes Applicable to the Payment of Custom's Overtime Charges on a Reimbursable Basis

Title 19 of the United States Code

§ 261. Boarding officers' compensation

Customs officers acting as boarding officers, and any customs officer who may be designated for that purpose by the collector of customs, shall be allowed extra

compensation for services in boarding vessels at night or on Sundays or holidays—at the rate prescribed by the Secretary of the Treasury as provided in section 267 of this title, the said extra compensation to be paid by the master, owner, agent, or consignee of such vessels. (Feb. 13, 1911, ch. 46, § 5, 36 Stat. 901; Feb. 7, 1920, ch. 61, 41 Stat. 402; Sept. 21, 1922, ch. 356, § 643, 42 Stat. 990.)

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§ 267. Compensation for overtime services; fixing working hours

The Secretary of the Treasury shall fix a reasonable rate of extra compensation for overtime services of inspectors, storekeepers, weighers, and other customs officers and employees who may be required to remain on duty between the hours of five o'clock postmeridian and eight o'clock antemeridian, or on Sundays or holidays, to perform services in connection with the lading or unlading of cargo, or the lading of cargo or merchandise for transportation in bond or for exportation in bond or for exportation with benefit of drawback, or in connection with the receiving or delivery of cargo on or from the wharf, or in connection with the unlading, receiving, or examination of passengers' baggage, such rates to be fixed on the basis of one-half days' additional pay for each two hours or fraction thereof of at least one hour that the overtime extends beyond five o'clock postmeridian (but not to exceed two and one-half days' pay for the full period from five o'clock postmeridian to eight o'clock antemeridian), and two additional days' pay for Sunday or holiday duty. The said extra compensation shall be paid by the master, owner, agent or consignee of such vessel or other conveyance whenever such special license or permit for immediate lading or unlading or for lading or unlading at night or on Sundays or holidays shall be granted to the collector of customs, who shall pay the same to the several customs officers and employees entitled thereto according to the rates fixed therefor by the Secretary of the Treasury. Such extra compensation shall be paid if such officers or employees have been ordered to report for duty and have so reported, whether the actual lading, unlading, receiving, delivery, or examination takes place or not. In those ports where customary working hours are other than those hereinabove mentioned, the collector of customs is vested with authority to regulate the hours of customs employees so as to agree with prevailing working hours in said ports, but nothing contained in this section shall be construed in any manner to affect or alter the length of a working day for customs employees or the overtime pay herein fixed. (Feb. 13, 1911, ch. 46, § 5, 36 Stat. 901; Feb. 7, 1920, ch. 61, 41 Stat. 402.)

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§ 1450. Unlading on Sundays, holidays, or at night

§ 1451. Same; extra compensation

Before any such special license to unlade shall be granted, the master, owner, or agent of such vessel or vehicle, or the person in charge of such vehicle, shall be required to deposit sufficient money to pay, or to give a bond in an amount to be fixed by the Secretary conditioned to pay, the compensation and expenses of the customs officers and employees assigned to duty in connection with such unlading at night or on Sunday or a holiday, in accordance with the provisions of section 267 of this title. In lieu of such deposit or bond the owner or agent of any vessel or vehicle or line of vessels or vehicles may execute a bond in an amount to be fixed by the Secretary of the Treasury to cover and include the issuance of special licenses for the unlading of such vessels or vehicles for a period not to exceed one year. Upon a request made by the owner, master, or person in charge of a vessel or vehicle, or by or on behalf of a common carrier or by or on behalf of the owner or consignee of any merchandise or baggage, for overtime services of customs officers or employees at night or on a Sunday or holiday, the collector shall assign sufficient customs officers or employees if available to perform any such services which may lawfully be performed by them during regular hours of business, but only if the person requesting such services deposits sufficient money to pay, or gives a bond in an amount to be fixed by the collector, conditioned to pay the compensation and expenses of such customs officers and employees, who shall be entitled to rates of compensation fixed on the same basis and payable in the same manner and upon the same terms and conditions as in the case of customs officers and employees assigned to duty in

connection with lading or unlading at night or on Sunday or a holiday. Nothing in this section shall be construed to impair the existing authority of the Treasury Department to assign customs officers or employees to regular tours of duty at night or on Sundays or holidays, when such assignments are in the public interest: *Provided*, That the provisions of this section, sections 1450 and 1452 of this title, and the provisions of section 267 of this title insofar as such section 267 of this title requires payment of compensation by the master, owner, agent, or consignee of a vessel or conveyance, shall not apply to the owner, operator, or agent of a highway vehicle, bridge, tunnel, or ferry, between the United States and Canada or between the United States and Mexico, nor to the lading or unlading of merchandise, baggage, or persons arriving in or departing from the United States by motor vehicle, trolley car, on foot, or by other means of highway travel upon, over, or through any highway, bridge, tunnel, or ferry. At ports of entry and customs stations where any merchandise, baggage, or persons shall arrive in or depart from the United States by motors vehicle, trolley car, on foot, or by other means of highway travel upon, over, or through any highway, bridge, tunnel, or ferry, between the United States and Canada or between the United States and Mexico, the collector, under such regulations as the Secretary of the Treasury may prescribe, shall assign customs officers and employees to duty at such times during the twenty-four hours of each day, including Sundays and holidays, as the Secretary of the Treasury in his discretion may determine to be necessary to facilitate the inspection and passage of such merchandise, baggage, or persons. Officers and employees assigned to such duty at night or on Sunday or a holiday shall be paid compensation in accordance with existing law as interpreted by the United States Supreme Court in the case of the United States v. Howard C. Myers (320 U.S. 561) ; but all compensation payable to such customs officers and employees shall be paid by the United States without requiring any license, bond, obligations, financial undertaking, or payment in connection therewith on the part of any owner, operator, or agent of any such highway vehicle, bridge, tunnel, or ferry, or other person. As used in this section, the term "ferry" shall mean a passenger service operated with the use of vessels which arrive in the United States on regular schedules at intervals of at least once each hour during any period in which customs service is to be furnished without reimbursement as above provided. (June 17, 1930, ch. 497, title IV, § 451, 46 Stat. 715; June 25, 1938, ch. 679, § 9, 52 Stat. 1082; June 3, 1944, ch. 233, § 1, 58 Stat. 269; Sept. 1, 1954, ch. 1213, title V, § 503, 68 Stat. 1141.)

LEGISLATION AUTHORIZING AGENCIES TO LEVY FAIR AND REASONABLE USER CHARGES

Title 5 of the United States Code—Fees and Charges of Federal Agencies (New)

§ 140. Services as self-sustaining; uniformity; regulations; deposit in Treasury; effect on other laws

It is the sense of the Congress that any work, service, publication, report, document, benefit, privilege, authority, use, franchise, license, permit, certificate, registration, or similar thing of value or utility performed, furnished, provided, granted, prepared, or issued by any Federal agency (including wholly owned Government corporations as defined in the Government Corporation Control Act of 1945) to or for any person (including groups, associations, organizations, partnerships, corporations, or businesses), except those engaged in the transaction of official business of the Government, shall be self-sustaining to the full extent possible, and the head of each Federal agency is authorized by regulation (which, in the case of agencies in the executive branch, shall be as uniform as practicable and subject to such policies as the President may prescribe) to prescribe therefor such fee, charge, or price, if any, as he shall determine, in case none exists, or redetermine, in case of an existing one, to be fair and equitable taking into consideration direct and indirect cost to the Government, value to the recipient, public policy or interest served, and other pertinent facts, and any amount so determined or redetermined shall be collected and paid into the Treasury as miscellaneous receipts: *Provided*, That nothing contained in this section shall repeal or modify existing statutes prohibiting the collection, fixing

the amount, or directing the disposition of any fee, charge or price: *Provided further*, That nothing contained in this section shall repeal or modify existing statutes prescribing bases for calculation of any fee, charge or price, but this proviso shall not restrict the redetermination or recalculation in accordance with the prescribed bases of the amount of any such fee, charge or price. (Aug. 31, 1951, ch. 376, title V, § 501, 65 Stat. 290.)

OUTSIDE DIVISION CIRCULAR NO. 2–62, JANUARY 17, 1962

Subject: Establishment of a regular tour of duty at San Francisco International Airport between 4 p.m. and 12 p.m.

References: Bureau of Customs letter of December 26, 1961, file TRA 191.11D, Authorizing the establishment of a regular tour of duty between 4 p.m. and 12 p.m.

1. Purpose

To provide the various airlines with customs inspectional services for clearance of cargo and passengers during the hours of 4 p.m. and 12 p.m. each night, Monday through Saturday, except on holidays.

2. Background

Heretofore it was necessary for the airlines to reimburse the Government for services of a customs inspector or a supervisory customs inspector on an overtime basis between the hours of 5 p.m. and 6 a.m. While it still will be necessary for the airlines to reimburse the Government on an overtime basis for services of customs inspectors and supervisory customs inspector between the hours of 12 p.m. to 6 a.m. each day, Monday through Saturday, and on Sundays and holidays, reimbursement for services between the hours of 5 p.m. and 12 p.m. will not be required unless the available manpower on such tour cannot satisfactorily handle the clearance of cargo and passengers.

3. Action

Effective on Monday, February 5, 1962, this office will establish a regular tour of duty at San Francisco International Airport between the hours of 4 p.m. and 12 p.m. Monday through Saturday.

The tour will be staffed by supervisory customs inspector and three journeyman customs inspectors for the purpose of providing inspectional service to the various airlines on a first-come, first-serve basis. Since we will provide a 6-day service and our inspectional personnel are on a 5-day workweek there will be days in which the full complement of inspectional manpower will not be on hand due to days off, annual leave, and so forth.

If an airline desires the service of one or more customs inspector solely for clearance of their cargo and passengers and such service cannot be provided by the inspectors assigned to the regular tour of duty it will be necessary for the airline to request overtime assignment of additional customs inspectors at their expense. It is expected that we will be able to handle clearance of passenger flights carrying up to 20 passengers from foreign requiring full baggage inspection with inspector assigned to the regular tour of duty unless the cargo and miscellaneous inspectional duties preclude such assignment. On flights carrying more than 20 passengers it may be necessary to assign inspectors on an overtime basis at the expense of the airline. However, in all cases the supervisory customs inspector on the regular tour of duty will supervise the baggage examination.

4. Effective date

Effective on Monday, February 5, 1962.

R. C. KORHUMMEL,
Supervisory Inspector (Deputy Collector in Charge), Outside Division.

Approved for distribution to airlines and customs brokers.

GEORGE K. BROKAW, *Collector of Customs.*

CUSTOMS, PUBLIC HEALTH SERVICE, AND IMMIGRATION OVERTIME, SEATTLE, WASH.

The following is a list of reimbursable customs, etc., Immigration and Public Health Service overtime picked at random during 1965:

Date	Name	Service	Time	Amount	Agency
Mar. 14, 1965	Balfour Guthrie	Boarding	0700–0800	$71.20	Customs.
Feb. 16, 1965	Blue Star Line	Inspection of passengers and crew.	0545–0830	34.40	Immigration.
Mar. 21, 1965	do	do	0230–0515	34.40	Do.
Mar. 6, 1965	do	do	0001	40.08	Do.
Do	do	Boarding, port of entry.	1217–1400	45.84	Customs.
Mar. 21, 1965	do	Wait and board	0300–0445	66.88	Do.
Feb. 25, 1965	do	Discharging	1700–1800	15.28	Do.
Feb. 6, 1965	do	Wait and board	0600–0800	16.72	Do.
Mar. 21, 1965	General Steamship	Boarding	0800–1000	66.88	Do.
Mar. 25, 1965	do	do	0500–0700	53.40	Do.
Mar. 21, 1965	do	Enter and clear	0800–0900	17.20	Do.
Mar. 14, 1965	do	Boarding	0900–1010	66.88	Do.
Mar. 16, 1965	do	Discharging	1800–2400	30.56	Do.
Mar. 17, 1965	do	do	2400–0300	29.68	Do.
Do	do	do	1700–1900	16.72	Do.
Mar. 4, 1965	do	Overtime	R–65–14	50.00	Public Health.
Mar. 14, 1965	Con. Gen. Transatlantique.	Unloading	0800–1530	75.68	Customs.
Mar. 17, 1965	General Steamship	Boarding	2200–2400	54.96	Do.
Mar. 14, 1965	do	Inspection	0900–1030	51.60	Immigration.
Mar. 10, 1965	do	Enter and clear	0700–0800	18.32	Customs.
Feb. 26, 1965	do	Boarding	2300–2400	50.16	Do.
Feb. 21, 1965	do	Board and issue port of entry.	2255–2330	75.68	Do.
Feb. 7, 1965	do	Boarding	1945–2105	59.36	Do.
Feb. 8, 1965	do	Discharging	1800–2400	59.36	Do.
Feb. 9, 1965	do	do	2400–0300	66.88	Do.
Feb. 6, 1965	do	Unloading	1900–2400	[1] 36.24	Do.
Feb. 7, 1965	do	do	2400–0700	[1] 24.32	Do.
Do	do	do	0800–1630	75.68	Do.
Jan. 26, 1965	do	do	1900–2400	[1] 33.44	Do.
Jan. 27, 1965	do	do	2400–0400	[1] 30.56	Do.
Do	do	do	1700–2000	[1] 7.64	Do.
Jan. 6, 1965	do	do	1700–2400	66.88	Do.
Jan. 7, 1965	do	do	2400–0400	61.12	Do.
Do	do	do	1900–2400	71.20	Do.
Jan. 8, 1965	do	do	2400–0400	61.12	Do.
Do	do	do	1900–2400	61.12	Do.
Do	do	do	2400–0400	66.88	Do.
Jan. 3, 1965	do	Load and unload	0800–1700	[1] 33.44	Do.
Jan. 5, 1965	do	Loading	1900–2400	61.12	Do.
Jan. 6, 1965	do	do	2400–0245	48.72	Do.
Feb. 7, 1965	International Shipping	Inspection	0500–0700	34.40	Immigration.
Mar. 17, 1965	McKenzie & Co	do	2315–0115	[1] 18.12	Do.
Feb. 14, 1965	do	do	2100–2219	[1] 22.94	Do.
Mar. 26, 1965	Grace Line	Boarding and discharging.	1900–2400	66.88	Customs.
Mar. 27, 1965	do	do	2400–0300	66.88	Do.
Do	do	do	1800–2400	66.88	Do.
Mar. 28, 1965	do	Discharging	2400–0800	61.12	Do.
Do	do	do	0800–1600	66.88	Do.
Do	do	do	1600–2400	66.88	Do.
Mar. 29, 1965	do	do	2400–0800	74.20	Do.
Do	do	do	1700–1850	16.72	Do.
Mar. 17, 1965	do	do	1900–2130	30.36	Do.
Mar. 20, 1965	do	Inspection	0600–0730	18.12	Immigration.
Feb. 6, 1965	Royal Mail	do	0600–0800	35.28	Do.
Feb. 16, 1965	do	Discharging	1700–2400	71.20	Customs.
Feb. 17, 1965	do	do	2400–0400	61.12	Do.
Do	do	do	1900–2400	45.56	Do.
Feb. 18, 1965	do	do	2400–0130	45.84	Do.
Dec. 22, 1964	International Shipping	Quarantine inspection	1620–1710	50.00	USPHS.
Feb. 6, 1965	do	do	0545–0630	40.00	Do.
Jan. 9, 1965	do	do	1845–2245	32.48	Do.
Feb. 6, 1965	do	do	0545–0630	40.00	Do.
Feb. 12, 1965	do	do	1900–2200	24.36	Do.
Mar. 10, 1965	do	Boarding	2400–0605	40.60	Customs.
Mar. 12, 1965	do	Unloading	1900–2400	61.12	Do.
Do	do	do	2400–0430	66.88	Do.
Feb. 13, 1965	G. S. Bush & Co	Boarding	0700–0800	18.32	Do.
Feb. 22, 1965	do	do	2100–2400	[1] 54.96	Do.

See footnote at end of table.

Date	Name	Service	Time	Amount	Agency
Jan. 24, 1965	International Shipping	Standby to board	0900–1700	$33.44	Customs.
Do	do	do	0900–1700	33.44	Do.
Mar. 4, 1965	do	Boarding	0600–0800	[1] 13.08	Do.
Feb. 7, 1965	do	do	0500–0700	35.60	Do.
Jan. 24, 1965	do	do	0200–0345	54.24	Do.
Do	do	Discharging	0600–1600	[1] 59.36	Do.
Do	do	Boarding	0200–0345	54.24	Do.
Do	do	Discharging	0600–1600	[1] 59.36	Do.
Do	do	do	1600–2010	63.04	Do.
Jan. 12, 1965	do	Unloading	1700–2200	47.28	Do.
Jan. 27, 1965	do	Boarding and unloading.	2000–2400	63.04	Do.
Jan. 28, 1965	do	Unloading	2400–0500	78.80	Do.
Do	do	do	1900–2400	72.48	Do.
Jan. 29, 1965	do	do	2400–0400	64.96	Do.
Do	do	do	2100–2300	50.16	Do.
Feb. 10, 1965	do	Boarding	2230–2400	50.16	Do.
Jan. 19, 1965	do	do	0700–0800	15.76	Do.
Do	do	Unloading	1300–2400	66.88	Do.
Jan. 20, 1965	do	do	2400–0440	63.04	Do.
Mar. 19, 1965	States Line	Inspection of passengers.	0200–0330	34.40	Immigration.
Mar. 4, 1965	do	do	0600–0730	40.08	Do.
Mar. 21, 1965	do	do	0700–0740	35.28	Do.
Mar. 9, 1965	do	do	0650–0810	40.08	Do.
Nov. 29, 1964	States Marine	Load and entry		66.88	Do.
Nov. 7, 1964	do	Public Health inspection.		43.00	USPHS.
Oct. 7, 1964	do	Quarantine	2200–0200	32.48	Do.
Nov. 1, 1964	do	Public Health		50.00	Do.
Do	do	Inspection of crew and passengers.	0955–1130	72.48	Immigration.
Nov. 29, 1964	do	Public Health		50.00	USPHS.
Do	do	Quarantine	1400–1440	50.00	Do.
Nov. 30, 1964	do	Inspection of passengers.	1250–1450	72.48	Immigration.
Mar. 21, 1965	Transpacific Transportation Co.	Unloading	2400–0400	63.04	Customs.
Mar. 20, 1965	do	do	1900–2400	66.88	Do.
Apr. 3, 1965	do	do	1900–2400	66.88	Do.
Apr. 4, 1965	do	do	2400–0400	11.64	Do.
Jan. 9, 1965	B. A. McKenzie & Co	Inspection of passengers.	2035–2235	36.24	Immigration.
Feb. 14, 1965	do	Boarding	2100–2200	33.44	Customs.
Feb. 8, 1965	Twin Harbor Stevedore.	do	1930–2030	33.44	Do.
Mar. 10, 1965	B. A. McKenzie & Co	do	2330–0100	50.16	Do.
Jan. 3, 1965	G. S. Bush Co	Standby, board and discharging.	0600–1600	74.20	Do.
Do	do	Discharging	1600–2400	66.88	Do.
Jan. 4, 1965	do	do	2400–0400	66.88	Do.

[1] Prorated.

Senator MONRONEY. Does the law prevent night scheduling at maritime posts? For example, can the airport be open 24 hours a day without customs charge? Do the airlines receive the benefit that the maritime industry does not receive?

Mr. DEWEY. I don't believe I have said that the airlines receive such benefit. I think I recited in the order the night tour of duty on the west coast as an example of something we would like to have. Frankly I can't complain about not being given a tour of duty if I have never petitioned for one, or if my clients have never petitioned for one. I am simply saying here for the record in my previous remark that it is entirely possible to arrange a tour of duty in a harbor or port.

Senator MONRONEY. It is entirely possible?

Mr. DEWEY. If you can segmentize it. In other words, if you could focus on those parts of a port where the traffic pattern justifies. Obviously your out ports, your small ports at the far fringe of a harbor

area that only on an occasional ship discharges or loads at night, it is very difficult to say there should be a tour of duty in that area.

Where the docks are clustered within a short mile or two, and the pier door is locked, the surveillance is paperwork surveillance and the next morning by the man on day duty who certifies what happened during the night and therefore performs delivery, the surveillance at night, the presence of an inspector could be accomplished with mobile equipment in a port area. I am not going to say that there wouldn't be problems.

Senator MONRONEY. It doesn't adapt itself to an airport system at all?

Mr. DEWEY. Not as neatly, but I wouldn't want any of us to think that it is impossible. There are areas, there are situations and work patterns where this could be installed and would therefore conform with the existing statute that we have before us today.

Senator MONRONEY. Senator Bartlett?

Senator BARTLETT. Mr. Dewey, I assume that sometimes ships belonging to the Pacific-American Steamship Association start out from Hong Kong for San Francisco?

Mr. DEWEY. Yes, sir.

Senator BARTLETT. When they start out, they don't seek to set down an estimated time of arrival at San Francisco which would get there between 8 in the morning and 5 in the afternoon, do they?

Mr. DEWEY. No, sir. Not from Hong Kong. But they are required to notify the Coast Guard 24 hours before arrival of their estimated ETA—estimated time of arrival.

Senator BARTLETT. Twenty-four hours?

Mr. DEWEY. Yes.

Senator BARTLETT. From the other side of the Pacific they can't do this?

Mr. DEWEY. No. It wouldn't be necesary that far away from port, really.

Senator BARTLETT. They couldn't do it anyway?

Mr. DEWEY. The company could estimate, when it sails, when it would be coming in. To be precise it is quite impossible.

Senator BARTLETT. It is a broad sea and they might deviate by a few hours from their estimates.

Would a ship slow down west of San Francisco in order to get in at 8 o'clock or after, or before 5 o'clock?

Mr. DEWEY. I wouldn't want to say categorically, but a normal pattern would be for a cargo ship coming in, if it is in the early morning hours, it would not be to try to get cleared and go to work before 8 o'clock starting time. They will try to start work at 8 o'clock, which would mean that the clearance process would have taken place between 6 and 8 a.m., and that would be overtime.

Senator BARTLETT. Do you have any idea of how many ships put into San Francisco during an average day?

Mr. DEWEY. I see the customs officers had another exhibit. Maybe we might use that as a talking point. I believe they show the San Francisco arrivals. There are about 3,000 arrivals a year, foreign. Between 2,500 and 3,000 at the port of San Francisco. West coast——

Senator BARTLETT. This payment of fees, even this one harbor, is big business. There is a lot of money involved.

Mr. DEWEY. A lot of those ships arrive during workday light hours. There will be no reimbursable overtime.

Senator BARTLETT. Some of them don't, though?

Mr. DEWEY. Some of them don't that's right. If they are close to the 8 o'clock starting time, they will want to get cleared in the 6 to 8 a.m. period so that they can start work at the 8 o'clock starting time for the longshoremen.

Senator BARTLETT. I am still a bit confused as to the testimony given by the preceding witnesses. I think one witness said that the steamship company, the carrier, didn't pay any of these fees. Another said that in certain cases fees were paid. Are you knowledgeable as to this?

Mr. DEWEY. I don't recall which colloquy you are talking about. Mr. John Thurman, our vice president and Washington counsel, who is sitting with me at the table, reminds me that your question is probably addressed to the customs inspection work that will be done outside of the perimeters of the port area.

Senator BARTLETT. I really inferred that. But that wouldn't be borne by the carriers, is that right?

Mr. DEWEY. If a carrier, say, in southern California asked to get cleared to go to a foreign destination, and there is no customs officer and the customs officer has to be brought from Los Angeles during the daytime period, I rather imagine that he is charged a fee of some kind. I would leave the Customs Department to tell us what that is. I have no records of it myself.

Senator BARTLETT. I think the essential part of your statement, Mr. Dewey, comes at the bottom of page 3, where you state that—

the customs officer is on the pier solely—

And you quote it—

"to protect the revenue of the United States Treasury and he is not there for any tangible benefit to the shipowners."

I think that can be based quite largely on that point.

Mr. DEWEY. Thank you for highlighting that point.

The testimony this morning was that our Treasury collections $2 billion a year of ad valorem duties. It seems to me that an income to the Treasury of that amount of money certainly could justify governmental financing of the overtime at least in those instances where the work pattern and where the continuity and the regularity justifies it.

Senator BARTLETT. The carriers don't derive any benefit at all from this. Your only interest would be that of patriotic aims to see that the laws were not disobeyed?

Mr. DEWEY. Senator, it is a little more than that. We as carriers have liabilities in the customs laws for missed deliveries or overdeliveries or underdeliveries or lost cargo. We have many liabilities as carriers.

We don't like to act as policemen for the Government, but the law has put us in that position. So as a result it is protecting the revenue

and we are forced by the State to have an inspector present wherever our manifest for discharging shows that there is something dutible.

Senator BARTLETT. I understand.

My only point was that you don't have any gain, any tangible gain?

Mr. DEWEY. No, sir. It is not like the citation in the testimony where the national parks, if I go to the national parks and pay a charge, I'm getting some gain. I'm using the campgrounds and viewing lovely scenery which the Government has bought and kept as a wilderness, perhaps.

In our instance we are getting no gain from it except the privilege of working a ship which has to work. There is nothing unusual. We have to work. A ship costs $5,000 a day to operate.

Senator BARTLETT. How much?

Mr. DEWEY. New mariners, $5,200 a day, the new ships. The C–3, $3,300 a day. The old ones, $3,900 to $4,200, depending on the class, per day. That included an allocation to overhead.

Senator BARTLETT. Mr. Chairman, if I may revert to the airplane, I have been lobbied on this bill. I haven't been lobbied by any big steamship companies or associations or aviation companies. But I have been lobbied by some private pilots.

We have a situation in Alaska, and I don't think it affects very many people, but it distresses them hugely when they are affected.

In Alaska the airplane is as the automobile is in some of the United States. People fly their own planes to a degree and to an extent that they don't anywhere else in the United States A fellow may own a small plane and yet not be richly endowed with money.

He wants to go to Dawson, the Yukon Territory, Canada. Time after time I have had letters complaining about this fee levied upon them when they landed at Northway for clearance into the United States on a Sunday—$60 or thereabouts.

These people might want to make a business trip or something. But with a lean wallet they think this charge is intolerable. I must say that is what first excited my interest, and it still does.

These people are in a less desirable situation to pay the fee than some of the big concerns. It is my hope, and I know that this will be the case, that the committee will inquire closely into all of this.

I agree with Mr. Dewey very emphatically in his statement, that the inspectors are there for purposes of the Government.

I fail to see yet, and of course I must admit, Mr. Chairman, I haven't been here to hear all the testimony, why the inspectors would care whether overtime pay came from one pocket or another. I don't know what difference it makes. Maybe there is an essential difference that I am unaware of.

I have no further questions.

Senator MONRONEY. Thank you very much, Senator Bartlett, for your very helpful questions.

We appreciate your appearance here, Mr. Dewey. Thank you for coming.

Senator MONRONEY. The next witness is Gerald D. Finney, general attorney, Association of American Railroads.

We are glad to have you before our committee, Mr. Finney. We will be happy to have your statement.

STATEMENT OF GERALD D. FINNEY, GENERAL ATTORNEY, ASSOCIATION OF AMERICAN RAILROADS

Mr. FINNEY. I am Gerald D. Finney and I am general attorney of the Association of American Railroads, which is a voluntary association composed principally of what are known as class I railroads. Its members operate about 96 percent of the mileage of all railroads and their annual revenues amount to about 96 percent of the total annual revenues of the railroads. I am submitting my statement in behalf of that association and, more particularly the railroads that operate to, from, and across the Canadian and Mexican borders. I am appearing here in support of S. 1596, introduced by Senator Monroney. It is our view that that bill will correct an inequitable situation that has existed for a long time. In order to understand this situation, it appears desirable to present to you briefly certain background information.

By reason of statutory provisions contained in sections 1450, 1451, and 1451a of title 19 of the United States Code the railroads, the airlines, and the boat lines are required to reimburse the Government for overtime compensation paid to customs inspectors. In addition, by reason of statutory provisions contained in sections 342c and 342d of title 5 of the United States Code those same carriers are required to reimburse the Government for overtime compensation paid to immigration inspectors except that the railroads and the airlines are relieved of making reimbursement in cases of inspections at "designated ports of entry * * * when operating on regular schedules." I am not aware as to the extent this exception has provided relief to the airlines but for the railroads it has afforded little relief because most of the inspections for immigration purposes on railroad trains are made enroute to the port of entry rather than at the port of entry and it has been held by a Federal district court that such inspections are not within the exception contained in the statute. Later in this statement I shall comment more fully on that court opinion.

I would like to outline very briefly the reasons the railroads believe it is improper that they should be required to reimburse the Government for overtime services performed by customs and immigration inspectors. It is unreasonable to expect the railroads, the airlines, and the boat lines to pay for such enforcement work.

It is sometimes given as a reason for requiring that these carriers pay for the performance of customs and immigration inspections at night or on Sundays or holidays that such inspections are primarily for the convenience and benefit of the carriers and, therefore, that the reimbursement of the Government by the carriers for such services is justified. It is our judgment that such a view is unjustifiable. Common carriers, such as railroads and airlines are obliged to render service as needed to meet the convenience and necessity of the traveling public.

With due regard for this obligation it would be impossible to schedule their operations in such a way as not to cross international borders at night or on Sundays or holidays. Also it is unthinkable that the public would tolerate the holding up of carriers at border points overnight or over Sundays and holidays so that customs and immigra-

tion inspections could be performed only in the daytime or on ordinary weekdays. We believe this to be obvious. Therefore, customs and immigration services are necessarily going to have to be performed at night and on Sundays and holidays if the laws of the United States are to be enforced.

We believe it to be proper obligation of the Government to adopt such measures as are necessary to enable it to enforce the customs and immigration laws with the least possible inconvenience to the public. We believe also that the Government's obligation to meet the convenience and necessities of the traveling and shipping public is equally as great as that of the carriers and, therefore, in essence, arrangements to perform customs and immigration inspections services at night and on Sundays and holidays are in the general public interest rather than in the particular interest of the carriers.

It should be added that, in our opinion, the present provisions of law relating to overtime compensation are discriminatory as between carriers. The motor carriers are relieved from the obligation of reimbursing the Federal Government for overtime services while the rail carriers and the airlines are burdened by such requirements. The result is contrary to the philosophy set forth in the declaration of We believe it to be the proper obligation of the Government to adopt and equal treatment of competing forms of transportation.

The most recent figures that I have regarding payments made by the railroads for overtime compensation are for 1962 and are from 16 railroads. Those carriers reimbursed the Federal Government slightly in excess of $465,000 in that year. This sum was in the nature of a penalty. We submit that there is no occasion for imposing a penalty on the carriers on account of the services of customs and immigration inspectors. Such services are not caused by any act of wrongdoing on the part of the railroads but rather are necessitated by the furnishing of the type of service necessary to serve the needs of the public.

The considerations which led to the adoption many years ago of the practice of reimbursement no longer apply. The transportation of the country is now on a 24-hour basis, rather than on a primarily daylight-hour basis as it was when the practice of reimbursement was first adopted. Transportation schedules are arranged to meet the convenience and necessity of the public and where inspection service is furnished in the interest of the general public rather than for the benefit of the carrier involved and should, accordingly, be furnished by the Government at its own expense without reimbursement from the carrier.

This leads me to the case of *United States* v. *Central Vermont Ry.*, decided by a Federal district Court, 16 F. Supp. 864 (1936). This case involved the question whether the United States was entitled to "extra compensation for overtime" of its inspectors and employees in the Immigration Service. U.S. inspectors regularly boarded passenger trains coming from Montreal, Canada, to St. Albans, Vt., and while still in Canada and en route to the United States inspected and examined the passengers on such trains regarding their right to enter the United States. It should be added that this is not unusual in that U.S. inspectors, at many points in Canada, board trains miles outside

the United States and make their inspections while riding toward the border. If the inspection is not completely performed by the time the train reaches the "port of entry" the train is held at that location until the inspection is completed. The statutory provision involved (now 5 U.S.C.A. 342d), dealing with the payment of "extra compensation" for immigration officers and employees, contained the following proviso:

> That this section shall not apply to the inspection at the designated ports of entry of passengers arriving by international ferries, bridges, or tunnels, or by aircraft, railroad trains, or vessels on the Great Lakes and connecting waterways, when operating on regular schedules.

The trains I am referring to were operating on regular schedules. The court held in the *Central Vermont* case that when inspections and examinations were made en route and not at the port of entry the railroad should pay the overtime compensation for the immigration inspections.

There can be no doubt that the delay of every train entering the United States at a port of entry for a period of time (perhaps 2 or 3 hours) would constitute an unnecessary delay, impediment, and annoyance to all passengers on that train entering the United States. It is only fair and equitable that the railroads and all other carriers be relieved of the expense imposed upon them for inspection of passengers made en route. It is, therefore, the position of the railroads that where inspections are made en route to a port of entry, such inspections should be considered as having been made at the port of entry and that your committee, in its report on S. 1596, should make it perfectly plain that the proviso in title 5 of the United States Code, section 342d, should be so construed.

As I have said, inspection services are not for the benefit of the carriers but are for the enforcement of the customs laws and for the benefit of the general traveling public. This is clearly recognized when the inspection service is performed during regular hours on weekdays, but when such service is required at nights (except as a part of a regular assignment) or on Sundays or holidays the theory apparently is that the nature of the service is so altered that the full cost should be borne by the carriers. The rationalization apparently is that inspections at nonregular hours on weekdays are solely for the benefit and convenience of the carriers. However, the carriers, as a practical matter, are obliged to schedule their operations so as to meet the convenience of the public with respect to times of departure at points of origin and times of arrival at destination. In the majority of instances the international boundary is merely an intermediary point and it would not be possible to schedule all operations to arrive at the border point during regular daytime business hours or to suspend service on Sundays and holidays and at the same time satisfy the necessities and convenience of the traveling and shipping public. It is obvious that the public would not tolerate the holding up of carriers at border points overnight or on Sundays and holidays so that inspection could be performed only in the daytime on a weekday.

The carriers submit that S. 1596 is a fair bill. It does as its title indicates—modernizes practices of the Federal Government relating to the inspection of persons, merchandise, and conveyances moving

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into, through and out of the United States. It should be speedily enacted.

Senator MONRONEY. Thank you very much, Mr. Finney.

I am not clear on the meaning on page 5, where you say, midway in the first paragraph:

> It is therefore the position of the railroads that where inspections are made en route to a port of entry, such inspections should be considered as having been made at the port of entry, and that the committee, in its report should make it perfectly plain the proviso in title 5 of the United States Code, section 342d, should be so construed.

What does that apply to?

Mr. FINNEY. That applies, Mr. Chairman, if you will look over on page 4 at the quoted language, that is the proviso I am referring to.

What happened, the court had held—and we do pay, when a man gets on—and they do this very frequently—rather than waiting until our train gets to, say, St. Albans, the inspector rides up, say, 30 or 40 miles, perhaps 50 miles from St. Albans, and rides back inspecting the passengers and baggage all the way back down to St. Albans. We say in effect that this is inspection at the port of entry—St. Albans.

The court held, "No, you will have to wait until that train gets down to St. Albans, inspect it there, then you won't have to pay any overtime." We believe that inspection en route to a port of entry for the convenience of the traveling public should constitute an inspection at the port of entry, rather than en route to and therefore subject to overtime payments.

Senator MONRONEY. You wouldn't have any overtime payment to meet if the train was inspected at the port of entry.

Mr. FINNEY. Yes, sir. You are absolutely correct. If we waited until he got to St. Albans——

Senator MONRONEY. And held up the train.

Mr. FINNEY. And held up the train, for 2 or 3 hours and made inspection there, we would have to pay no overtime whatever. This is during the daytime hours, you understand.

Senator MONRONEY. But if the inspector rides the train and makes it before he reaches the poor of entry, that your bill is for overtime payments.

Mr. FINNEY. Yes, sir.

Senator MONRONEY. Does the inspector get overtime for that ride?

Mr. FINNEY. Yes, sir.

Senator MONRONEY. He doesn't get overtime, however, if it is inspected when the train stops at St. Albans.

Mr. FINNEY. He does not.

Senator MONRONEY. But he is working the same number of hours?

Mr. FINNEY. Yes, sir.

Senator MONRONEY. This is the section for which you want special attention to our committee report?

Mr. FINNEY. Yes. So that we could have some legislative history.

Senator MONRONEY. In each case where the customs inspectors board the train and ride to the port of entry, this overtime is charged?

Mr. FINNEY. Yes, sir.

Senator MONRONEY. What is the extent—I don't recall seeing the amount of the fee.

Mr. FINNEY. $460,000-some for both. It is for 16 railroads. I don't have it broken down between immigration charges and customs charges. They are both substantial.

Senator MONRONEY. And both made aboard the train?

Mr. FINNEY. Yes, sir. I heard something here today that is in conflict with what I have been advised. I had heard that inspectors—and perhaps this is only customs inspectors, rather than immigration inspectors—but I would like to read into the record an example of this same situation that I am referring to. And the reason I would like to read it is because this indicates that when certain inspectors, at least, leave their home terminals, they do receive pay for that in the form of taxi fares or train fares.

This is Noyes, Minn., Soo Line Railroad Co.—

This inspection is necessitated on the Soo Line's train which operates between Winnipeg and Minneapolis. Inspectors either ride trains from Noyes to a point indicated, such as, Dominion City, or they are transported at the expense of the railroad by taxi from Noyes to Dominion City—approximately 10 miles—and at times, as far as Winnipeg, approximately 60 miles, where they board southbound trains en route to the United States and inspect passengers and their baggage en route.

This information I received from W. H. Parsons, and his title is "Solicitor." This indicates to me that there are instances certainly where some of these inspectors' travel expenses are paid by the carrier.

Senator MONRONEY. This is probably an unusual situation. They were talking generally in the context of having to drive their own car to the port area, to make the inspections of ships coming in or drive their own cars to the airport, and that the normal local transportation is not available at late hours.

Mr. FINNEY. I perhaps misunderstood.

Senator MONRONEY. This would be perhaps in all cases. Since they perform a duty for the Government, if they have to inspect aboard a train, they have to ride up and back, they would be apt to pay for that official trip which is a part of their inspection operation, rather than their journey to the situs of their work.

Mr. FINNEY. I wanted to bring this up that certainly in some instances their travel expenses are paid by somebody other than the Government.

Senator MONRONEY. This would be in the case of a railroad inspection. Do you have any questions, Senator Dominick?

Senator DOMINICK. You also have to pay overtime for the inspection of baggage by customs inspectors as the train moves toward a port of entry. If they were inspected at the port of entry and the train held up, they would be more than likely—unless it was late at night—be accommodated under the free inspection service during daytime hours.

Thank you, Mr. Chairman, I don't have any questions. I am just sorry I didn't get here any earlier. I look forward to reading Mr. Finney's testimony.

Senator MONRONEY. Thank you very much, Mr. Finney.

Mr. FINNEY. Thank you.

Senator MONRONEY. The next witness, Mr. William Lawton, executive director, National Business Aircraft Association, Pennsylvania

KANSAS STATE UNIVERSITY JUN 1966

Building, Washington, D.C., and one of the leaders in the aviation field which bears the brunt of the tax charges for overtime for airport inspection.

STATEMENT OF WILLIAM K. LAWTON, EXECUTIVE DIRECTOR, NATIONAL BUSINESS AIRCRAFT ASSOCIATION, WASHINGTON, D.C.

Mr. LAWTON. Thank you, Mr. Chairman. I am William K. Lawton, executive director of National Business Aircraft Association. This nationwide association, composed of companies owning and operating their own aircraft for business transportation purposes, wishes to thank the chairman for this opportunity to present the association's members views on Senate bill 1596.

The association endorses the provisions of the bill as expressed.

The association believes that the presently binding customs regulations and policies—first adopted more than 50 years ago—are confusing and inequitable. The subsequent amendments in 1930 of the Tariff Act which are now applied are more than 35 years old and they, in our view continue the confusion and inequities.

Senate bill 1596 would allow private aircraft and transport vehicles engaged in foreign commerce, such as airlines, steamships, and railroads, returning to the United States on weekends, holidays, and at night to receive regular customs service without extra charges.

We are at a loss to determine why people traveling by automobile, ferry, or even on foot, receive regular customs service without extra customs charges, but people who travel by private aircraft, commercial airline, steamship, or railroad must pay special charges on weekends and holidays, and after 5 p.m.

The customs law under the Tariff Act of 1930, provides that no merchandise, baggage, or passengers arriving in the United States from any foreign port shall be unloaded on a Sunday, a holiday or at night, except under a special license granted by the collector of customs. Before any such license to load or unload is granted, owners of private or commercial aircraft, vessels, and other vehicles must agree to pay the compensation of customs officers assigned to duty on Sunday, a holiday, or at night. The Bureau of Customs estimates that payments to customs employees of the Government by the private flyers and the U.S. transport industry in 1962 amounted to $6 to $8 million. We think the extra charges are unjust and inequitable, and in many cases excessive.

The Bureau of Customs justified these extra customs charges on the ground that people traveling by private aircraft, commercial airline, steamship, or railroad are not specifically exempt persons; that it has no discretionary authority in the application of the statute; that its job is to enforce expressed congressional intent.

The legislative history behind the Tariff Act of 1930, however, shows no congressional intent to require extra customs charges of people traveling by private and commercial airline, steamship, or railroad. On the contrary, the legislative history is such that the possible exemption of such people was not even considered by Congress.

These overtime laws were enacted in an era when the small aircraft's future as a common means of transportation was unknown. They were

enacted in an era when the future significance of transportation and foreign commerce to our Nation's economy probably was not fully visualized. In fact, current customs overtime requirements are based on a statute which is over 50 years old. I might parenthetically add, 50 years ago is when the first transcontinental airplane flight was accomplished in the United States, and this flight took 83 days. This is within this act of 1911 as written.

Today, when more and more people are flying and utilizing small aircraft as a common means of transportation; when approximately 80 percent of today's total aviation travel in the United States is conducted by private aircraft, and when more and more people are using commercial airlines; steamships, and railroads for transportation and foreign commerce, it seems the law should be amended to meet the need for full-time inspection services without special charges. This travel and commerce will undoubtedly increase as time goes by, and it is inequitable to require only one group to pay for the cost of necessary governmental services.

The existing tariff law was enacted in a day and age when travel by private aircraft was not a common mode of transportation. In that day and age, Congress did not comprehend that the private flier would become as commonplace as the automobile driver.

The existing tariff law was also enacted in order to discourage foreign commerce transactions at other than so-called regular 8-to-5 business hours then established, and because inspection personnel work schedules could not be predicted in view of the unpredictable operating schedules of transport companies then in operation. Our trade policies, public service demands, and transportation systems and techniques have changed in the last 50 years.

Many public service functions of both private industry and our Government are now required 24 hours a day, 7 days a week. This is particularly true with regard to private aircraft travel and the transportation business. Although the 40-hour week is the general rule for employees of both private industry and Government, both have found it better and desirable to rotate and schedule employees on work shifts covering days, nights, weekends, and holidays. We have all seen such scheduling work, and our country prospers under it.

Presently, we find the Bureau of Customs closed down 60 days a year and at night in many cases unless private parties enter labor contracts with Government Customs employees for what is considered a special service. This condition is allowed by laws which assume that private aviation travel and our international transportation system can likewise shut down and stop on Sundays, holidays, or at night. It is inferred from these laws that our Government has no public service obligations and duties with respect to private aviation travel or foreign commerce except during so-called regular business hours, Monday through Saturday. The truth of it is that the public services which the Bureau of Customs provides are necessary 24 hours a day, 7 days a week for the benefit of the people returning to the United States by private aircraft, commercial airline, steamship, or railroad. This inspection service is performed in the national interest, and not in the interest of one portion of the public.

May we cite a recent, widely quoted statement on the status of transportation in the United States. I quote:

> The revolutionary changes in transportation technology of the past half century have not been matched by equal progress in our public policies or our Federal organization.
>
> I am recommending the creation of a Departmnt of Transportation to manage the vast Federal promotional programs in highways, air travel, and maritime affairs, and to take leadership in the development of new transportation policies in accord with current realities.

The speaker was the President of the United States of America.

This recognition of the lack of progress in facilitating travel through modernization of laws governing airports of entry also received other high-level investigation and recommendations from the Committee on Aviation of the National Citizens' Commission who reported to the White House Conference on International Cooperation that—

> A particularly appropriate facilitation action for the United States to consider during International Cooperation Year is the correction of a situation under which U.S. ports of entry are officially closed to international air traffic 60 days a year, and in certain cases, on weekday nights. This situation is the result of laws, one of which was enacted over 50 years ago for the purpose of discouraging foreign travel and trade at other than business hours then considered normal. The laws prohibit customs, and other inspection services on a Sunday, or a holiday, or at night in some cases, unless private parties enter into labor contracts with, and pay Government employees rates considerably in excess of industrial overtime rates. Trade policies, public service demands, business practices and transportation techniques all have changed in the past 50 years. In the interest of continued economic growth and in view of the international relations involved, it is time to revise and modernize U.S. inspection employee practices similarly, and U.S. Government support for appropriate legislation is recommended.

The distinguished members of the aviation committee included representatives of private and commercial aviation organizations, aviation attorneys, aircraft manufacturers, aviation labor organizations and airport operators. Their report was delivered on November 29, 1965.

We encourage the support of this recommendation by the members of the committee.

Thank you.

Senator MONRONEY. Thank you very much Mr. Lawton for your interest in improving the availability of customs facilities on our borders.

You do not expect, however, to have around-the-clock operations at all airports that lie along our Canadian and Mexican borders, do you?

Mr. LAWTON. No, Mr. Chairman, no more than we have it with the automobiles today in the same areas. We believe that a study will indicate that there will be airports which warrant 24-hour-a-day service; that there are others obviously that will not. We could not be in the position of asking or recommending service in a place where there is no service to be recommended.

Senator MONRONEY. Would your organization recommend, after a study of specific airports, which should have this service, designating those, if any, which should have 24-hour service, those which would would need 18-hour, or 12-hour service? It would seem to me that this would be a matter of anticipated or expected traffic.

Mr. LAWTON. We would be pleased to engage in a program of investigation and study which would lead to recommendations being

made, and suggest that this would depend upon the coordination of Government and industry, and perhaps of the committee itself.

Senator MONRONEY. We are not proposing and I don't think anybody expects it, particularly the people who use our airways, to have this service everywhere open at all times. I do feel, since we have only three of our airports on a 24-hour-a-day basis, that we are not quite serving the incoming traffic as it should be served. However, there are inspection facilities at larger airports that stay open until midnight in many cases, and others until 8 p.m., 11 p.m., and so on. I think it would require recommendations and careful study to expand inspection services at international airports to better serve the heavy flow of traffic.

Mr. LAWTON. Mr. Chairman, I note in the bill under consideration an 18-month period for this bill, if enacted, before being placed into operation, is provided for. I suggest that this 18 months should be ample for a committee of industry and Government to come up with the recommendations for times and places for these airports.

Senator MONRONEY. There is no logic, to my way of thinking, to require a private plane owner to pay for a service that is instituted for the protection of the Government. There is no protection for the individual pilot or air passenger in any way.

Mr. LAWTON. I think the Senator's remarks are particularly well taken, because the purpose of these enactments since 1911 and even previously, was to assure the people, all the citizens of this country, that people and cargo entering this country are of the sort that we want in this country and that the appropriate duties are paid.

The purpose of these inspections is to prevent, as I understand it, undersirable aliens or citizens from entering the country, to protect the average man in the street from criminals, to assure the housewife that the imported products are free from disease, that other diseases will not be imported which will affect our crops or our cattle industry. This certainly is to the benefit of everyone in the Nation. That is the main purpose for these inspections, and not to assure that I or my passengers have brushed our teeth.

Senator MONRONEY. Is it not a fact that in the use of the business aircraft Sunday is a very heavy day?

Mr. LAWTON. Yes, sir. The businessman in particular who comes up from his conference in either Mexico or Canada desires, as most ordinary people do, to extend the vacation part of his business, if it may be part vacation, until the last moment, and he returns on a Sunday because he wants to be fit and ready to go at the first crack of dawn on Monday morning at his chosen task.

To inhibit this type of travel coming in except on Monday through Friday, 8 to 5, is not consonant with the type of transportation that is going on in this day and age.

Senator MONRONEY. In your association with the Business Aircraft Association, you are equipped for night flying, and with proper instrumentation to where the average man, if he is on a business trip, would like to finish his business and then fly home in the evening and probably arrive at many airports after the 5 o'clock banker's hours had expired.

Mr. LAWTON. This is very true, Mr. Chairman. Also this 8-to-5 limitation with the financial penalty on it leads one to envision rather easily the pilot who is not always the wealthiest man in the world, despite some possible misconceptions, from trying to squeeze in past weather in which he should not be flying in order to get in before 5 o'clock. He is faced with getting in before 5 or paying $60, or diverting to some other place. I think that this could lead to some people getting into dangerous practices, or forcing themselves to fly in order to arrive at the banker's 8-to-5 hours in order to avoid a $60 payment.

Senator MONRONEY. Senator Dominick?

Senator DOMINICK. Mr. Lawton, it is good to see you again. I am very appreciative of your testimony on this bill.

I would like to ask a couple of questions to see if your association has come up with any figures, or whether you know where we can get them.

Does the FAA or your association keep a list of traffic at ports of entry at international airports and landing right airports?

Mr. LAWTON. Our association doesn't, Senator Dominick. We had been asked to participate in a study request of the Federal Aviation Agency in 1964. We helped FAA prepare a questionnaire which was to be used for a 3-month period I believe in the summer of 1964 in conjunction, the FAA told us, with the Bureau of Budget and the Treasury Department. The objective of this is, if my memory serves me, to ascertain the amount and type of travel, the hours of travel at various international airports, and airports of entry of general aviation aircraft. This was exclusively for general aviation.

I personally have not had very good results in getting the fallout from this study.

Senator DOMINICK. Was the study completed?

Mr. LAWTON. To my knowledge it was. It was conducted for 3 months in 1964.

In attempting to be responsive to questions such as you have discussed, I tried to obtained these figures from FAA. I didn't have very much luck. They were most helpful, but they kept referring me to their problems of getting it from the Bureau of the Budget.

Senator DOMINICK. Mr. Chairman, I wonder if we couldn't have the staff ask the FAA to give us the results of that type of study.

Senator MONRONEY. Yes.

Senator DOMINICK. It strikes me that it wouldn't be too difficult to work this out as far as the airports and the shipping are concerned. It seems to me that it might be quite easy to do it if we can get a reasonable standard for the amount of traffic that Congress feels would justify keeping ports open on a 24-hour basis or, as the chairman said, 18 hours or 12 hours or maybe even a 10-hour basis.

I think that it would help us if you could give us some recommendations along that line regarding what you think the standards should be, and which would be reasonable in view of traffic in the area.

Secondly, whether you believe there is any merit in the idea of a flat fee in those areas which are not going to be on a 12-, 18-, or 24-hour basis and someone comes in after the open hours.

For example, I am again referring back to Havre, Mont. I believe you were here when I mentioned Havre earlier. In Havre

the base operator has been designated by the Customs Bureau to perform custom functions in clearing aircraft. It would seem to me that instead of having a full-time Federal employee on duty, it would be easy to designate responsible people for this job at selected hours for a fee. And perhaps some recommendation might be made on that it you could incorporate it into your thinking.

I know that you have an awful lot of other things to do, but this is a pretty important bill. It strikes me that your advice on it would be very helpful because of your knowledge of private aviation.

Mr. LAWTON. Thank you, Senator.

If you recall, there had been a bill introduced in the past suggesting, in this response to the Treasury, that suggested a flat fee be considered for all overtime services. This was circulated to our membership for comment. The comments came back variously worded. But they all suggested that the theory is nice, but "Is the price right?" Because there was no mention made of the fee.

We could enforce the principle and find out that the fee would wind up at $50 per visit.

Senator DOMINICK. It would seem to me that even the principle isn't right in those cases where you have a sufficient amount of traffic; this is especially true when you consider that the inspection is for the protection of the Government. In those cases I think even the theory may be wrong. Perhaps it would work in smaller airports, landing right airports, or in certain selected ports of entry. So any information that you can give us on that would, I think, be very helpful.

Mr. LAWTON. Would you like to receive that through the committee, sir?

Senator DOMINICK. I think so. Don't you think that would be helpful?

Senator MONRONEY. That would be very helpful. Particularly the level of traffic that would be required, and the possibility of a licensee to maybe conduct inspections at a very few ports which are important geographically but not from a traffic standpoint.

Senator DOMINICK. It occurs to me, Mr. Chairman, that maybe it would be helpful if we asked the Customs Bureau to supply us with the number of airports at which this practice is now being conducted.

Senator MONRONEY. That would be fine. You mean the licensed people.

Senator DOMINICK. Yes; part time.

Senator MONRONEY. And also to get from Mr. Lawton's Business Aircraft Association the airports at which traffice might be sufficient to maintain free inspection service for a period of time longer than the 8 to 5 period normally maintained.

Do you have any further questions?

Senator DOMINICK. No; I have no further questions.

Senator MONRONEY. Thank you very much for your helpful interest in this as in all other matters in aviation. We appreciate your appearance, Mr. Lawton.

Mr. LAWTON. Thank you, Mr. Chairman.

Senator MONRONEY. Our next witness is Mr. Robert E. Monroe, assistant director, policy coordination, Aircraft Owners & Pilots Association, Bethesda, Md. We are happy to have you, Mr. Monroe.

STATEMENT OF ROBERT E. MONROE, ASSISTANT DIRECTOR OF POLICY COORDINATION, AIRCRAFT OWNERS & PILOTS ASSOCIATION, BETHESDA, MD.

Mr. MONROE. Thank you, sir.

Mr. Chairman and members of the Senate Commerce Committee, my name is Robert E. Monroe. I am assistant director, office of policy coordination, of the Aircraft Owners & Pilots Association—AOPA. A résumé of the nature of AOPA is presented for your information in annex A to printed copies of our statement.

We greatly appreciate the concern for facilitation of international travel and commerce displayed by the introduction of S. 1596. We appreciate too the scheduling of early hearings in this serious problem, which give us this opportunity to present the views of our association representing over 125,000 members who make extensive use of aircraft for personal and business purposes.

We strongly urge adoption of S. 1596 for it will eliminate inequities, improve service, facilitate travel and commerce, and improve international relations. We urge an early and favorable report so that legislative action in both Chambers of the Congress can be completed this year and the benefits of enactment enjoyed at the earliest possible moment.

AOPA and its members have been seeking a remedy for almost 20 years to the problem posed by the requirement to pay for border inspections during overtime hours. We have been joined in this effort by innumerable other groups. We participated in a brief, informal hearing in 1959 arranged by you, Senator Monroney. That hearing produced partial success when the Immigration and Naturalization Service agreed to reinterpret its governing law to permit inspection of noncommercial aircraft by Immigration officers without charge. We are still very grateful for your persuasive assistance in that effort. Noncommercial flying has enjoyed the results whenever an Immigration officer is on duty during overtime hours. Unfortunately, this does not occur too often and is only available at two or three airports of entry as a general rule. The Bureau of Customs found itself unable to make a similar reinterpretation.

GENERAL AVIATION BACKGROUND

The volume of general aviation flying inside the United States is growing rapidly. According to Federal Aviation Agency figures—which we think are ultraconservative—a year ago we had almost 89,000 active general aviation aircraft and by 1971 there will be over 123,000. They now fly some 16 million hours a year; four times as much as the airlines. One-fourth of this flying is for personal and pleasure purposes and 37 percent is for business purposes. Only two-fifths is commercial in nature and almost half of that is instruction to train new pilots. There are now 431,000 pilots in the Nation; 121,000 are students and 176,000 are licensed private pilots. General aviation aircraft movements now outnumber the airlines at 249 of the 278 airports where the FAA operates towers; we supply 69 percent of the total operations and 22 percent of the instrument approaches. Our manufacturers produced over 12,000 airplanes for us last year and one-fourth of these will be exported.

The volume of international flying by general aviation is growing likewise. We have no really comprehensive figures but these items are indicative. The volume of aircraft exported is growing yearly. The International Council of Aircraft Owner & Pilot Associations now has affiliate members in 17 nations. One of our Florida members reports that in fiscal year 1965, 13,196 general aviation aircraft cleared through Fort Lauderdale, going to or from the Bahamas. FAA international flight service stations reported over 39,000 contacts with general aviation aircraft in fiscal 1965—and this does not include any domestic flights—or 15 percent of the total. The Miami IFSS accounted for over 18,000 of these and San Juan, P.R., for almost 15,000, indicating that the Caribbean is a busy place for general aviation. AOPA itself has provided international flight planning services to 6,453 general aviation international flights in the last year. These included not only brief jaunts to Canada, the Caribbean, and Mexico, but also long ones to Europe, South America, Africa, the Near East, and around the world. One hundred eighty-three of these were flights across the Atlantic. We should point out again that these figures do not represent the total volume of international general aviation activity. Many of our pilots, once having learned the ropes of border crossing procedure, do not consult with us thereafter for subsequent flights.

INEQUITY

Our objections to the present practice of handling overtime compensation for border inspections fall in four categories; the first of which is inequity.

Overtime charges apply to some modes of travel but not to others. Those who travel by private automobile receive border inspection service without overtime charge, while those traveling by private aircraft do not. So far as the traveler is concerned the sole difference in whether he is charged or not charged for crossing the border outside of "normal working hours" is whether he flies his airplane or drives his car. If for instance you fly in your private plane from Montreal to Washington and land at Burlington, Vt., to clear customs on a Sunday you will be charged for overtime pay. On the other hand, if you drive in your private automobile and clear customs on the same day and at the same time, you will not be charged—and you may very well be cleared by the same customs inspector. This is inequitable.

Overtime charges are often excessive for the service performer. We have innumerable complaints from AOPA members of being charged as much as $50 or $60 for 10 or 15 minutes of effort in making the inspection and executing the paperwork. This is an outrageous return for service of this character; $68.80 at Portland, Maine; $47.52 at Sault Ste. Marie; $57.12 at Albany, N.Y.; $14.60 at Rochester; $60 at Burlington, Vt.; $61 at Minneapolis are representative examples of overtime charges to our members. They seldom create much of a public fuss but when Gen. James H. Doolittle was charged $46.08 at Minot, N. Dak., 2 years ago and voiced his indignation, it hit the papers from coast to coast. Even the Government itself is not exempt for former FAA Administrator Halaby was charged when flying N–1 back from Mexico a year or two ago.

May I parenthetically add, one of our own staff members who formerly worked for the FAA was flying one of the FAA's Queenairs

back and was charged—signed a chit for $64, to be paid by FAA for crossing at Burlington.

Sometimes, the charge is ameliorated by the subsequent clearance of other aircraft during the same pay period but no pilot can count on this. The very existence of charges of this kind and the strong risk of being stuck for the entire amount inhibits many flights which would help to spread the burden. But consideration of this possibility begs the central issue that an enormous charge is being made for a relatively simple Government service. This is inequitable.

Overtime charges impose a financial burden on those regulated rather than on those benefited. Border inspections are established to protect the citizens, the economy and the resources within those borders and as a means of producing revenue by imposing duties and excises on goods entering those borders. We enter no argument with these purposes but we do contend that the real and proper beneficiaries are the general public and not the traveler by private aircrafts. To him, the "service" is no service at all; it is a nuisance, even though a necessary one. Charging the traveler for a service which is of primary benefit to others is inequitable.

Overtime charges, as imposed by the four agencies of the Federal Government which perform border inspections, result in dissimilar treatment. The Bureau of Customs, the Immigration and Naturalization Service, the Public Health Service, and the Agricultural Research Service vary widely in the amount of inspection and the calculation and imposition of overtime charges. As a consequence, the impact of overtime charges is not uniform. This is inequitable.

SERVICE

Our second category of objections to overtime charges relates to their effect upon service to the public by Government agencies. Since the major impact of overtime charges on our members arises from the operations of the Bureau of Customs, we will focus our discussions on it. We have not made similar inquiries regarding the other agencies performing border inspections. We find three kinds of problems.

Overtime charges impair the ability of the Bureau of Customs to operate at its most efficient level. Therefore the inspection functions are more costly than necesary to both the Government and those upon whom the charges are levied.

The most comprehensive analysis of this problem has been published in "An Evaluation of: Mission, Organization, Management," commonly referred to as the "Stover report." That report points out that—

> The 1911 Overtime Act militates against career development, manpower utilization, and mobility on the part of employees. It also tends to prevent employees from retiring.

The report details how the existence of the overtime charges which, on the average, comprise one-third of their total pay, causes customs inspectors who enjoy this windfall to resist promotion, transfer, and retirement; how it impedes administration and the provision of better service to the public.

For instance, the report says:

The total of over $1,375,000 spent on nonreimbursable overtime during 1963, when compared with the salary of a GS–9 inspector at step 5 of $7,575, shows that customs is paying for the full-time services of about 180 customs inspectors in overtime payments at our border crossings, but is only receiving man-hours worked equal to 100 full-time inspectors, at the most.

Since reimbursable overtime, that paid by private parties, in that year amounted to $6,986,700, this means that they were paying for the services of over 922 inspectors—more than 10 percent of the total customs employment, by the way—on a regular full-time basis and receiving an even lesser percentage of man-hours worked. This is poor service.

Senator DOMINICK. I wonder for the record if you would tell us who published the Stover report, and when.

Mr. MONROE. The Stover report was published by the Customs Bureau, and issued in 1964. It was an internal report.

The definition of reular hours, and requirements for overtime compensation on the basis of those hours has effectively prevented the establishment of regular shifts on a 16- or 24-hour basis at many locations. It does us little good to have 16- or 24-hour service by the Weather Bureau or the Federal Aviation Agency or the airports and fixed-base operators on them, if it all comes to naught at the border inspection station or airport of entry. Human activity, and the need and desire to fly, are not limited to the hours of 8 to 5 on Monday through Friday. They regularly start in the early hours of the morning, continue in the evening and occur during the weekend. Border inspection procedures and facilities must join the rest of us in the seventh decade of the 20th century where the traveling and commerical habits of the public have far exceeded the requirements established in an earlier day and for which they were appropriate. Present practices fail to meet modern requirements. This is poor service.

Still another impediment to efficient service arises in the administrative burden caused by overtime charges. Says the Stover report—

The administrative burden of billing for reimbursable services and the computing of payrolls for all customs overtime services are time consuming and costly processes for both the customs service and the parties in interest.

This arises from the fact that the overtime charges are based upon a very complicated formula involving the pay scale of the inspector, the time of day, the day of the week, the amount of time on duty and its relationship to the duty period, the number of aircraft cleared during the period, and the order in which they were cleared.

The necessity for refunds to those overcharged adds to this administrative burden. The procedure calls for the overtime charges to be prorated among the aircraft inspected during the duty period. The first aircraft is charged the full overtime amount, the second is charged half as much, the third is charged one-third, and so on. This means all but the last aircraft must be returned the excess over their proportionate shares of the charge as determined at the end of the duty period.

These complications and the inequities mentioned previously add still another administrative burden, that of answering a constant stream of complaints from those abused by this routine. Unfortunately, we note the Customs Bureau does not have this burden alone; it shares it generously with Members of Congress and associations

like our own. Administrative burdens such as these prevent maximum efficiency. This is poor service.

FACILITATION

Our third category of objections to overtime charges relates to their effect upon facilitation of travel and commerce. We note that the Government spends substantial sums to encourage travel, commerce, the enjoyment of leisure, and the diffusion of knowledge and culture. We note a national policy to reduce international barriers to exchanges of this kind wherever possible. We note the constant pressure for growth in the national economy and exports. Perhaps you will understand then why we and our members find it difficult to understand why the Government has permitted an irritant like overtime charges to remain for the last several years. They inhibit the growth of international travel and commerce in four ways.

Overtime charges are undeterminable in advance of arrival and even then may not be determinable, due to the refund provision. As we have already pointed out, the charges depend upon who is on duty, when he is on duty, and how many aircraft will be inspected during the period. Contrary to the common impression, those who fly are not all rich; not even a majority of them. Even those who are, like to know what they face in the way of expense. For those who must carefully calculate the cost of their trip, this unknown charge is a stumbling block. On a return home with a thin pocketbook, it can create serious prob'ems. This unknown feature does not facilitate international travel.

Overtime charges often prevent efficient use of the aircraft. Where the pilot feels he cannot afford the risk of a $60 overtime charge, he must rearrange or modify his schedule to permit inspection during periods when overtime is not charged. More often than not, this means losing a day or so at work, which he can ill afford. This forces the aircraft to serve the requirements of the inspection agency rather than the needs or desires of the aircraft owner. As a result, the aircraft loses a measurable portion of its utility. If transborder travel is a frequent requirement, this impediment can become critical and "domino" into reduced ownership, sales, service, and the other economic derivatives of broader and efficient use of aircraft. This does not foster, promote, or facilitate either international travel or commerce.

Overtime charges increase the cost of aircraft operation if efficient use requires border inspection during overtime hours. In commercial operations, if margins or markets permit, this cost can be absorbed or transferred, but this is not true in the case of the private pilot. He bears the cost directly and frequently with which he makes such flights abroad will be carefully considered and most likely sharply reduced.

Since most aircraft owners are not wastrels, and believe the overtime charges are unfair in the first place, they will minimize their flights abroad. Put it this way: For $60 I can buy 10 minutes of border inspection or enough gas to take me to Montreal and back. How often do you think I'm likely to buy both? The combination of high cost for inspection and reduced use of the aircraft makes the cost of operation even more expensive. Impairing the cost of private aircraft use in this manner neither facilitates travel nor commerce.

Overtime charges discourage or prevent weekend flying to and from foreign countries when this is the only time available for such pleasure activities. Most of our members work for a living. Like most everybody else, their noses are at the grindstone during the working day. Their opportunities for leisure travel occur after hours, on weekends and during vacations. Ownership of an airplane enables them to travel to more distant places more frequently than otherwise would be the case. Many would like to visit Canada, Mexico, or the Caribbean on a weekend. It is very practical, for example, to leave Washington after work on Friday, fly to Montreal or Quebec that evening, spend the weekend savoring the delights of a strange locale, and return here either late Sunday or before work Monday—except for the exorbitant charge for border inspection. We believe it is in the public interest to encourage this type of flying with its resulting cultural and economic impacts. We believe it is in conformance with national policy to foster this type of intercourse. Eliminating overtime charges would facilitate weekend flying across our borders.

INTERNATIONAL

Our fourth and last category of objections to overtime charges falls in the area of international relations. We have three problems in this area and all are adverse to public policy.

Overtime charges discourage citizens of foreign countries from entering the United States by private aircraft during overtime hours for the very same reasons they discourage our own people. Yet, the Government spends considerable sums to encourage tourism in the United States by foreign citizens. The U.S. Travel Service will spend almost $3 million this fiscal year for this purpose alone and the Business and Defense Services Administration will spend approximately $10 million more promoting international commerce. Imposition of overtime charges discourages the very thing we are trying to promote and our charging actions speak far louder than our promoting words. This does not help our international relations.

In this respect it is significant to note that last year the President convened a White House Conference on International Cooperation. One of the recommendations of the National Citizens Commission on Aviation to that Conference was addressed to this very subject, and the words are worth quoting:

REVISION OF LAWS RELATING TO AIRPORTS OF ENTRY

A particularly appropriate facilitation action for the United States to consider during International Cooperation Year is the correction of a situation under which U.S. ports of entry are officially closed to international air traffic 60 days a year, and in certain cases, on weekday nights. This situation is the result of laws, one of which was enacted over 50 years ago for the purpose of discouraging foreign travel and trade at other than business hours then considered normal. These laws prohibit customs and other inspection services on a Sunday or a holiday, or at night in some cases unless private parties enter into labor contracts with and pay Government employees rates considerably in excess of industrial overtime rates. Trade policies, public service demands, business practices and transportation techniques all have changed in the last 50 years. In the interest of continued economic growth and in view of the international relations involved, it is time to revise and modernize U.S. inspection employee practices similarly, and U.S. Government support for appropriate legislation is recommended.

We can only add, amen. This recommendation became a part of the conference recommendations to the President.

For those foreign visitors not familiar with our border inspection procedures—and few can be expected to be—an initial encounter with overtime charges can be a very unpleasant introduction to the United States. The image developed is hard to remove, as we can attest from having talked to some of the victims. Yet, much of our concern in foreign policy is related to the development of a favorable image of the United States in the minds of others. Overtime charges do not help this aspect of international relations.

The existence of overtime charges places the United States in a poor position to urge reduction of similar or different barriers to travel and commerce in other countries. Yet much Government effort has gone into the reduction of tariff and nontariff barriers to international travel and trade.

In recent years, AOPA has encountered this problem even more frequently than formerly, as a result of our participation in the International Council of Aircraft Owner & Pilot Associations. This council is devoted to the project of minimizing the impediments to international travel by aircraft.

In meeting after meeting with our counterpart associations from other countries, we have met resistance to relaxation of the requirements imposed by foreign countries because of the U.S. overtime charge problem. There is even the very real possibility that we all may lose some gains already made or existing if the Government holds to its present practice. Such a development is neither in our interest or in accord with our national policy.

On the other hand, the existence of these charges has been a constant bone of contention with our Canadian and our Bahamian neighbors, who levy no such charge and cannot understand why we persist in such an inhibitory and inequitable practice. Overtime charges do not help this facet of our international relations.

CONCLUSION

As we see it, there is much to be gained and very little to be lost by eliminating the practice of overtime charges for border inspections. It would lead to more efficiency in Government, improved service to the public, better international relations, and a freer flow of international travel and trade generating benefits for all. It would remove a constant irritant to Congress, the Government, and the public alike. It is unbecoming of a great society.

We beg you, pass S. 1596, now.

(Attachments to prepared text follow:)

ANNEX A

AIRCRAFT OWNERS AND PILOTS ASSOCIATION

The Aircraft Owners and Pilots Association is an organization which provides services to more than 125,000 members located in every State in the Union. It is a nonprofit association incorporated under the laws of New Jersey.

Purpose

It was formed 27 years ago to promote, protect, and represent the interest of its members in aeronautics and the pursuit of flying; to promote economy, safety, popularity, and use of aircraft by members. To accomplish these purposes, we seek several specific objectives: maximum freedom of the airspace for all users

consistent with safety, improved aviation safety, an adequate airport system, an adequate system of air navigation aids, production of improved aircraft, reduction of frustrations in aircraft ownership and use, facilitation of international travel by private aircraft, and wider public support of general aviation requirements.

Membership

Half of the active general aviation aircraft in the United States are owned and operated by our members. Our 125,000 members comprise more than 34 percent of all the active civil pilots in the entire country; 63 percent of our members hold private certificates, 24 percent hold commercial certificates, 2 percent hold airline transport ratings, 8 percent hold student certificates, and the balance are pilots in military service. AOPA is not a profession or trade association in the commonly accepted sense of those terms. The majority of our members are nonprofessional pilots and therefore do not join for the usual professional or commercial reasons characteristic of unions or business trade associations. AOPA is a service organization more analogous to the American Automobile Association or the National Rifle Association.

AOPA staff

To serve our members, who fly for business, personal and recreational purposes, we have assembled a full-time staff of 100 people. Our professional staff is composed of specialists who are acknowledged experts in their respective fields. We cover virtually every field of significant interest to the owner or pilot of noncommercial aircraft. Many of these fields are also of interest to commercial operators. Our headquarters is located in Bethesda, Md.

Method of policy formulation

You will recognize the inherent problem in policy formulation in an organization with so large a membership. It is not unlike your own problems in representing your constituents on specific issues. Like you, we pay very close attention to the substance and volume of mail from our members, as well as our personal contacts with members throughout the country. AOPA policy is formulated in the light of extensive member comment, by the professional staff members, who combine their knowledge, background, and understanding of aviation problems. Our rapid growth in 27 years from zero to 125,000 members is practical testimony to the success of this method and the accuracy with which our staff reflects member desires—for our support depends upon voluntary membership.

ANNEX B

Bureau of Customs

Fiscal year	Personnel compensation, overtime and holiday pay			Advances and reimbursements—Financing non-Federal sources [2]
	Salaries and expenses (nonreimbursable)	Advances and reimbursements (reimbursable)	Total [1]	
1967 estimate	$1,896,300	$10,219,100	$12,115,400	$12,665,000
1966 estimate	1,824,900	9,684,400	11,509,300	12,198,000
1965 actual	1,718,147	8,315,809	10,033,956	10,713,000
1964 actual	1,602,473	[3] 7,534,573	9,137,046	9,810,000
1963 actual	[4] 1,539,552	[4] 7,070,956	8,610,508	9,416,000
1962 actual	1,461,422	6,397,351	7,858,773	8,662,000
1961 actual	1,348,020	6,047,418	6,395,438	7,896,000
1960 actual	[5]	[5]		7,803,000
1959 actual				7,485,259
1958 actual				6,695,803

[1] Totals by AOPA.

[2] "Reimbursements from non-Federal sources above are funds received for overtime pay and miscellaneous expenses for customs services (19 U.S.C. 1524)."

[3] Customs Acting General Counsel Fred B. Smith, in a letter dated June 30, 1965, to Senator Harry F. Byrd, chairman, Committee on Finance, said the total was $8,837,000 of which $7,414,000 was reimbursable.

[4] Stover report shows $1,375,700 nonreimbursable and $6,986,700 reimbursable, or a total of $8,362,400. Customs General Counsel, G. d'Andelot Belin, in a letter dated March 4, 1964, to Senator Harry F. Byrd, chairman, Committee on Finance, said the total was $8,355,000 of which $6,985,000 was reimbursable.

[5] Compensation schedules not published for this and prior years.

Source: Budget appendix, appropriate years.

AOPA COMMENT

The difference between the Stover, Belin, and Budget figures is less than 1 percent. The difference between the Smith and Budget figures is slightly over 1 percent.

Reimbursable compensation is the following percentage of non-Federal sources:

	Percent		*Percent*
1967	81	1963	75
1966	79	1962	74
1965	78	1961	77
1964	77		

Presumably, the balance is the "miscellaneous expenses" referred to in footnote 1 above.

Airports of entry

Hours open	*Total*
800 to 1700 Monday through Saturday	29
24 hours Monday through Saturday	10
800 to 1700 Monday through Friday	4
830 to 1700 Monday through Saturday	3
800 to 1900 Monday through Saturday	2
On request	2
700 to 2300 Monday through Saturday	2
All daylight hours	1
1000 to 1800 (June 1 to Nov. 15) Monday through Saturday on call other times	1
715 to 1615 Monday through Saturday	1
900 to 1800 Monday through Saturday	1
800 to 2000 Monday through Saturday	1
900 to 1640 Monday through Saturday (Sept. 17 to June 8), 800 to 1700 Monday through Saturday (June 11 to Sept. 25)	1
900 to 1640 Monday through Friday, 830 to 1215 Saturday	1
800 to 1400 on request	1
630 to 2400 7 days per week	1
800 to 1700 on request	1
On request Monday through Saturday	1
Total	63

Landing rights airports

Hours open	*Total*
800 to 1700 Monday through Friday	35
On request Monday through Saturday	7
800 to 1700 Monday through Saturday	18
On request	5
600 to 1700 Monday through Saturday	2
700 to 2300 Monday through Saturday	2
830 to 1700 Monday through Saturday	2
830 to 1700 Monday through Friday	2
800 to 0200 Monday through Saturday	1
800 to 1700 Tuesday through Saturday (less 1 hour noon to 1)	1
800 to 1800 Monday through Saturday (Oct. 1 to May 14), 800 to 2100 Monday through Saturday (May 15 to Sept. 30)	1
500 to 0200 Monday through Saturday	1
600 to 2400 Monday through Friday, 800 to 2400 Saturday	1
800 to 2400 Monday through Saturday	2
900 to 1800 Monday through Saturday	2
800 to 1700 Monday, Wednesday, and Friday, 800 to 1200 Tuesday and Thursday	1
On request Monday through Saturday (April to September)	1
On request Monday through Saturday (Nov. 1 to Apr. 30)	1
1000 to 1800 Monday through Friday, 1100 to 1600 Saturday (May 1 to Oct. 31)	1

Landing rights airports—Continued

Hours open	*Total*
0900 to 1800 Monday through Friday (Nov. 1 to Apr. 30), 1000 to 1800 Monday through Saturday (May 1 to Oct. 31)	1
800 to 2400 Monday through Friday	1
900 to 1800 Monday through Saturday (Sept. 16 to May 31), 800 to 2100 Monday through Saturday (June 1 to Sept. 15)	1
On call Monday through Saturday, 830 to 2400 Sunday, 900 to 2200 Monday through Saturday	1
24 hours Monday through Saturday	1
800 to 1700 Monday through Friday, 800 to 1200 Saturday	1
800 to 2400 Monday through Sunday	1
900 to 1645 Monday through Friday, 830 to 1215 Saturday	1
730 to 2400 Monday through Saturday	1
Total	96

Mr. MONROE. In addition to this, Mr. Chairman, I would like to draw your attention to the documents that I gave you a moment ago. There has been some question about what information do we get and how do we find out when these stations are open and available.

I have given you a copy, a photostatic copy of the pages in the Airman's Information Manual, giving the material on entry and departure requirements so far as those are concerned, and listing the airports.

I have also given you photostatic copies of the same material from the International Flight Information Manual.

You will note that in both of these lists the hours are not recorded. After a great deal of trouble with this exercise we finally went to the publication of our own 15- or 16-page bulletin to try to combine this information along with that derived directly from the Bureau of Customs so that we can show our members when these airports were open. The results are somewhat interesting.

If you do a tabulation, the other page I gave you tabulates the difference in schedules at all of the airports for airports of entry and for landing rights airports.

Senator DOMINICK. For the record, Mr. Monroe, are we talking about your flight report that you gave to us?

Mr. MONROE. This is the book which contains this information, and in addition to that you have another couple of pages which have this schedule [indicating]. What it does——

Senator DOMINICK. I don't seem to have that.

Mr. MONROE. There were two or three copies of that, even though there weren't two or three of the others.

Senator DOMINICK. All I have is your statement and this flight report.

Mr. MONROE. Here you are (handing).

What this shows is that for airports of entry we have 18 different schedules at the 63 airports. For landing rights airports we have 29 different schedules at the 96 landing rights airports. You can understand then why, if someone has been led to believe that the common hours are 8 to 5, he can very occasionally get trapped by getting there at the wrong hour. This gives us a total of 159 airports at which customs service in one form or another is available under certain circumstances.

We have tabulated here the various schedules and indicated how many airports meet each schedule.

In addition to that I have also given you one copy of a photostat of the information which is published in one of the ICAO documents. This is the ICAO Convention, and these pages are from ICAO document 70883, which compiles the information transmitted by our Government to ICAO on airports for international processing.

You will note in the tabulations which I represented, the United States of America has here listed 151 airports. And interestingly enough, though we are supposed to report these as meeting ICAO requirements for processing through customs, not one of those airports is so listed.

Senator MONRONEY. Would you cover that again? I don't quite understand.

Mr. MONROE. This tabulation, sir, which at the top of it has "ICAO Document"—unfortunately I didn't have enough copies of this; I did this at the last minute before I came down here—that document——

Senator DOMINICK. Entitled "Domestic Airman's Information Manual"?

Mr. MONROE. No, sir. Let me give you my copy and I will show you what I am up to. This page, with this in the front end of the document, lists all of the airports of the world which are used or are supposed to be open for customs service.

In this column, the first column after the name of the airport, after every airport listed for the United States, you will find an asterisk. At most of the airports listed for other countries you will find a "10." The "10" indicates that the airport does meet ICAO requirements for border inspection purposes. The asterisk indicates that the U.S. Government has not furnished material indicating that these airports meet this requirement and therefore we are left out in the cold.

Anyone from a foreign country who wants to refer to this thing to find out what he needs to do is up to guessing at what kind of service he will get.

These things I think help to indicate some of the problems that arise due to what we think is a pernicious practice of charging overtime to private parties for what is essentially a governmental purpose.

Now I would like to submit myself to questioning.

Senator MONRONEY. Beside almost all of the United States, you have clearance services, all marked with "L". I can't find the key to that.

Mr. MONROE. The key to it is on the leading page. It is in paragraph 4, under the explanation of the table. What it means is that there are limitations on the customs and/or associated clearance services, that is, limited hours, prior notice required, et cetera. All this is indicated by the letter "L."

Senator MONRONEY. And all of our airports are marked with that. No information given as to breakdown such as you have given in the booklet you have presented us with on the flight reports?

Mr. MONROE. That's correct.

Similarly, in the other column, where occasionally some "R's" appear, that means that there are restrictions on the use of the airdrome for nonscheduled or private aircraft operations.

Senator MONRONEY. Obviously we will have to work toward, if we are successful in passing this bill, the implementation of a reasonable airport program, which will probably not include as many airports as have been listed.

I wonder if you would work with the committee, or have your organization do it, to recommend specific airports which you feel would have enough traffic to justify this service, the improved service laid down in the normal 8 to 5 period.

Mr. MONROE. We would be happy to work with you and do anything we can to facilitate this exercise.

Senator MONRONEY. You do not propose a 24-hour around-the-clock service for every airport along the border?

Mr. MONROE. By no means. As a matter of fact, we have made some recommendations almost in the opposite direction to FAA, that they don't need tower service 24 hours a day at some of their airports where they have only five or six flights in the course of a night.

The thing about it is that we do think customs service should be available to meet 90 to 95 percent of the demand. Unfortunately we are trapped here in a sort of chicken and egg situation.

The existence of the overtime charges deters people from appearing outside of regular hours. Therefore we have great difficulty in developing any demand there. And so without the demand, we can't justify staffing over a longer period of the day. And so this thing works around just like a treadmill.

Senator MONRONEY. It is very easy for you to find out from the FAA records the amount of international traffic that airports are handling, and to have some cutoff line at which you would gage the hours of service, whether it be around the clock, 18 hours, 12 hours.

Mr. MONROE. There is some limitation on that due to the fact that FAA only has records on these at some 278 airports where they have towers. Some of these ports of entry I notice are not at those airports.

Senator MONRONEY. Wouldn't it be a little on the extravagant side to include free customs service over a period of time for sod runway fields, or for those that are not big enough or do not have enough traffic to justify the installation of an FAA tower?

Mr. MONROE. One of the simplest ways of trying this out is to engage in a progressive experimental effort with augmented hours for a brief period of time to determine what kind of traffic response you get at a particular port.

I was interested particularly in Senator Dominick's remarks about Mrs. Francis Hensley at Havre, Mont. And I am glad to know that she got it. Because several years ago we approached the Bureau of Customs and asked them to make delegations of this type, and that that time we were told no, they couldn't possibly do this.

Senator DOMINICK. Now they are doing it.

Mr. MONROE. Now they are at least doing it in one place. I want to find out how many.

Senator MONRONEY. This might be a good way in which we could expand to the smaller very light traffic places, the licensed inspector who would serve on a per plane basis.

Many of the airports might have only two or three private plane arrivals. The indication would be that those that would have to pay $50 or $60 for the inspection of their planes would not serve through there. It would probably not justify a full-time operation 24 hours a day or 7 days a week. Those would probably be referred for the heavy, high-density points, would they not?

Mr. MONROE. Yes. We aren't looking for 24-hour service at every crossroads.

Senator MONRONEY. As a matter of fact, the traffic you anticipate would be much greater, would it not, than is indicated by the $100,000 that apparently is collected a year from the private pilots because it is so high, the risk is so high on the $60 charge, that they get in under the wire on the hours that the customs is open, or they just don't fly to foreign countries of Canada and Mexico.

Mr. MONROE. I think the latter more properly reflects what is going on, because we have received recently several letters from some of our people in Canada who heard that we were in this effort on S. 1596 and were encouraging us to go on, saying that if you loosen this thing up, we would come down a lot more often than we do. As a consequence, I think that is what is happening with all this. The $100,000 reported by the Customs Bureau to me indicates how dampening an influence this overtime charge practice is having on our traffic. Because if only 10,000 airplanes went through the border on those hours, outside of normal working hours, with as many aircraft and as much operation as we have in this country, I can't help but think that a lot of it is being discouraged.

Senator MONRONEY. Senator Dominick?

Senator DOMINICK. Thank you, Mr. Chairman.

Do you have on this airports of entry, and landing rights supplementary sheet which you gave to us, the breakdown which accompanies it as to which airports fit into which category? Or would we have to work that up from the flight reports?

Mr. MONROE. Which airports fit into which category?

Senator DOMINICK. You have——

Mr. MONROE. The column on the left is airports of entry. The column on the right running over to the next page is landing rights airports.

Senator DOMINICK. I understand that. What I was asking about is whether you have the names of the airports that would fit, for example, in the 29 airports that are open from 8 to 5 p.m.

Mr. MONROE. I haven't prepared that, but I can do that.

Senator DOMINICK. Could it be worked up from this flight report?

Mr. MONROE. Oh, yes.

Senator DOMINICK. Then I think if we have any specific question we can probably go back to this flight report and pick it up from there and save you some trouble.

Senator MONRONEY. Would it be a good idea to include in our—this is the first comprehensive list of ports of entry that we have, and with the customs times and customs stations printed on it—to have that portion of the book, with proper credit lines for the Aircraft Owners & Pilots Association, printed in the record?

Senator DOMINICK. I think it would be rather helpful, Mr. Chairman. I have used it myself in planning my own flights. It has been very helpful to me. I think it would be helpful to the committee in trying to analyze this problem.

Senator MONRONEY. I think we wouldn't want to print just a list of the airports.

Senator DOMINICK. Yes; with the times.

Senator MONRONEY. Running from page 8 to page 12. Or would you want to include the landing rights airports as well?

Senator DOMINICK. I think we should include the landing rights airports because an awful lot of people use those airports.

Mr. MONROE. Mr. Chairman, I might suggest that if you are going to do that, you might also want the explanation or definition of what they are on page 1. Not any more than that. But that much of it.

Senator MONRONEY. We will include then in the record the explanation on page 1 of the booklet "AOPA Flight Report," and the booklet from page 8 through page 20, in the record.

(The information follows:)

First, it is important that the two basic types of airports having customs services are clearly understood.

INTERNATIONAL AIRPORTS

It is unnecessary to request permission to land at these airports. Landings are permissible at any time, day or night. However, outside of normal working hours there are overtime charges (discussed elsewhere in this report).

Arrival notices—Flight plans

An advance notice of the estimated time of arrival is required to be transmitted to U.S. Customs for each flight. Requests to transmit such notices may be included in flight plans to be filed at certain airports in Canada, and Mexico, under agreements with those countries. A list of the airports in the United States and those countries at which the arrangement applies, under such agreements, is on file at the airports from which the messages may be sent.

Airports in the United States to which ADCUS (advise customs) messages may be transmitted are listed at the end of this report.

At the international airports where the flight plan notification service is not available, arrival notices must be transmitted directly to U.S. Customs.

AIRPORTS OTHER THAN INTERNATIONAL AIRPORTS

Landing rights

Applications for permission to land should be submitted in advance to the U.S. Customs officer in the city listed in the column "Location of Customs Office."

Arrival notices—Flight plans

An advance notice of arrival is also required for each flight. At airports where the flight notification service is rendered, requests to transmit arrival notices to U.S. customs may be included in the flight plans, and such notices will be treated as applications for permission to land. If the notification service is not available, pilots must submit applications for landing rights and send arrival notices directly to U.S. customs.

Blanket authority

Customs officers may grant blanket permission to reliable persons to land at certain airports for a specified period of time, in which cases, advance notices of arrival will be the only requirement.

International airports (airports of entry)

[The following list of airports is current as of the time of publication. Members are urged to report any discrepancies or changes to the AOPA Flight Department, Box 5960, Washington, D.C., 20014]

City and State	Airport	Hours of service (local time) [1]	Customs office
ALASKA			
Juneau	Juneau Airport (seaplane base).	0800 to 1700, Monday through Saturday.	Juneau.[2]
Do	FAA Field (Juneau municipal).	do	Do.[2]
Ketchikan	Ketchikan Airport (seaplane base).	do	Ketchikan.
Wrangell	Wrangell Seaplane Base	0800 to 1700, Monday through Friday.	Wrangell.
ARIZONA			
Douglas	Bisbee-Douglas Airport	0830–1700, Monday through Saturday.	Douglas.
Nogales	Nogales International Airport	0800 to 1700, Monday through Saturday.	Nogales.
Tucson	Tucson International Airport	do	Tucson.
Yuma	Yuma County International Airport.	On call	Yuma.
CALIFORNIA			
Calexico	Calexico Municipal Airport	0800 to 1700, Monday through Saturday.	Calexico.
San Diego	San Diego International Airport (Lindbergh Field).	do	San Diego.
FLORIDA			
Fort Lauderdale	Fort Lauderdale-Hollywood International Airport.	0800 to 1900, Monday through Saturday.	Port Everglades.
Key West	Key West International Airport.	0800 to 1700, Monday through Saturday.	Key West.
Miami	Miami International Airport	24 hours, Monday through Saturday.	Miami.
Do	Chalk's Flying Service (seaplane base).	0800 to 1700, Monday through Saturday.	Do.
Tampa	Tampa International Airport	do	Tampa.
West Palm Beach	Palm Beach International Airport.	0800 to 1900, Monday through Saturday.	West Palm Beach.
ILLINOIS			
Chicago	Chicago Midway Airport	0800 to 1700, Monday through Friday.	Chicago.
MAINE			
Caribou	Caribou Municipal Airport	0800 to 1700, Monday through Saturday (2 hours advance notice of arrival required).	Fort Fairfield.
MICHIGAN			
Detroit	Detroit City Airport	0800 to 1700, Monday through Saturday.	Detroit.
Do	Detroit Metropolitan-Wayne County Airport.	0830 to 1700, Monday through Saturday.	Do.
Port Huron	St. Clair Municipal Airport	0800 to 1700, Monday through Saturday.	Port Huron.
Saulte Ste. Marie	Sault Ste. Marie Airport	do	Saulte Ste. Marie.
MINNESOTA			
Baudette	Baudette International Airport.	24 hours, Monday through Saturday.	Baudette.
Duluth	Duluth International Airport	0800 to 1700, Monday through Saturday.	Duluth.
Do	Sky Harbor Airport	do	Do.
International Falls	Falls International Airport	24 hours, Monday through Saturday.	International Falls.
Ranier	International Seaplane Base	do	Do.
MONTANA			
Cut Bank	Cut Bank Airport	0800 to 1700, Monday through Saturday.	Cut Bank.
Great Falls	Great Falls International Airport.	do	Great Falls.
Havre	Havre City County Airport	On request	Havre.

See footnotes at end of table.

International airports (airports of entry)—Contiued

City and State	Airports	Hours of service (local time) [1]	Customs office
NEW YORK			
Albany	Albany County Airport	0800 to 1700, Monday through Saturday.	Albany.
Buffalo	Greater Buffalo International Airport.	0700 to 2300, Monday through Saturday.	Buffalo.
Massena	Richards Field	0800 to 1700, Monday through Saturday.	Rooseveltown.
Ogdensburg	Ogdensburg Municipal Airport.	24 hours, Monday through Saturday.	Ogdensburg.
Do	Ogdensburg Harbor	do	Do.
Rochester	Rochester Monroe County Airport.	0800 to 1700, Monday through Saturday.	Rochester.
Rouses Point	Rouses Point Seaplane Base	All daylight hours	Rouses Point.
Watertown (Dexter).	Watertown Municipal Airport.	1000 to 1800, Monday through Saturday, June 1, through Nov. 15; other times on call.	Alexandria Bay.
NORTH DAKOTA			
Grand Forks	Grand Forks International Airport.	0800 to 1700, Monday through Friday.	Grand Forks.
Minot	Minot International Airport	0715 to 1615, Monday through Saturday.	Minot.
Pembina	Fort Pembina Airport	24 hours, Monday through Saturday.	Pembina.
Portal	Portal Municipal Airport	do	Portal.
Williston	Sloulin Field Municipal Airport.	0900 to 1800, Monday through Saturday.	Williston.
OHIO			
Akron	Municipal Airport	On request, Monday through Saturday.	Akron.
Cleveland	Cleveland Hopkins Airport	0700 to 2300, Monday through Saturday.	Cleveland.
Put-in-Bay	Put-in-Bay Airport	0830 to 1700, Monday through Saturday.	Put-in-Bay.
Sandusky	Griffing-Sandusky Airport	0800 to 1700, Monday through Saturday.	Sandusky.
TEXAS			
Brownsville	Rio Grande Valley International Airport.	0800 to 1700, Monday through Saturday.	Brownsville.
Del Rio	Del Rio International Airport.	0800 to 1700, Monday through Friday.	Del Rio.
Eagle Pass	Eagle Pass Municipal Airport.	0800 to 1700, Monday through Saturday.	Eagle Pass.
El Paso	El Paso International Airport.	do	El Paso.
Laredo	Laredo Municipal Airport	do	Laredo.
McAllen	Miller International Airport	do	Hidalgo.
VERMONT			
Burlington	Burlington Municipal Airport.	0800 to 2000, Monday through Saturday.	Burlington.
WASHINGTON			
Bellingham	Bellingham Municipal Airport.	0800 to 1700, Monday through Saturday.	Bellingham.
Friday Harbor	Friday Harbor	0900 to 1640, Monday through Saturday, September 17 through June 8; 0800 to 1700 Monday through Saturday, June 11 through September 25.	Friday Harbor.
Oroville	Dorothy Scott Municipal Airport.	24 hours, Monday through Saturday.	Oroville.
Do	Dorothy Scott Seaplane Base	do	Do.
Port Townsend	Port Townsend Airport	0900 to 1645, Monday through Friday; 0830 to 1215, Saturday.	Port Townsend.
Seattle	King County Airport (Boeing Field).	0800 to 1400, on request	Seattle.
Do	Seattle-Tacoma International Airport.	0630 to 2400, 7 days a week	Do.
Do	Lake Union	0800 to 1700, on request	Do.
Spokane	Felts Field	0800 to 1700, Monday through Saturday.	Spokane.

[1] Overtime charges will apply at times other than indicated.
[2] No officer stationed at airport; on call only.

Airports at which customs officers may grant "landing rights"

City and State	Airport	Hours of service (local time) [1]	Customs office
ALABAMA			
Mobile	Bates Field	0800 to 1700, Monday through Saturday.	Mobile.
ALASKA			
Anchorage	Anchorage International Airport.	do	Anchorage.
Annette	Annette Island Airport	On request, Monday through Saturday.	Ketchikan.
Fairbanks	Fairbanks International Airport.	0800 to 1700, Tuesday through Saturday (less 1 hour from noon to 1 p.m.).	Fairbanks.
Fort Yukon	Fort Yukon Municipal Airport.[2]	On request, Monday through Saturday.	Fort Yukon.
Haines	Municipal Airport [2]	0800 to 1800, Monday through Saturday, October 1 through May 14; 0800 to 2100, Monday through Saturday, May 15 through September 30.	Haines.
Northway	FAA Field [2]	On request	Northway.
Petersburg	Petersburg Seaplane Base [2]	On call, Monday through Saturday.	Petersburg.
Sitka	Seaplane Base [2]	0800 to 1700, Monday through Friday.	Sitka.
Skagway	Skagway Municipal Airport [2]	do	Skagway
CALIFORNIA			
Los Angeles	Los Angeles International Airport.	0500 to 0200, Monday through Saturday.	Los Angeles.
San Francisco	San Francisco International Airport.	0600 to 1700, Monday through Saturday.	San Francisco.
COLORADO			
Denver	Stapleton International Airport.[2]	0800 to 1700, Monday through Friday.	Denver.
CONNECTICUT			
East Hartford	Rentschler Field	do	Hartford.
Groton	Trumbull Airport	do	New London.
Hartford	Brainard Field	do	Hartford.
New Haven	New Haven Municipal Airport.	do	New Haven.
Stratford (Bridgeport).	Bridgeport Municipal Airport.	do	Bridgeport.
Waterford	New London Airport	do	New London.
Windsor Locks	Bradley Field	do	Hartford.
DISTRICT OF COLUMBIA			
Washington	Washington National Airport	do	Washington.
Do	Dulles International Airport	0800 to 1700, Monday through Saturday.	Do.
FLORIDA			
Jacksonville	Thomas Cole Imeson Airport	do	Jacksonville.
St. Petersburg	St. Petersburg-Clearwater International Airport.	On request, Monday through Saturday.	Tampa.
HAWAII			
Honolulu	Honolulu International Airport.	0800 to 0200, Monday through Saturday.	Honolulu.
IDAHO			
Porthill	Seaplane Base [2]	0700 to 2300, Monday through Saturday.	Porthill.
ILLINOIS			
Chicago	O'Hare Field (Chicago International Airport).	0800 to 1700, Monday through Friday.	Chicago.
Do	Merrill C. Meigs Field	do	Do.
LOUISIANA			
New Orleans	New Orleans International Airport	0700 to 2300, Monday through Saturday.	New Orleans.

See footnotes at end of table.

Airports at which customs officers may grant "landing rights"—Continued

City and State	Airport	Hours of service (local time) [1]	Customs office
MAINE			
Bar Harbor	Municipal Airport	0800 to 1700, Monday through Friday.	Bar Harbor.
Eastport	Eastport Municipal Airport	0800 to 1700, Monday through Saturday.	Eastport.
Houlton	Houlton International Airport	0800 to 1700, Monday through Friday.	Houlton.
Jackman Station	Jackman Municipal Airport (Newton Field).	0600 to 1700, Monday through Saturday.	Jackman.
Portland	Portland Municipal Airport	0800 to 1700, Monday through Saturday.	Portland.
MARYLAND			
Baltimore	Friendship International Airport.	0830 to 1700, Monday through Saturday.	Baltimore.
MASSACHUSETTS			
Bedford	Laurence G. Hanscom Field	0800 to 1700, Monday through Friday.	Boston.
Beverly	Beverly Municipal Airport	0830 to 1700, Monday through Friday.	Salem.
Boston	General E. L. Logan International Airport.	0600 to 2400, Monday through Friday; 0800 to 2400, Saturday; 2 hours advance notice of arrival required.	Boston.
Lawrence	Lawrence Municipal Airport	0800 to 1700, Monday through Friday.	Lawrence.
New Bedford	New Bedford Municipal Airport.	0800 to 1700, Monday through Saturday.	New Bedford.
Westfield	Barnes Airport	0800 to 1700, Monday through Friday.	Springfield.
Worcester	Worcester Municipal Airport	do	Worcester.
MICHIGAN			
Alpena	Phelps-Collins Airport [2]	On request	Alpena.
Bay City	James Clements Municipal Airport.	0800 to 1700, Monday, Wednesday, and Friday; 0800 to 1200, Tuesday and Thursday.	Saginaw/Bay City.
Houghton	Houghton County Memorial Airport.[2]	0800 to 1700, Monday through Friday.	Houghton.
Marquette	Marquette County Airport [2]	do	Marquette.
Pellston	Emmet County Airport [2]	On request, Monday through Saturday, April through September.	Cheboygan.
Port Huron	Baker's Field	0800 to 1700, Monday through Friday.	Port Huron.
MINNESOTA			
Crane Lake	Mohr Seaplane Base [2]; Handberg Seaplane Base.[2]	On request, Monday through Saturday, Nov. 1 through Apr. 30; 1000 to 1800, Monday through Friday; 1100 to 1600 Saturday, May 1 through Oct. 31.	Crane Lake.
Ely	Leithold Seaplane Base	0900 to 1800, Monday through Friday, Nov. 1 through Apr. 30; 1000 to 1800, Monday through Saturday, May 1 through Oct. 31.	Ely.
Minneapolis	Minneapolis-St. Paul International Airport (Wold-Chamberlain).	0800 to 1700, Monday through Friday.	Minneapolis.
Pinecreek	Pinecreek Airport [2]	0800 to 2400, Monday through Saturday.	Pinecreek.
Warroad	Warroad Municipal Airport [2]	0800 to 2400, Monday through Friday.	Warroad.
MONTANA			
Scobey	State County Airport [2]	0900 to 1800, Monday through Saturday, Sept. 16 through May 31; 0800 to 2100, Monday through Saturday, June 1 through Sept. 15.	Scobey.
Sweetgrass	Ross International Airport	0900 to 1800, Monday through Saturday.	Sweetgrass.

See footnotes at end of table.

Airports at which customs officers may grant "landing rights"—Continued

City and State	Airports	Hours of service (local time) [1]	Customs office
NEBRASKA			
Omaha	Eppley Airfield	0830 to 1700, Monday through Friday.	Omaha.
NEW JERSEY			
Newark	Newark Airport	0800 to 1700, Monday through Friday.	Newark.
NEW MEXICO			
Columbus	FAA Site No. 34	do	Columbus.
NEW YORK			
New York	LaGuardia Airport	0800 to 1700, Monday through Saturday.	New York.
Do	John F. Kennedy International Airport.	24 hours, Monday through Sunday.	Do.
Niagara Falls	Niagara Falls Municipal Airport.	0800 to 1700, Monday through Friday.	Niagara Falls.
Syracuse	Clarence E. Hancock Airport	do	Syracuse.
NORTH DAKOTA			
Noonan	Border Airport [2]	0900 to 2200, Monday through Saturday.	Noonan.
OHIO			
Akron	Akron-Canton County Airport.	On request, Monday through Saturday.	Akron.
Do	Wingfoot Lake	do	Do.
Cincinnati	Lunken Airport	0800 to 1700, Monday through Friday.	Cincinnati.
Cleveland	Lajefront Seaplane Base	0800 to 1700, Monday through Saturday.	Cleveland.
Kent	Kent State Airport	On request, Monday through Saturday.	Akron.
Sandusky	Griffing Airport	On request	Sandusky.
Toledo	Toledo Express Airport	0800 to 1700, Monday through Friday.	Toledo.
Do	National Airport	do	Do.
OREGON			
Portland	Portland International Airport.	do	Portland.
PENNSYLVANIA			
Erie	Port Erie Airport	do	Erie.
Philadelphia	Philadelphia International Airport.	0800 to 1700, Monday through Saturday.	Philadelphia.
Pittsburgh	Greater Pittsburgh Airport	0800 to 1700, Monday through Friday.	Pittsburgh.
PUERTO RICO			
San Juan	Puerto Rico International Airport.	24 hours, Monday through Saturday.	San Juan.
RHODE ISLAND			
Providence	Theodore Francis Green Airport.	0800 to 1700, Monday through Friday.	Providence.
SOUTH CAROLINA			
Charleston	Charleston Municipal Airport	0800 to 2400, Monday through Saturday.	Charleston.
TEXAS			
Corpus Christi	Corpus Christi International Airport.	0800 to 1700, Monday through Saturday.	Corpus Christi.
Dallas	Love Field	0830 to 1700, Monday through Saturday.	Dallas.
Houston	Houston International Airport.	0800 to 1700, Monday through Saturday.	Houston.
San Antonio	San Antonio International Airport.	0900 to 1800, Monday through Saturday.	San Antonio.

See footnotes at end of table.

Airports at which customs officers may grant "landing rights"—Continued

City and State	Airports	Hours of service (local time) [1]	Customs office
VERMONT			
Newport	Newport Municipal Airport	0800 to 1700, Monday through Saturday.	Newport.
Swanton	Warren R. Austin Airport [2]	On request	Highgate Springs.
VIRGIN ISLANDS			
St. Thomas	Harry S. Truman Airport	0800 to 1700, Monday through Friday; 0800 to 1200, Saturday.	Charlotte Amalie (St. Thomas).
St. Croix	Alexander Hamilton Airport	On request	Christiansted.
VIRGINIA			
Norfolk	Norfolk Municipal Airport	0800 to 1700, Monday through Saturday.	Norfolk.
WASHINGTON			
Laurier	Avey Flight Strip	0800 to 2400, Monday through Sunday.	Laurier.
Northport	James A. Lowry Airport [2]	0800 to 1700, Monday through Friday.	Northport.
Port Angeles	Clallam County Airport	0800 to 1700, Monday through Saturday.	Port Angeles.
Do	Port Angeles Boat Haven	do	Do.
Port Townsend	Port Townsend Bay Airport	0900 to 1645, Monday through Friday; 0830 to 1215, Saturday.	Port Townsend.
Seattle	Seattle-Tacoma International Airport.	0730 to 2400, Monday through Saturday.	Seattle.
Spokane	Spokane International Airport	0800 to 1700, Monday through Saturday.	Spokane.

[1] Overtime charges will apply at times other than indicated.
[2] Indicates landing rights may be granted provided the aircraft is not subject to quarantine inspection by the U.S. Public Health Service. (See sec. 71.46, PHS Foreign Quarantine Regulation.)

ADDENDUM PAGE FOR CUSTOMS FLIGHT REPORT

Landing rights airports at which you must give indicated advance notice

	Name of airport	Required advance notice of arrival
State:		
Colorado	Denver/Stapleton	3 hours.
Indiana	Indianapolis/Weir Cook	2 hours.
Missouri	St. Louis/Lambert	3 hours.
Ohio	Dayton/Cox	6 hours.
Do	Cincinnati/Lunken	6 hours.
Pennsylvania	Pittsburgh/Greater Pittsburgh	2 hours.
Texas	Corpus Christi/International	2 hours.
Do	Dallas/Love	3 hours.
Wisconsin	Green Bay/Austin Straubel	2 hours.

Add.—Under Ohio for "Landing Rights Airports": Columbus, Columbus Municipal Airport, 0800 to 1700, Monday through Saturday, Columbus.

Change.—Under John F. Kennedy International Airport hours: 0830 to 2400, Monday through Saturday, Sunday on call.

NOTE.—*To residents returning to United States.*—Effective October 1, 1965, the $100 duty-free exemption will be based on the fair retail value of goods and the purchases must accompany the resident returning to the United States. One quart of alcoholic beverages may be included in the $100 exemption if the resident has attained the age of 21 years.

Bona fide gifts not exceeding $10 in value sent from persons abroad to persons in the United States which arrive in the United States on or after October 1, 1965, will be valued at the fair retail value.

Rhode Island: Providence/Green.
South Carolina: Charleston/Charleston Municipal.
Texas:
Brownsville/Rio Grande Valley International.
Corpus Christi/Corpus Christi International.
Dallas/Love Field.
Del Rio/Del Rio International.
El Paso/ El Paso International.
Houston/Houston International.
Laredo/Laredo Municipal.
McAllen/Miller International.
San Antonio/San Antonio International.
Vermont: Burlington/Burlington Municipal.
Virgin Islands: St. Thomas/Harry S. Truman.
Virginia: Norfolk/Norfolk Municipal.
Washington:
Bellingham/Bellingham Municipal.
Friday Harbor/Friday Harbor SPB.
Oroville/Scott.
Port Townsend/Port Townsend-City-County.
Seattle/King County (Boeing) Airport.
Seattle/Lake Union Air Service (seaplanes).
Seattle/Seattle-Tacoma International.
Spokane/Spokane International.
Spokane/Felts Field.
Wisconsin:
Green Bay/Austin Straubel.
Milwaukee/General Mitchell Field.

Department of Defense Requirements

CIVIL USE OF MILITARY FIELDS

U.S. Air Force, Navy, and Coast Guard fields are open to civil fliers only in emergency or with prior permission; Army airfields are open to civil aircraft on authorization of the airfield commander.

For Air Force installations, prior permission should be requested at least 30 days prior to first intended landing from Headquarters USAF (AFOAPDA) via the commanding officer of the field concerned (who has authority to approve landing rights for certain categories of civil aircraft). For use of more than one Air Force installation, requests should be forwarded direct to Headquarters USAF (AFOAPDA), Washington, D.C., 20330.

For naval installations, prior permission should be requested from the Chief of Naval Operations (OP 532) via the commanding officer of the field concerned (who has the authority to approve landing rights for certain categories of civil aircraft).

(Forms for making application for use of military fields are available from the OAPA flight department.)

For Coast Guard fields prior permission should be requested from the Commandant, U.S. Coast Guard via the commanding officer of the field.

However, with minor exception, authority to use Air Force and Navy fields is granted only to aircraft on Government business, or when no suitable civil airport is available in the vicinity. Use of Coast Guard fields is limited to persons on Government business only when there is no suitable civil airport in the vicinity.

When instrument approaches are conducted by civil aircraft at military airports, they shall be conducted in accordance with the procedures and minimums approved by the military agency having jurisdiction over the airport.

[From the International Flight Information Manual]

Treasury Department Requirements

BUREAU OF CUSTOMS

If not carrying passengers for hire or cargo a private aircraft on purely a business or pleasure flight does not require a U.S. Customs clearance of any type, although modified military-type privately owned aircraft are subject to certain

restrictions under the regulations of the Office of Munitions Control of the Department of State even on a business or pleasure flight.

Any aircraft departing from the United States carrying passengers for hire or merchandise, or which will take on board or discharge passengers anywhere outside of the United States is required to obtain clearance at the customs port of entry at or nearest the last place of take-off from the United States.

Any aircraft being exported from the United States must obtain U.S. Customs clearance and also meet appropriate export control requirements of the Department of Commerce for commercial aircraft, and the Department of State for privately owned military-type aircraft.

1. All aircraft entering the United States must land at designated airport of entry unless prior approval to land elsewhere has been obtained. In the case of aircraft operated by scheduled airlines, such permission *must* be obtained from the Commissioner of Customs, Washington 25, D.C. In all other cases, including private aircraft, landing permission may be obtained from the collector or other customs officer in charge of the port of entry or customs station nearest the intended place of landing. For entry to the U.S. Virgin Islands, application for landing permission must be made to the Surgeon General of the Public Health Service by operators of scheduled airlines and to the Public Health Service medical officer in charge at or nearest the intended place of first landing by operators of all other aircraft.

2. Advance notice of each arrival must be furnished U.S. Customs officials at or nearest the place of intended first landing who will notify the Immigration and Public Health officials, except that separate notice to the Public Health Service is required for entry to the Virgin Islands.

3. Advance notice should be sent so as to be received in sufficient time to enable the officers designated to inspect the aircraft to reach the place of landing before arrival of the aircraft. *At most airports at least one hour advance notice is required for this purpose.*

4. Notification may be made by telephone, which is preferable, by telegram, or by radio. The notice should specify the following; (a) Type of aircraft; (b) Identification (NC number); (c) Name of pilot; (d) Place of last departure; (e) Airport of Entry; (f) Number of alien and citizen passengers, and estimated time of arrival. (Indicating whether C.S.T., E.S.T., etc.) Private aircraft arriving from Canada or Mexico may request that advance notice of arrival to customs officers be included in the *flight plan* filed in those countries if destined to an airport in the United States where flight notification service is available. At a landing rights airport such notices will then be treated as an application for permission to land.

Aircraft may use the following method of notifying customs when departing from a country or remote area where a predeparture flight plan cannot be filed or an "advise customs" message cannot be included in a predeparture flight plan: Call the nearest domestic or international FAA flight service station as soon as it is estimated that radio communications can be established and file a VFR (DVFR) flight plan and include as the last item "advise customs." The station with which such a flight plan is filed will forward it to the appropriate FAA station who will notify the customs office responsible for the destination airport.

If the pilot fails to include "advise customs" in the radioed flight plan, it will be assumed that he has made other arrangements and FAA *will not* advise customs.

FAA assumes no responsibility for any delays in advising customs if the flight plan is given to FAA too late for delivery to customs before arrival of the aircraft. FAA cannot relay an "advise customs" flight plan if the pilot indicates a destination airport where flight service notice of customs is NOT available.

5. In case of an emergency or forced landing, Customs, Immigration, and Public Health officials must be notified immediately, and the pilot shall not allow any merchandise or baggage to be removed from the landing place or allow any passengers or persons employed on the aircraft to depart from the landing place without permission of Customs, Immigration and Public Health officers, unless such removal or departure is necessary for the purpose of safety or the preservation of life or property.

6. Pilots are required to present all persons for United States Immigration inspection. Aliens must comply with all provision of current Immigration laws and regulations. Aliens who are lawfully domiciled residents of the United States, must, with certain exceptions, not generally applicable here, present

valied resident aliens' border crossing identification cards. Such cards may be obtained or revalidated at any Immigration Office. Citizens must be able to satisfy inspectors of their citizenship and should, therefore, carry with them sufficient identification.

7. The pilot is responsible for detaining the aircraft and persons and things arriving thereon and keeping them free from unauthorized contact pending release by the quarantine officer, when required by sections 71,46, 71.62, and 71.63 of Foreign Quarantine Regulations of the Public Health Service (Part 71, Title 42, Code of Federal Regulations).

8. Dogs, cats, monkeys, psittacine birds (parrot family), and shipments of lather brushes, disease organisms and vectors, and dead bodies are subject to entry restrictions prescribed in Foreign Quarantine Regulations of the Public Health Service (Part 71, Title 42, Code of Federal Regulations). Aircraft coming from certain southern areas are required to be treated with an insecticide pursuant to those regulations.

9. No growing plants or plant parts to be grown can be brought in without prior approval of the U.S. Department of Agriculture, Plant Quarantine Division. Persons entering from Canada may bring articles necessary and appropriate for their wear and use.

10. Fees and Charges: (a) Inspection service is free from 8:00 a.m. to 5:00 p.m., Monday through Saturday, except on a Federal holiday. (b) Overtime rates vary but can be as much as $60.00 for each Customs and Immigration officer depending on whether inspection occurs on a weekday, Sunday, or holiday. Some times overtime charges can be prorated, which results in lesser amounts than indicated chargeable to each carrier. Aside from provision in (a) and (b) preceding, overtime charges may be imposed in certain cases for Public Health Service quarantine inspection of aircraft whose operations are not covered by published schedules; information concerning such charges may be obtained from the Public Health Service Medical Officer in Charge at or nearest the intended place of first landing.

United States International Airports

(Airports of Entry)

Any aircraft may land at one of the following International Airports and permission to land from U.S. Customs is not required. *At least one hour advance notice* of arrival must be furnished to U.S. Customs. This may be included in your *flight plan* filed in Canada or Mexico if destined to an airport where flight notification service is available.

Alaska

Juneau/Juneau SPB
Juneau/Juneau Mun.
Ketchikan/Ellis Airlines SPB
Wrangell/Wrangell SPB [1]

Arizona

Douglas/Bisbee-Douglas Intl.
Nogales/Nogales Intl.
Tuscon/Tuscon Intl.
Yuma/Yuma MCAS Intl.

California

Calexico/Calexico Intl.
San Diego/San Diego Intl. Lindbergh Fld.

Florida

Fort Lauderdale/Ft. Lauderdale-Hollywood Intl.
Key West/Key West Intl.
Miami/Miami Intl.
Miami/Chalk SPB
Tampa/Tampa Intl.
West Palm Beach/Palm Beach Intl.

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[1] Indicates Flight Service notification to U.S. Customs not available. Flight notification service available to all airports not so marked for private flights from Canada and Mexico.

Illinois

Chicago/Midway

Maine

Caribou/Caribou Mun.

Michigan

Detroit/Detroit-City
Detroit/Metropolitan Wayne County
Port Huron/St. Clair County Arpt.
Sault Ste Marie/Sault Ste Marie Mun.

Minnesota

Baudette/Baudette Intl.
Duluth/Duluth Intl.
Duluth/Sky Harbor Arpt.
International Falls/Falls Intl.
Rainier/International SPB

Montana

Cut Bank/Cut Bank Arpt.
Great Falls/Great Falls Intl.
Havre/Havre-City County Arpt.

New York

Albany/Albany County
Buffalo/Greater Buffalo Intl.
Malone/Malone-Dufort Arpt.
Massena/Richards Fld.[2]
Ogdensburg/Ogdensburg Mun.
Rochester/Monroe County
Rouses Point/Rouses Point SPB
Watertown/Watertown Mun.[2]

North Dakota

Grand Forks/Grand Forks Intl.
Minot/Minot Intl.
Pembina/Pembina Mun.
Portal/Portal Mun.
Williston/Sloulin Fld.

Ohio

Akron/Mun.
Cleveland/Cleveland Hopkins Arpt.
Put-in-Bay/Put-in-Bay Arpt.[1]
Sandusky/Griffing-Sandusky Arpt.

Texas

Brownsville/Rio Grande Valley Intl.
Del Rio/Del Rio Intl.
Eagle Pass/Eagle Pass Arpt.[1]
El Paso/El Paso Intl.
Loredo/Loredo Intl.
McAllen/Miller Intl.

Vermont

Burlington/Burlington Mun.

Washington

Bellingham/Bellingham Mun.
Friday Harbor/Friday Harbor SPB
Oroville/Dorothy Scott
Port Townsend/Port Townsend-City-County
Seattle/Boeing Fld.
Seattle/Lake Union/Air Service (Seaplanes)
Spokane/Felts Fld.

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[2] Indicates U.S. Public Health Service inspection not available.

United States Landing Rights Airports

At the following airports an application for permission to land must be submitted in advance to U.S. Customs. *At least one hour advance notice* of arrival must also be furnished to U.S. Customs, unless otherwise noted. Advance notice of arrival may be included in your flight plan filed in Canada or Mexico if destined to an airport where flight notification service is available and this notice will be treated as an application for permission to land.

Alabama

Mobile/Bates Fld.

Alaska

Anchorage/Anchorage Intl.
Annette/Annette Island Arpt.[1]
Fairbanks/Fairbanks Intl.[2]
Haines/Mun Arpt.[1 3]
Hyder/Hyder SPB [1 3]
Kodiak/Kodiak SPB [1]
Kodiak/Kodiak NS [1]
Kodiak/Kodiak Mun.[1]
Northway/FAA Fld.[1]
Pelican/Pelican SPB [1]
Petersburg SPB [1]
Sitka SPB [1]
Skagway/Skagway Mun.[1 3]

California

Los Angeles/Los Angeles Intl.
San Francisco/San Francisco Intl.

Colorado

Denver/Stapleton Fld. (3 hours advance notice required.)[3]

Connecticut

Groton/Trumbull Arpt.[3]
Hartford/Brainard Fld.
New Haven/New Haven Mun.[3]
Stratford (Bridgeport)/Bridgeport Mun.[3]
Windsor Locks/Bradley Fld.

District of Columbia

Washington/Dulles International

Florida

Jacksonville/Imeson Mun.
St. Petersburg/Clearwater Intl.

Hawaii

Honolulu/Honolulu Intl.

Idaho

Porthill/SPB [1 3]

Illinois

Chicago/O'Hare Intl.
Chicago/Meigs Fld.

Indiana

Indianapolis/Weir Cook Arpt. (2 hours advance notice required.)

Louisiana

New Orleans/New Orleans Intl. (Moisant Fld.)

See footnotes at end of table.

Maine

Bar Harbor/Bar Harbor Arpt.
Eastport/Eastport Mun.[3]
Houlton/Houlton Intl.
Jackman/Jackman Mun. (Newton Fld.)[3]
Portland/Portland Mun.

Maryland

Baltimore/Friendship Intl.

Massachusetts

Bedford/Hanscom Fld.
Beverly/Beverly Mun.[3]
Boston/Logan Intl.
Lawrence/Lawrence Mun.[3]
New Bedford/New Bedford Mun.[3]
Westfield/Barnes Arpt.[3]
Worcester/Worcester Mun.

Michigan

Alpena/Phelps-Collins Arpt.[1 3]
Bay City/James Clements Mun.[3]
Houghton/Houghton County Meml.[1]
Marquette/County Arpt.[1]
Pellston/Emmet County Arpt. (Marine Customs available April through September, other times emergency only.)[1]
Port Huron/Baker's Fld.

Minnesota

Crane Lake/Mohr and Handberg's Base[1 3]
Ely/Leithold SPB[1 3]
Minneapolis/Minneapolis-St. Paul Intl.
Minneapolis/Minneapolis-St. Paul Intl. (Wold Chamberlain)
Pinecreek/Pinecreek Arpt.[1 3]
Warroad/Warroad Mun.[1 3]

Missouri

St. Louis/Lambert Fld. (3 hours advance notice required.)

Montana

Scobey/State County Arpt.[1 3]
Sweet Grass/Ross Intl.

Nebraska

Omaha/Eppley Airfield[1]

New Jersey

Newark/Newark Arpt.

New Mexico

Columbus/Columbus Arpt.

New York

New York/La Guardia Arpt.
New York/John F. Kennedy
Niagara Falls/Niagara Falls Mun.
Niagara Falls/Niagara Falls
Rochester/Glen Haven Seaplane Base[3]
Rochester/Float Air Seaplane Base[3]
Syracuse/Hancock Arpt.

North Dakota

Noonan/Border Arpt.[3]

See footnotes at end of table.

Ohio

Akron/Akron-Canton Arpt.[1]
Cincinnati, Lunken Field (6 hours advance notice required.)
Cleveland/Burke Lakefront SPB
Dayton/Cox Arpt. (6 hours advance notice required.)
Kent/Kent Arpt.
Toledo/Toledo Express Arpt.
Toledo/National Arpt.

Oregon

Portland/Portland Intl.

Pennsylvania

Erie/Port Erie Arpt.
Philadelphia/Philadelphia Intl.
Pittsburgh/Greater Pittsburgh Arpt. (2 hours advance notice required.)

Puerto Rico

San Juan/Puerto Rico Intl.

Rhode Island

Providence/Theodore Francis Green Arpt.

South Carolina

Charleston/Charleston Mun.

Texas

Corpus Christi/Corpus Christi Intl. Arpt. (2 hours advance notice required)
Dallas/Love Fld. (3 hours advance notice required.)
Houston/Houston Intl.
San Antonio/San Antonio Intl.

Vermont

Newport/Newport Mun.[3]
Swanton/Warren R. Austin Arpt.[3]

Virgin Islands

St. Thomas/Harry S. Truman Arpt.

Virginia

Norfolk/Norfolk Mun.

Washington

Lourier/Avey State Emergency Arpt.[3]
Northport/James A. Lowry Arpt.[1 3]
Port Angeles/Clallam County Arpt.[3]
Port Angeles/Port Angeles Boat Haven[3]
Port Towsend/Port Townsend Bay
Seattle/Seattle-Tacoma Intl.
Spokane/Spokane Intl.

Wisconsin

Green Bay/Austin Straubel (2 hours advance notice required.)[1 3]
Milwaukee/General Mitchell Fld.

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[1] Indicates landing rights may be granted provided the aircraft is not subject to quarantine inspection by the U.S. Public Health Service. (Sec. 71.46, P.H.S. Foreign Quarantine Regulations.)

[2] Regular hours of service for customers at Fairbank International Airport are from 1800 GMT to 0300 GMT daily Tuesday through Saturday. These days of service are subject to change to Monday through Friday when necessary to accommodate scheduled airline arrivals. This usually occurs during the winter months.

[3] Indicates Flight Service notification to U.S. Customs not available. Flight notification service available to all airports not so marked.

PART 2 - INTERNATIONAL AIRPORTS

2ème PARTIE - AEROPORTS INTERNATIONAUX

PARTE 2 - AEROPUERTOS INTERNACIONALES

EXPLANATION OF TABLE

The following tabulation lists international airports #), i.e. airports of entry and departure for international air traffic, together with a brief indication of the type of traffic accepted at each airport and the clearances provided. Most of this information has been obtained from the Aeronautical Information Publications (AIP) produced by States in accordance with 4.1.1 of Annex 15. The AIP should be consulted in the planning of flight operations. The tabulation indicates:

Column

1 the name of the city and aerodrome;

2 whether the airport has been designated under Article 10 ≠) of the Convention on International Civil Aviation (by symbol 10);

3 whether there are restrictions on use of the aerodrome for non-scheduled or private aircraft operations (by symbol R);

Column

4 whether there are limitations on the customs and/or the associated clearance services, e.g. limited hours, prior notice required, etc., (by the symbol L);

5 certain details concerning the restrictions or limitations, by reference to the note below.

An asterisk (*) indicates that information is not available.

"International Airport. Any airport designated by the Contracting State in whose territory it is situated as an airport of entry and departure for international air traffic, where the formalities incident to customs, immigration, public health, agricultural quarantine and similar procedures are carried out". (Annex 9)

≠ "Article 10. Except in a case where, under the terms of this Convention or a special authorization, aircraft are permitted to cross the territory of a Contracting State without landing, every aircraft which enters the territory of a Contracting State shall, if the regulations of that State so require, land at an airport designated by that State for the purpose of customs and other examination. On departure from the territory of a Contracting State, such aircraft shall depart from a similarly designated customs airport. Particulars of all designated customs airports shall be published by the State and transmitted to the International Civil Aviation Organization established under Part II of this Convention for communication to all other Contracting States".

NOTES

1. Hours of service of customs, etc., shorter than operational hours of the aerodrome.
2. Two-way radio communication with TWR required.
3. Customs, etc., on request.
4. Alternate aerodrome for international traffic.
5. VFR traffic only.
6. Tourists only.
7. Scheduled traffic only.
8. Seasonal availability.
9. Refuelling only.
10. Prior notification required.
11. Customs only.
12. Prior permission required.
13. No private aircraft.
14. Private aircraft only.
15. Prior notification for non commercial tourist flights only.

* No information available

⚓ Water aerodrome.

HEL Helicopters only.

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CITY/AERODROME	DESIGNATED ARTICLE 10	AIRCRAFT OPERATIONS	CLEARANCE SERVICES	REMARKS
1	2	3	4	5
SUDAN				
Geneina	10	R	L	3
Juba	10	R	L	3,10
Khartoum	10	-	-	
Port Sudan	10	R	L	3,10
Wadi Halfa	10	-	-	
SURINAM				
Paramaribo/Zanderij	10	-	-	
SWEDEN				
Eskilstuna/Ekeby	10	R	L	3,5,10
Göteborg/Torslanda	10	R	-	2
Jönköping	10	R	L	3,10
Karlstad	10	R	L	3,10
Kiruna	10	R	L	3,10
Landskrona	-	R	L	3,10,14
Luleå/Kallax	-	R	L	12,13
Malmö/Bulltofta	10	-	-	2
Norköping/Kungsängen	10	R	L	3,10
Nyköping/Brandholmen	-	R	L	3,10,14
Örebro	10	R	L	3,10
Stockholm/Arlanda	10	R	-	2
Stockholm/Bromma	10	R	L	2,3
Strömstad/Näsinge	10	R	L	3,10
Sundsvall-Härnösand	10	-	L	3
Umeå	10	R	L	3,10
Varberg	10	R	L	3,10
Visby	10	-	L	3,10
SWITZERLAND				
Ascona	10	-	L	3
Bern/Belp	10	-	L	3
Geneve/Cointrin	10	R	-	2
Lausanne/Blécherette	10	-	L	3
Les Eplatures	10	-	L	3
Locarno	10	-	L	3
Lugano	10	-	L	3
Montreux	10	-	L	3
Neuchâtel	10	R	L	3,12
Porrentruy	10	R	L	3,12,14
Sion	10	-	L	3
Sissceln	10	R	L	3,14
St. Gallen/ Altenrhein	10	R	L	3,12
St. Moritz/Samedan	10	R	L	3,12
Zürich	10	-	-	
SYRIA				
Aleppo	10	-	-	10
Damascus	10	-	-	10
TANZANIA				
Dar es Salam	10	-	L	
Kigoma	-	-	L	3
Moeya	-	-	L	3
Mtwara	-	-	L	3
Pemba	*	-	L	3
Songea	-	R	L	9,10
Tabora	-	-	L	3
Tanga	-	-	L	3
Zanzibar/Kisauni	*	-	L	3
THAILAND				
Bangkok	10	-	-	
TOGO				
Lome	10	-	L	3
TRINIDAD AND TOBAGO				
Port of Spain/Piarco	10	-	-	
Scarborough/Crown Point	-	R	L	3

CITY/AERODROME	DESIGNATED ARTICLE 10	AIRCRAFT OPERATIONS	CLEARANCE SERVICES	REMARKS
1	2	3	4	5
TRUCIAL OMAN				
Abu Dhabi	-	R	-	7
Dubai	-	-	L	3
Sharjah	-	-	L	
TUNISIA				
Djerba/Mellita	10	-	L	3
Sfax/El Maou	10	-	L	3
Tunis/El Aouina	10	-	L	
TURKEY				
Ankara/Esenboga	10	-	-	
Istanbul/Yesilköy	10	-	-	
Izmir/Cumaovasi	-	R	-	
UGANDA				
Entebbe	10	-	-	
UNITED ARAB REPUBLIC				
Alexandria	10	-	-	
Cairo	10	-	-	
El Tor	10	R	L	8
Luxor	10	-	-	
Mersa Matruh	10	-	L	3
Port Said	10	-	L	3
UNITED KINGDOM				
Alderney	10	R	L	2,12
Belfast/ Nutts Corner	10	R	L	2,3
Birmingham	10	R	L	1,2
Blackpool/ Squire's Gate	10	-	L	3
Bournemouth/Hurn	10	-	L	1,4
Bristol/Lulsgate	10	-	L	1
Cardiff/Rhoose	10	-	L	1
Derby/Burnaston	10	R	L	2,3,12
Edinburgh	10	R	L	2,3,12
Exeter	10	R	L	2,3,12
Guernsey	10	R	-	2
Isle of Man	10	R	L	2,3
Jersey	10	R	-	1
Leeds and Bradford	10	R	L	1,2,12
Liverpool	10	R	L	1,2
London/Gatwick	10	-	L	1,4
London/Heathrow	10	R	-	2,4
Luton	10	R	L	2,3,12
Lydd	10	R	L	1,12
Lympne	10	-	L	1
Manchester	10	-	L	1
Marston	10	-	L	3,8
New Castle	10	R	L	2,3,12
Portsmouth	10	-	L	3
Prestwick	10	-	-	4
Renfrew	10	-	L	3
Southampton	10	R	L	2,3,12
Southend	10	R	L	1,2,12
Stansted	10	R	L	2,3
Valley	10	R	L	3,12
UNITED STATES OF AMERICA				
Akron/Municipal	*	-	L	10
Akron/Canton	*	-	L	10,12
Akron/ Wingfoot Lake	*	-	L	10,12
Albany/Municipal	*	-	L	10
Alpena/ Phelps-Collins	*	-	L	10-12
Anchorage/Intl.	*	-	L	10,12
Annette Island	*	-	L	10,12
Baltimore/ Friendship	*	R	L	2,10,12
Bar Harbour/ Municipal	*	-	L	10,12

CITY/AERODROME	DESIGNATED ARTICLE 10	AIRCRAFT OPERATIONS	CLEARANCE SERVICES	REMARKS
1	2	3	4	5
Baudette/Intl	*	-	L	10
Bay City/ James Clements	*	-	L	10,12
Bedford/Hanscom	*	R	L	2,10,12
Bellingham/ Municipal	*	-	L	2
Beverley/Municipal	*	-	L	10,12
Boston/Logan	*	R	L	2,10,12
Brownsville/ Rio Grande Valley	*	-	L	10
Buffalo/Greater Buffalo Intl	*	R	L	2,10
Burlington/Municipal	*	R	L	2,10
Calexico/Municipal	*	-	L	10
Caribou/Municipal	*	-	L	10
Charleston/Municipal	*	R	L	2,10,12
Chicago/Intl.(O'Hare)	*	R	L	2,10,12
Chicago/Meigs	*	R	L	2,10,12
Chicago/Midway	*	-	L	2,10
Cleveland/Hopkins	*	R	L	2,10
Cleveland/ Lakefront ‡	*	-	L	10,12
Columbus	*	-	L	10,12
Corpus Christi/Intl	*	-	L	10,12
Grand Lake/Mohr and Handberg's	*	-	L	10,12
Cut Bank	*	-	L	10
Dallas/Love	*	R	L	2,10,12
Del Rio/Municipal	*	-	L	10,12
Denver/Stapleton	*	-	L	10,12
Detroit/ Metropolitain Wayne County	*	R	L	2,10
Detroit/ Motor Boat Sales ‡	*	-	L	10,12
Detroit/Municipal	*	-	L	10
Douglas/ Bisbee-Douglas	*	-	L	10
Duluth/Intl	*	-	L	10
Duluth/Sky Harbor	*	-	L	10
Eagle Pass/ Municipal	*	-	L	10
East Hartford/ Rentschler	*	R	L	2,10,12
Eastport/Municipal	*	-	L	10,12
El Paso/Intl	*	-	L	10
Ely/Leithold ‡	*	-	L	10,12
Erie/Port Erie	*	-	L	10,12
Fairbanks/Intl	*	-	L	10,12
Fort Lauderdale/ Hollywood Intl	*	-	L	10
Fort Yukon/Municipal	*	-	L	10,12
Friday Harbor/SPB	*	R	L	10
Grand Forks/ Municipal	*	-	L	10
Great Falls/Intl	*	-	L	10
Green Bay/ Austin Straubel	*	-	L	10,12
Groton/Trumbull	*	-	L	10,12
Haines/Municipal	*	-	L	10,12
Hartford/Brainard	*	-	L	10,12
Havre/Hill County	*	-	L	10
Honolulu/Intl	*	-	L	10,12
Houghton/ County Memorial	*	-	L	10,12
Houlton/Municipal	*	-	L	10,12
Houston/Intl	*	-	L	10,12
Indianapolis/ Weir Cook	*	R	L	2,10,12
International Falls/ Municipal	*	-	L	10
Jackman Municipal/ Newtonfield	*	R	L	8,10,12
Jacksonville/Imeson	*	-	L	10,12
Juneau/Mun.	*	R	L	10
Juneau/SPB ‡	*	-	L	10
Kent/State	*	-	L	10,12
Ketchikan/SPB ‡	*	-	L	10
Key West/Intl	*	-	L	10
Laredo/Municipal	*	-	L	10
Lawrence/Municipal	*	-	L	10,12
Los Angeles/Intl	*	R	L	2,10,12
Malone/Malone-Dufort	*	-	L	10
Marquette/County	*	-	L	10,12
Massena/Richards	*	-	L	10
McAllen/ Miller Intl	*		L	10

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CITY/AERODROME	DESIGNATED ARTICLE 10	AIRCRAFT OPERATIONS	CLEARANCE SERVICES	REMARKS
1	2	3	4	5
UNITED STATES (Cont'd-suite-cont.)				
Miami/ Chalks Flying Service ‡	*	-	L	10
Miami/Intl	*	-	L	10
Milwaukee/ General Mitchell	*	R	L	2,10,12
Minneapolis/St.Paul	*	R	L	2,10,12
Minot/Intl	*	-	L	10
Mobile/Bates Field	*	-	L	10,12
Newark	*	R	L	2,10,12
New Bedford/ Municipal	*	-	L	10,12
New Haven/Municipal	*	-	L	10,12
New Orleans/ Moisant Intl	*	R	L	2,10,12
Newport/Municipal	*	R	L	10,12
New York/Intl	*	R	L	2,10,12
New York/La Guardia	*	R	L	2,10,12
Niagara Falls Mpnl	*	R	L	2,10,12
Nogales/Intl	*	-	L	10
Noonan/Border	*	-	L	10,12
Norfolk/Municipal	*	-	L	10,12
Northport/ James Lowry	*	-	L	10,12
Northway/FAA	*	-	L	10,12
Ogdensburg/ Municipal	*	-	L	10
Ogdensburg/Harbor ‡	*	-	L	10
Omaha/Municipal	*	-	L	10,12
Oroville/ Dorothy Scott SPB ‡	*	-	L	10
Pellston/Emmet	*	-	L	10,12
Pembina/ Fort Pembina	*	-	L	10
Petersburg SPB ‡	*	-	L	10,12
Philadelphia/Intl	*	R	L	2,10,12
Pinecreek	*	-	L	10,12
Pittsburgh/ Greater Pittsburgh	*	R	L	2,10,12
Point Pleasant SPB ‡	*	-	L	10,12
Portal/Municipal	*	-	L	10
Port Angeles/ Clallam County	*	-	L	10,12
Port Angeles Boat Haven ‡	*	-	L	10,12
Porthill SPB	*	-	L	10,12
Port Huron/ Baker's Fld.	*	-	L	10,12
Port Huron/ St.Clair County	*	-	L	10
Portland/Municipal (Maine)	*	-	L	10,12
Portland/Intl (Oregon)	*	R	L	2,10,12
Port Townsend/ County	*	-	L	10
Port Townsend Bay ‡	*	-	L	10,12
Providence(Rhode I.)	*	R	L	2,10,12
Put-in-Bay	*	-	L	10
Rainier/Intl SPB	*	-	L	10,12
Rochester/ Municipal	*	R	L	2,10
Rouses Point/SPB	*	-	L	10
San Antonio/Intl	*	R	L	2,10,12
San Diego/Municipal (Lindbergh)	*	-	L	10
Sandusky/ Griffing/Sandusky	*	-	L	10
San Francisco/Intl	*	R	L	2,10,12
Sault Ste-Marie/ Municipal	*	-	L	10
Scobey/State County	*	-	L	10,12
Seattle/ Boeing Municipal	*	R	L	2,10
Seattle/Lake Union ‡	*	-	L	10
Seattle/Tacoma	*	R	L	2,10,12
Sitka ‡	*	-	L	10,12
Skagway/Municipal	*	-	L	10,12
Spokane/Felts	*	-	L	10
Spokane/Geiger	*	R	L	2,10,12
St.Petersburg/ Clearwater	*	R	L	2,10,12
Stratford (Bridgeport)	*	-	L	10,12
Swanton/ Warren Austin	*	-	L	10,12
Syracuse/Hancock	*	R	L	2,10,12
Tampa/Intl	*	R	L	2,10
Toledo/Express	*	R	L	2,10,12
Toledo/National	*	-	L	10,12
Tucson/Intl	*	-	L	10
Warroad/Municipal	*	-	L	10,12
Washington/National	*	-	L	10,12
Watertown/Municipal	*	-	L	10
Westfield/Barnes	*	-	L	10,12
West Palm Beach/ Palm Beach Intl	*	R	L	2,10
Windsorlocks/ Bradley	*	R	L	2,10,12
Worcester/ Municipal	*	-	L	10,12
Wrangel/SPB	*	-	L	10
UPPER VOLTA				
Bobo-Dioulasso	10	-	-	
Ouagadougou	10	-	L	3
URUGUAY				
Colonia ‡	10	-	L	3,5
Colonia/ Laguna de los Patos	10	-	L	3
Laguna del Sauce/ Maldonado	-	-	L	3,7,13
Maldonado ‡	10	-	L	3,5
Maldonado/ Punta del Este	10	-	L	3,8
Mercedes/ Ricardo Detomasi	10	-	L	3
Montevideo/ Angel S. Adami	10	-	L	5
Montevideo/Bahia de Montevideo	10	-	L	3
Montevideo/Nacional de Carrasco	10	R	-	2
Paysandu	10	-	L	3
Rivera/Cerro Chapeau	10	-	L	3,5
Salto/ Nueva Hesperides	10	-	L	3
VENEZUELA				
Barcelona	10	R	L	7
Barquisimeto Caracas/Maiquetia	10	R	-	7
Maracaibo	10	R	L	7
Maturin	10	R	L	7
VIET NAM				
Danang	*	R	L	2,10,12
Nha-Trang	*	R	-	2,4,12
Saigon/ Tan Son Nhut	10	R	L	2,12
VIRGIN ISLANDS				
St.Thomas/ Harry Truman	*	-	L	10,12
WESTERN SAMOA				
Apia/Faleolo	*	R	-	12
YUGOSLAVIA				
Beograd	10	-	-	12
Dubrovnik	10	-	-	12
Ljubljana	10	-	-	12
Titograd	10	-	-	12
Tivat	10	-	L	8,12
Zagreb	10	-	-	12
ZAMBIA				
Abercorn	10	-	L	3
Fort Jameson	10	-	L	3
Kasama	10	-	L	3
Livingstone	10	-	-	3
Lusaka	10	-	-	3
Ndola	10	-	-	3

Senator MONRONEY. You may continue.

Senator DOMINICK. I don't think I have any more questions. I think this has been a very good presentation of the problems which so many people have faced. I appreciate Mr. Monroe's assistance in trying to reach a solution.

Senator MONRONEY. Mr. Monroe, customs people said that 10,000 private pilots were charged last year a total of $100,000, or an average of $10 apiece. Could you make a rough estimate on how many cases of $50 or $60 charges could be included in that?

Mr. MONROE. Since we have been attempting to gather background data on this subject, we have received in the last 2 or 3 weeks, I guess, something in excess of 300 letters from members reporting charges which are in excess of $25.

Senator DOMINICK. In that connection, Mr. Monroe, are these the initial charges they paid, or the total charges after reimbursement, or don't the letters say?

Mr. MONROE. The letters, generally speaking, do not say. The refund problem in some cases—I am not exactly sure what their problem is, but a number of members report that the refunds are due, they haven't received them even though normally speaking they are supposed to come through in about 20 to 30 days. Whether additional aircraft subsequently came through and consequently—additional aircraft did not come through and consequently a refund was not due, or whether it was due to system failure in the paper mill, or something of that kind, I don't know. The letters are not specific on this point.

Senator DOMINICK. I would like to ask one more question, Mr. Chairman, if I may.

Senator MONRONEY. Certainly.

Senator DOMINICK. I think this brings out one of the things I asked about before. Have you had any intimation that there is anything improper or any monkey business in the determination of these charges? In other words, have you had any indication that a customs inspector at some place might overlook one airplane and recharge at a higher rate, or that all the money is not accounted for, or anything like that? I have never personally heard of any such complaints.

Mr. MONROE. No, we have not had any complaints of that kind. Many of the letters are quite frank to state that the customs agent was very courteous, very nice about it, but very firm about collecting his money.

Senator DOMINICK. My impression is that they have all been very fine people, the ones that I have personally run into. I wanted to make that clear again for the record.

Senator MONRONEY. Any further questions?

(No response.)

Senator MONRONEY. If not, thank you very much, Mr. Monroe, for your very helpful testimony, as usual.

Mr. MONROE. Thank you very much. We appreciate your efforts.

Senator MONRONEY. We would like to have, before the record is closed, your estimate of how many airports we would need on various schedules, so that we can anticipate the cost of the bill.

Mr. MONROE. Thank you.

Senator MONRONEY. The next witness is Mr. Frank Kingston Smith, executive director, National Aviation Trades Association, 1346 Connecticut Avenue NW., Washington, D.C.

We are happy to have you here, Mr. Smith.

STATEMENT OF FRANK KINGSTON SMITH, EXECUTIVE DIRECTOR, NATIONAL AVIATION TRADES ASSOCIATION, WASHINGTON, D.C.

Mr. SMITH. As you may know, Senator, I wear two hats. I am executive director also of the National Air Taxi Conference, which is the fastest growing segment of general aviation today.

Rather than read my statement, I would ask leave to drop this into the record.

Senator MONRONEY. It will be printed as prepared.

(The statement follows:)

STATEMENT OF FRANK KINGSTON SMITH

It is a pleasure to appear before your distinguished committee. I am Frank Kingston Smith, executive director of the National Aviation Trades Association, national representative of general aviation businesses serving the needs of general aviation, by far the largest user of the Nation's airspace, and am also speaking for the National Air Taxi Conference. Many of our members are directly affected by overtime charges because of charter and air taxi service into and out of the United States.

Having been exposed to customs overtime charges frequently in the last few years, we invite your attention to the fact that these charges are imposed on the basis of a "request for overtime services" a printed form presented to the incoming pilot by the customs inspector upon his arrival in the United States anytime except Monday through Friday, 8 a.m. to 5 p.m., local time. This "request for overtime services" comes as a surprise to most travelers, who have crossed the border in private automobiles and have found that there is no similar payment for customs service by international motorists.

Further, there is an aura of coercion, since unless the request is signed by the pilot, there is an implicit threat that the aircraft will be impounded and inspected later, within the present rights of the customs inspectors. This request is tantamount to signing a blank check, since there is no fixed rate of charges for the services rendered. We have been advised that expenses or fees may not be determined in advance because there is great variation in the pay scale of the inspectors and the participating agencies involved.

At one U.S. airport served by Customs and Immigration Service for Canadian flights entering the United States, the services alternate on weekends so that incoming aircraft is charged overtime by customs every other trip, whereas no overtime charges are made by Immigration Service on alternate weekends. In this case identical services are performed.

In one case, a good samaritan who flew a dying man into the United States was subjected to customs overtime charges. Kenneth V. Schmid, of Chicago, flew Robert H. Thompson from Marsh Harbor in the Bahama Islands to West Palm Beach, Fla., last August at the suggestion of the U.S. Coast Guard. He was operated on 15 minutes after arrival at the hospital, and at last report was recovering, but his doctor told him he would not have survived "another 2 hours."

After landing on his emergency mission, Schmid was invited into the office of Inspector S. E. Mestrezat, who informed him that he was subject to $50.16 customs charge because it was after hours. Having no money, he had to sign a blank check upon threat, he said, of having his Beech Bonanza impounded.

In some instances we have received refunds calculated on the number of aircraft using the facility. Frequently more than $50 is charged and collected, then several months later a portion refunded because more than one aircraft used the facilities later that day.

The question here is who benefits from the customs service. If it is the general U.S. citizenry, then it is improper to impose the financial burden specifically on the aircraft operator who is one of that class.

We further invite your attention to the fact that neither the Immigration Service as mentioned nor employees of the Federal Aviation Agency—in air traffic control centers, flight service stations, or control towers—come under these arrangements peculiar to the U.S. customs service.

In any event, at a time when we are trying to encourage users of light aircraft in Canada, Mexico, and the Bahamas to enter the United States for weekends, it creates a bad image of this country when requests for overtime charges are immediately presented to the incoming traveler, which seems totally inimical to the promotion of domestic and foreign commerce—the purpose of this committee. We believe this annoyance does not help this country, and therefore we vigorously support S. 1596 and urge its passage. We also heartily endorse the position of the Air Transport Association and the Aircraft Owners & Pilots Association.

Thank you again for this opportunity to testify.

Mr. SMITH. I do that for two reasons, first the lateness of the hour and second because I don't think I will read it any better than anybody else today.

I think that what I have heard today indicates clearly that there should be a modification of the 1911 viewpoint of customs handling.

I know that personally I have had experience with customs collections of overtime charges. Just this morning before I came out the door of my office I was handed a letter from one of our members. This is a copy of a letter sent to the State aviation director for Montana, including a copy of a bill for $46.56 for overtime services for 1 hour's work on a Sunday.

I would like to give this to you, sir, for your consideration and possible inclusion in the record.

I think that we may be coming to an answer, and I believe that this industry will come up with some ideas in cooperation with your committee.

In the spirit of compromise, I believe that the associations have been here today, all of whom work very closely together, can work together to get a practical answer geared to today's and tomorrow's needs.

Without laboring the point further, I would like to stand on my record with you, sir. We certainly are very strongly in support of S. 1596. If there is anything we can ever do to help you in these considerations, please feel free to call us and the other associations.

I thank you for the pleasure of being here.

Senator MONRONEY. Thank you very much for your helpful statement, Mr. Smith.

Do you encounter, because of the air taxi service, any unusual restrictions that a private aircraft operator would not have in crossing the border? I mean in going out of the country or coming in.

Mr. SMITH. Yes, sir. The places that I have found it, that I have run into it mostly, have been the Bahama Islands. Although I go into Canada, Mexico, and the Bahamas with great frequency. The only place where I have ever run into the air taxi problem is in the Bahamas where is a great deal if air taxi transportation.

I know that this does inhibit the air taxi service between Fort Lauderdale and the Bahamas, and also Palm Beach and the Bahamas.

A while ago, Mr. Monroe made the statement that there were over 13,000 movements of general aviation aircraft from Fort Lauderdale to the Bahama Islands. There were also over 7,000 movements from Palm Beach and another 6,000 movements from Miami. So there were over 25,000 movements of general aviation aircraft into the Bahamas last year.

We find, I have found in the Canadian border that there has been a great resistance of the Canadians to come to the United States for weekends for fun and fishing and skiing and so forth because of these overtime restrictions. I am personally aware of that because of my connection with an aviation resort a few years ago called the Flying W Ranch. We couldn't get people to come down weekends at all.

Senator MONRONEY. In line with this, you would feel that the hours that a border crossing airport was open should be commensurate with the volume of traffic that it serves.

Mr. SMITH. Yes, sir.

Senator MONRONEY. We can't maintain all of them.

Mr. SMITH. I think there are two very fast answers off the top of my head. One would be, instead of having the hours 8 to 5, talk about hours of daylight. So you might have two men working, one early in the morning and then two in the middle of the day and one later in the afternoon until the sun goes down. That would solve most problems. Your greatest volume of general aviation transportation is during the hours of daylight under visual flight rules.

The second thing that is obvious to me, I have frequently found myself coming into this country and having just one man perform all the functions of the four agencies, which are usually saddled with the job of handling border crossings; for instance, the Bureau of Customs, Immigration and Naturalization, Agricultural Research Service, and Public Health functions are generally carried on by one man. I have come into Fort Lauderdale and Plattsburgh, N.Y., where I have had one man perform all those actions.

Of course Senator Dominick talked about this idea of have designees from the departments who could handle these actions and activities in small, remote airports. It would solve a great deal of the problem. If the other agencies of the Government can do it, I think it would be a great solution to this problem.

Senator MONRONEY. Senator Dominick?

Senator DOMINICK. Mr. Chairman, I have no questions. I want to thank Mr. Smith for his cooperation in appearing and giving us his thoughts on the bill.

Mr. SMITH. Thank you, sir.

Senator MONRONEY. We appreciate your appearance very much. There being no further witnesses, does anyone have any further testimony or statements?

(No response.)

Senator MONRONEY. We will hold the record open for 5 days for any subsequent statements and material which was asked to be filed.

The committee stands adjourned.

(Whereupon, at 4:48 a.m., the committee was adjourned.)

(The following statements and letters have been received for the record:)

STATEMENT OF THE AMERICAN FEDERATION OF GOVERNMENT EMPLOYEES CONCERNING S. 1596

In behalf of the members who are employed by the several inspectional agencies of the Federal Government, the American Federation of Government Employees desires to register emphatic opposition to enactment of S. 1596. We oppose the objective of this bill which would shift the liability for payment of cost of inspection of persons, merchandise, and conveyances moving into and from the United States. Whereas it is now borne by the carriers that benefit from this service by the Federal Government, this bill would require the Government not only to supply the service but to pay the cost as well.

There are several important aspects of this proposed change of national policy. There are the Government, the Federal employees who do the work, and the carriers who need the service. The proposed change is not in the best interest of all three elements in this inspectional situation.

It is not in the interest of the Government to saddle it with the cost of a service which must be supplied at odd hours and at places which are at the convenience of the airplane or steamship company using and requiring the service. It is only logical to expect a carrier to ask for more service. Thus the cost would be greater than that which is at present paid for by the company seeking this service. So it is not a matter of shifting present cost but of requiring the Government to be put to greater expense than that for which it is liable at present.

The bill would involve service at ports of entry by aircraft, railroad trains, motor vehicles, pipelines, or vessels. At present, inspectional service now given at odd hours is subject to reimbursement of the Federal Government by the carrier that requests the service. It is our understanding that not all of these transportation companies favor the enactment of this bill. Shipping interests are understood to have been instrumental in the enactment of the present customs overtime law. They realize that continuation of the present sysem would be to their advantage, since it would provide service when it is most desired and most needed.

Not only would the Government be required under this bill to assume a greater financial burden, but it would be placed in the position of paying the cost of inspectional service for foreign-flag vessels and aircraft, since they comprise a sizeable majority of the arrivals from foreign ports. This is scarcely a proper use of the money contributed to our Government by American taxpayers.

Federal inspectors employed by such agencies as the Bureau of Customs, Immigration and Naturalization Service, Public Health Service, and the Department of Agriculture are at times put to extreme inconvenience in providing inspectional service at the convenience of a carrier bringing passengers or cargo into one of our ports of entry. Inspectors are required to remain in a standby or oncall status at nighttime and over weekends so that they can report for assignments which actually may never materialize. There are many hours spent by these employees in making themselves available—hours for which they may eventually never be compensated. They can be paid only if the service is required.

These inspectional employees of the Federal Government have been charged with receiving excessive earnings. It is true that in some instances total earnings have been of a considerable amount, but this has come about for reasons which are not the making of the employees themselves. In some instances payment of large sums for overtime duty have been caused by inadequate staffing which cannot cope with the unreasonable demands by the various carriers.

The time, place, and extent of overtime duty are elements of this situation which are entirely under the control of the transportation company involved. The inspector is assigned by his supervisor at the request of the carrier desiring service at a time and in a place convenient to the company. Thus if the provision of this convenient service results in what seems like an excessive payment to the employee it is evidently something which he has neither sought nor been able to influence in any way.

It should also be borne in mind that in the great majority of instances the inspectional officer provides his own transportation to and from assignments which occur after his regular tours of duty. He must do this usually because

public transportation is not available, or if it is available it would not get him to a pier or airport on the short notice given by the carrier. The officer must, of course, travel to his assignments even though he does so at times under extremely adverse weather conditions. He may even find it necessary to use a taxicab at his own expense or to pay bridge and tunnel tolls. Thus it should be very evident that the Government employees affected by this bill are far from excessively compensated for the service which they perform.

In opposing this bill in behalf of the employees concerned, we do so primarily because it would have the effect of the Government underwriting expenses which properly should be borne by private concerns. This opportunity to submit a statement concerning this bill is most appreciated.

STATEMENT OF THOMAS A. BROOKS, JR., QUARANTINE INSPECTOR, DIVISION OF FOREIGN QUARANTINE, U.S. PUBLIC HEALTH SERVICE, AND MEMBER OF AMERICAN FEDERATION OF GOVERNMENT EMPLOYEES

I am appearing at the hearing of S. 1596 as an official representative of the above lodge, of which I am currently vice president, and of a council of lodges consisting of Boston, Brownsville, Laredo, Miami, and New York. Additionally, I undertake to represent the interests of other quarantine inspector lodges and individual quarantine inspectors and sanitary inspectors who are not affiliated because of insufficient numbers or other reasons. There are others; namely, boat crews and contract physicians, who are directly affected by the threat of this bill.

The personnel who perform the inspectional functions of the Division of Foreign Quarantine under the U.S. Public Health Service are such a small force we are quite fearful that our voice may be accepted as no more than a mere whisper, even though we unselfishly contribute more tax dollars to our Government than do the foreign proponents of this bill, who are, I might add, interested in removing some (if not all) of the gold from the United States. The inspectional staff of the Division of Foreign Quarantine number slightly more than 300 quarantine inspectors and sanitary inspectors (graded GS–7 through GS–11), must staff somewhere in the neighborhood of 52 stations throughout the entire United States, Puerto Rico, and the Virgin Islands. This is a monumental requirement by the Division of Foreign Quarantine and certain compromises and adjustments must be made to accomplish the primary mission of the Division. One such compromise is the treatment of a number of foreign areas (including Canada) which are considered not to pose a serious threat in regard to the introduction of disease into the United States and are, therefore, considered exempt from quarantine inspection. The Division also adjusts by staffing about 134 out-of-the-way stations with the contractual services of physicians who are willing to attend to quarantine functions of our Government, even though the carrier arrivals may be at any hour of the night, or on Sunday or holidays. If this bill becomes a matter of law these doctors will, I believe, be quite reluctant to renew their contracts, thereby making it necessary to hire a considerable number of additional quarantine inspectors to cover these isolated stations.

It appears to me that the principal supporters of this bill are (1) a minority group comprising of private (for the most part pleasure type) aircraft operators and pilots who, for their own advantage, must recompense an inspector for his service on odd days or at odd hours without a thought for the sacrifices this inspector must make to perform the inspection at some out-of-the-way location; and (2) a large lobby organization which represents more than 100 big business organizations who apparently have but one objective; namely, to make more and more money.

A simple glance at the available statistical data clearly indicates that foreign-flag carriers (including American-backed "foreign flag of convenience" carriers) transport the bulk of imports and exports as well as passenger traffic, thereby rendering the United States a fourth- or fifth-rate power. In view of this simple fact, it should be clear that passage of this bill will not only result in an increase in budget requirements by some $15 million annually, but at least one-half to two-thirds of this amount will represent a potential drain on our gold at Fort Knox. I cannot envision lowering fares and freight charges by any foreign-flag carrier.

In closing, I would like to remark that the hours and days of work of a quarantine inspector are such that, coupled with the inadequate pay for the work performed, it is difficult for the Division of Foreign Quarantine to recruit, hire, and

hold personnel with the required training and background. Many of our inspectors frequently feel we are strangers to our wives and children due to the odd hours which we must work, and, on most occasions, at little or no increase in our pay.

I, representing the inspectors as set forth in the preamble, respectfully recommend nonpassage of this bill as contemplated and request this deposition be included as a part of the official record. Additionally, I respectfully request permission to forward at a later date (no longer than 3 weeks) additional pertinent remarks to be included in the committee file as nonrecord material. Thank you for the privilege of my attendance at this hearing.

STATEMENT OF SENATOR QUENTIN N. BURDICK

Mr. Chairman, I want to thank you for giving me the opportunity to relate my views on S. 1596 which would eliminate overtime charges by U.S. customs officers for owners and pilots of private aircraft landing on Sundays, holidays, or after normal working hours.

This bill, S. 1596, is similar to one of my own, S. 1884 which would eliminate the payment of overtime fees by pilots traveling to and from Canada.

Mr. Chairman, I would like it known to members of the Senate Commerce Committee that I heartily endorse S. 1596. If it were enacted it would eliminate a tremendous burden now incumbent on the pilots of both private and commercial aircraft flying in international skies. I do hope that the bill will receive a favorable report from your committee and receive the prompt approval of Congress.

I believe the present law which requires the payment of overtime fees to U.S. customs officers servicing aircraft during nonworking hours to be discriminatory and an impediment on orderly commerce among other nations and the United States. In addition, in most cases the fees paid are unjustifiably excessive.

My first objection to the present regulation is that it is discriminatory. Pilots are required to pay overtime fees when arriving in this country from another. Owners of automobiles arriving here do not have to pay these fees. I have yet to be given a rationale explanation or justification of this situation.

These fees are usually paid with little fanfare even though ample evidence exists to show that they are far in excess of what most believe to be equitable. I have had pilots write me from North Dakota stating they have paid as much as $50 in overtime fees just to land and be cleared by a customs office. The general public rarely hears about these incidents but an incident in my home State a few years ago dramatically focused the spotlight of public attention on the situation.

I am speaking of a landing at the Minot, N. Dak., airport by Gen. James H. Doolittle. Since General Doolittle landed during an irregular hour, he was charged $46.08 by the customs officer in charge. He thereby voiced his indignation at the charge and his complaint was carried in newspapers throughout the country.

Another point I would like to make about these overtime charges is that they often prevent efficient use of aircraft and unduly burden the pilot with extra costs. Where the pilot feels he cannot afford the risk of a $60 overtime charge, he must rearrange or modify his schedule to permit inspection during periods when overtime is not charged. As the letter I will insert to the record later points out, this means losing a day or so at work which most pilots can ill afford.

Overtime charges also discourage weekend flying between foreign countries when most American pilots only have weekends for such pleasure flights. Although this may be considered a minor objection, I point it out because our Government is currently engaged in a campaign to promote such communication between ourselves and citizens of other countries, yet this same Government imposes a regulatory provision on pilots which is contrary to that campaign. Something else to be considered is the image we must leave in the minds of some foreigners who are slapped with a $50 overtime fee upon first landing in our country. I hardly think this promotes our good image.

I would like to insert a quotation from a report made to the White House Conference on International Cooperation last year. The report is by the National Citizens Commission on Aviation to the Conference.

A particularly appropriate facilitation action for the United States to consider during International Cooperation Year is the correction of a situation under which U.S. ports of entry are officially closed to international air traffic 60 days a year and in certain cases, on weekday nights. This situation is the result of laws, one of which was enacted over 50 years ago, for the purpose of discouraging foreign travel and trade at other than business hours then considered normal. These laws prohibit customs and other inspection services on a Sunday or a holiday or at night in some cases unless private parties enter into labor contracts with and pay Government employees rates considerably in excess of industrial overtime rates. Trade policies, public service demands, business practices and transportation techniques all have changed in the last 50 years. In the interest of continued economic growth and in view of the international relations involved, it is time to revise and modernize U.S. inspection employee practices similarly, and U.S. Government support for appropriate legislation is recommended."

Before closing my testimony, Mr. Chairman, I would like to add two excerpts from pilots who have written me recently in support of S. 1596. One of these men is an enginer who is concerned primarily with the commercial restrictions of the law and the other is a college professor who flies primarily for pleasure. I think both cases are fairly representative of the attitude of pilots faced with these fees.

The first is from Mr. George J. Toman, a consulting engineer in Mandan, N. Dak. I quote:

"My organization has been performing engineering services for Canadian communities since 1952. Prior to 1960 (time of acquisition of the first aircraft) all of our traveling was accomplished by automobile. We were able to report in and out of U.S. customs at any time of the day or night without overtime charges.

"Since acquisition of the aircraft, we now find it necessary to either extend our stay in Canada an extra day in order that we may be able to return during normal working hours, or we must pay overtime charges for after hours, Sundays, and holidays. On several occasions I have remained with my clients as long as time would permit to allow return before customs overtime charges went into effect. Because of adverse winds I have landed from 3 to 7 minutes late (after 5 p.m.), and I was required to pay a charge of over $7. Return on Sundays and holidays involves a charge of approximately $45, which I have paid on several different occasions without any prorated charges since additional aircraft did not check through on those days.

"Passage of this bill will equalize or eliminate many inequities that now exist. In my opinion, present overtime charges are:

"(*a*) Discriminatory in that they do apply to private aircraft but not to private automobiles under the same circumstances.

"(*b*) Involve costly refund calculations when such calculations are indicated by the inspection of two or more aircraft during a particular overtime period.

"(*c*) Prevent the efficient and most effective use of the aircraft because schedules must be modified and changed to accommodate customs hours (normal).

"(*d*) Increase the cost of aircraft operations if schedules are to make the most efficient use of the time required but require inspection during overtime hours.

"Our operations in Canada account for approximately 25 percent of our gross receipts on which we pay taxes to the U.S. Government. These operations also provide the salaries for an average of four U.S. citizens, who also pay taxes on their income to the U.S. Government.

"Passage of this bill will permit a more efficient and effective operation by my organization by eliminating impossible and impractical situations that now exist. Time utilization will certainly be more efficient—and time and knowledge are our only stocks in trade.

"Aside from my personal interest in this matter, I believe that elimination of the customs overtime charges will improve and promote commerce and international relations. My Canadian friends refuse to travel to the United States on weekends or on holidays in private aircraft because of the overtime charges. At the regularly established Canadian customs stations which I visit frequently (Calgary and Winnipeg), I have never been charged for so-called overtime operations, and I have landed after hours and holidays."

The second letter is from Dean M. L. Cushman of the University of North Dakota:

"Several years ago I flew my plane to Red Lake, Ontario, north of Kenora, to do a little lake trout fishing one Saturday afternoon in May. I went up on

Saturday afternoon and was intending, of course, to come back on Sunday afternoon because we had to be on duty Monday morning. I discovered, however, that if I came back Sunday afternoon—since this was overtime for customs people—that it would cost me $44. It would be half that if Northwest Airlines were to fly in that afternoon, but it just happened this was the day when they were not flying in from Winnipeg. Obviously I didn't feel like paying $44 for 15 or 20 minutes of customs inspection to see whether my lake trout were of proper size. Consequently, I stayed over until Monday morning and missed a half day of work. We just cannot earn in the teaching profession $44 in a half day.

"Senator, it just seems to me that there is no more excuse for charging private pilots overtime for customs inspection than there is for charging the automobile traveler overtime for customs inspection coming across exactly the same border at exactly the same point."

Mr. Chairman, I hope the information I have brought before the committee will strengthen the argument of those who seek to repeal these overtime regulations. I reiterate that they are discriminatory, excessive, a reactionary hindrance to foreign travel, and in my opinion unworthy of our Government in the year 1966. Thank you again for consideration of my views.

STATEMENT OF CARIBBEAN-ATLANTIC AIRLINES, INC.

Caribbean-Atlantic Airlines, Inc., of San Juan, P.R., appreciates this opportunity to present views to the Senate on the question of payment of overtime for Federal inspection services. We join with the other airlines, represented by the Air Transport Association, in seeking repeal of laws requiring such payments.

Caribair is the U.S.-flag carrier of the Caribbean. It is the smallest of U.S.-certificated carriers as well as the smallest of the U.S.-flag carriers—in terms of usual indexes of carrier size. It operates domestic routes (within Puerto Rico). It operates territorial routes (between Puerto Rico and the U.S. Virgin Islands). It operates international routes (Puerto Rico to the Dominican Republic; and Puerto Rico to Netherlands, British, and French West Indies points including St. Maarten, St. Kitts, and Guadeloupe.

From an economic standpoint, Caribair is like a domestic local service carrier, though its average haul and average hop, at about 80 miles and 76 miles, respectively, are even shorter than the smallest domestic local. Like the locals, it has operated Convair 340 and DC–3 aircraft. Like some, it has embarked on a major equipment conversion program, involving some $5 million for a turbine conversion of its Convair fleet now underway and in excess of $12 million for its jet acquisition, with deliveries of jets commencing in December 1966.

Caribair has operated without subsidy since 1956—and will accomplish its equipment conversion program without subsidy or other Government aid.

Unlike the domestic local service carriers, Caribair is heavily exposed to the burdens imposed on international travel—including the burden of Federal inspection and all that it entails. Yet the heaviest part of this burden falls on Caribair in operations that are not international—not foreign—operations between the U.S. Virgin Islands and Puerto Rico, a U.S. citizen market accounting for over 60 percent of Caribair's traffic. And the major overtime cost paid by Caribair, for services at San Juan, relate to operations in this market.

Entirely apart from "overtime" charges, Caribair already assumes a heavy burden of cost related to Federal inspection services. Federal law requires airport operators to supply space for Federal inspection services; the airport operator at San Juan passes the cost of this space on to the airlines—and Caribair pays about $30,000 yearly as its share of the cost of space.

The anomaly of the "overtime" charge, of course, is that the San Juan airport, and air traffic to and from it, is a 24-hour-a-day operation, 365 days a year. What the airlines at San Juan pay for is not unusual or unscheduled "overtime," but time spent in servicing normal airline schedules. The greater anomaly is that the inspection activities generate revenues for the United States against which the cost of inspection should be a charge.

In supporting repeal of overtime charges we wish, at the same time, to express our appreciation for the special customs privileges afforded by Congress to the Virgin Islands—special privileges which have greatly contributed to the eco-

nomic growth of the Virgin Islands as well as to the growth of Caribair. We are compelled, however, to seek every opportunity to minimize our handling costs—costs which, on a per passenger basis are necessarily extremely high because of our short haul operation—in order to maintain our fares at a sufficiently low level that Caribbean vacationers will still be attracted to the Virgin Islands shopping opportunities. As we go into more expensive equipment and heavier investment, the cost pressures will be the more severe. We doubt that there is another carrier in the world going into jet equipment to serve markets with an average aircraft hop of only 76 miles—or anything close to it.

The help of the Congress in repealing the overtime law will contribute to our ability to reduce costs, introduce the most modern equipment despite our short hop, and continue the effort to develop the economies of Puerto Rico and the U.S. Virgin Islands.

AIRPORT OPERATORS COUNCIL, INC.,
Washington, D.C., February 21, 1966.

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

DEAR MR. CHAIRMAN: The Airport Operators Council, a nonprofit association comprised of the local public organizations and agencies which own or operate the principal airports of the 50 States and Puerto Rico, wishes to add its voice to that of other segments of the aviation industry in support of S. 1596.

This bill, to promote the domestic and foreign commerce of the United States by modernizing the practices of the Federal Government relating to the inspection of persons, merchandise, and conveyances moving into, through, and out of the United States, and for other purposes, would change the outmoded laws of an earlier day which impose Federal inspection costs upon a few for necessary services which benefit the Nation. It seems so obvious that this should be a normal and necessary expenditure of the Federal Government, financed through customs collections and general tax revenues of the Nation and not through reimbursement from airline and transient aircraft, that it is hard to understand why the present system has been tolerated so long.

In order to clarify the intent of the bill we do wish, however, to bring one proposed change to the attention of the committee. The term "airports of entry" as found on page 1, line 6 of the bill has a very technical and limited meaning under the customs regulations. It should be amended so that most U.S. airports would be included within the scope of the legislation. We suggest that "points of entry" could replace "ports and airports of entry" to accomplish this purpose.

Many of the major domestic airports are not designated as official "airports of entry" and might unintentionally be excluded from the benefits of the legislation unless the above language of the bill is amended or the legislative history clearly indicates the nontechnical use of the term.

We appreciate the opportunity to comment on the long-needed legislation and hope that the committee will agree to report out the bill in the near future.

Sincerely yours,

E. THOS. BURNARD,
Executive Vice President.

STATEMENT OF SENATOR PHILIP A. HART

Being residents of a border State, Michigan citizens have had their full share of the frustrations and the expense caused by present unreasonable fees charged those entering the United States by air or vessel on weekends and holidays and after 5 p.m.

A great many letters and wires have come to me, giving concrete examples. Let me cite four:

"On return, we must necessarily place a long distance call to Customs at the Blue Water Bridge an hour prior to arrival. The U.S. Customs will not acknowledge a radio call from the air. Upon arrival at St. Clair County Airport, outside Port Huron, the customs man will charge generally $6 to $16 depending upon the day and time. If the airport is served by an immigration official there

is no charge. Paradoxically, our Customs and Immigration Departments do not agree on whether or not a charge is warranted."

"Monsignor Bogg, pastor of St. Mary's, Muskegon, and I had a very bitter experience with the present procedures in June 1964. Our difficulties came from the fact that overtime charges for customs services are now made if these services are rendered outside regular working hours, or on Saturday and Sunday. Monsignor and I attended the ordination of one of the young men of his parish, in London, Ontario. This was on a Saturday morning. We had to be back for Mass at our respective parishes on Sunday. We found that the customs service charges at the airports of entry from Detroit to Muskegon ranged from $64 to about $85. The agent's mileage and seniority even came in for compensation. We investigated as to whether we could reduce this expense by flying way out of our way to Buffalo, with the intention then of overflying Ontario. The same rates held for Buffalo and Cleveland. I do not know how such a procedure, which puts such a heavy burden on a few, ever came into existence, but I do hope that it will now be corrected."

"As a private pilot and owner of a small single engine Cessna, I have had occasion to make many flights to and from Canada at various entry points, and have been charged as much as $13 at Buffalo, N.Y., on a Sunday, and as little as nothing at St. Clair County in Port Huron, Mich. I was told in Buffalo that part of my $13 would be refunded if any more airplanes landed from Canada, but no money was returned to me, so I assume that American Airlines and I paid the customs fee together that day.

"The fees and policies on weekends seem to depend on what agency is on duty that weekend, and the fees change and are not predictable. When one compares this situation with what occurs with cars, boats, etc., it seems that there is discrimination against aircraft owners."

"This will probably duplicate what you already know very well from Mrs. Hart's flying experience.

"Nevertheless, as an airplane owner and private pilot, I am one of hundreds of Michigan citizens interested in favorable Senate action on S. 1596, which would eliminate overtime charges for customs inspections.

"As you probably know, a pilot returning from Canada, or any other foreign country, to the United States on a Sunday or holiday is presently required to pay a substantial premium for the required customs inspection upon landing at an airport of entry in the United States. This charge, I believe, is computed on the basis of 1 day's pay at double time for the customs inspector, even though the inspection itself may require as little as 10 or 15 minutes. If only one such private aircraft requires inspection on a Sunday or holiday at a given airport of entry, the pilot of that aircraft must, himself pay the full double time salary of the inspector for the entire day. In any case, the first pilot to be so inspected pays the full rate. If there are subsequent flights that also require inspection that day at the same airport, then the inspector's double time pay for the day is prorated among the pilots who use the service.

"Since the first pilot through on a holiday pays the full fee, there is the added administrative problem of refunding his pro rata share of the cost when other pilots use the customs inspection service later the same day at the same airport.

"Suffice it to say that with Michigan's proximity to Canada, Michigan pilots feel they are victims of discrimination in that they must pay a sometimes costly fee for a customs inspection while their friends traveling between Canada and the United States by automobile get the same service without charge."

There is, in short, unanimous support for S. 1596 among the very considerable number of Michigan people who have been in touch with me—and that includes Mrs. Hart. As a sponsor of similar legislation in the past, I welcome the leaderhsip of the subcommittee chairman in giving us an opportunity to correct this inequity.

STATEMENT BY LEO MCKAY, EXECUTIVE SECRETARY, ON THE POSITION OF THE UNITED STATES GREAT LAKES SHIPPING ASSOCIATION ON S. 1596

1. United States Great Lakes Shipping Association is a trade association composed of 29 regularly scheduled steamship lines serving U.S. Great Lakes ports and trading to all parts of the world. Roster attached.

2. The membership of this association are most emphatically favoring passage of S. 1596 in order to alleviate a most onerous situation which has, in the past, been a source of excessive expense to vessels trading to U.S. ports, and is one of

the factors in rate making which tend to keep cost of ocean transportation rising.

3. The United States Great Lakes Shipping Association represents a portion only of the amounts spent by ocean carriers for U.S. inspection services overtime, as per schedules attached.

4. At no other world port is overtime assessed in the magnitude of that reflected in the figures attached.

5. Our membership feels that such port charges have a profound effect on the consideration of establishment of new liner services and of the rate ideas of owners when offering tramp vessels for trading on U.S. ports.

6. We, therefore, respectfully request prompt passage into law of S. 1596.

U.S. GREAT LAKES SHIPPING ASSOCIATION MEMBERS

American Export Isbrandsten Lines
Atlanttrafik Expres Service
Black Star Line
Bristol City Line
Concordia Line
Eurolakes Tanker Line
Fabre Line
Fjell & Fjord Lines
Fjell/Oranje Lines
French Line
Great Lakes Transcaribbean Line
Hapag/Lloyd Great Lakes Service
Hamburg Chicago Line
Head Line
"K" Line
Manchester Lines, Ltd.
Mitsui O.S.K. Lines, Ltd.
Montship-Capo Lines
Nedlloyd Lines, Inc.
Niagara Line
N.Y.K. Line
Orient Mid-East Line
Poseidon Lines
Scindia Line
Swedish American Line
Swedish Chicago Line
Waterman Steampship Corp.
Westwind Africa Line
Zim Lines

Schedule of U.S. inspection agency overtime payments made during 1965 by member lines

1. Number of port calls	1,040
2. Amount paid to U.S. Customs	$73,664.08
3. Amount paid to U.S. Immigration	8,647.03
4. Amount paid to U.S. Public Health	1,400.10
5. Amount paid to U.S. Plant Quarantine	1,263.70
6. Total to all inspection agencies	84,974.81

NOTES

(A) Port calls is a call of a vessel at a port. The figure in "1" above reflects the total number of ports of call made by member lines, and is not a reflection of the number of vessels involved.

(B) U.S. ports involved are: Chicago, Ill., Milwaukee, Wis., Green Bay, Wis., Kenosha, Wis., Muskegon, Mich., Port Huron, Mich., Bay City, Mich., Saginaw, Mich., Detroit, Mich., Toledo, Ohio, Lorain, Ohio, Cleveland, Ohio, Erie, Pa., Ogdensbury, N.Y., Buffalo, N.Y., Oswego, N.Y., Duluth, Minn.

(C) Source of information—vessels disbursement accounts maintained in agent's offices. Work sheets at office of USGLSA.

NATIONAL PILOTS ASSOCIATION,
Washington, D.C., February 9, 1966.

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

DEAR SENATOR MAGNUSON: The National Pilots Association is interested in having its view known concerning S. 1596 on customs charges. We would appreciate it, therefore, if the attached statement by the National Pilots Association would be placed on the record of hearing on this proposed legislation.

Yours very truly,

DAVID H. SCOTT,
Executive Vice President.

STATEMENT OF THE NATIONAL PILOTS ASSOCIATION

The National Pilots Association wishes to give its complete support to the enactment of Senate bill S. 1596 covering customs overtime charges.

It seems repetitious for us to restate the many reasons already given to your committee to support this legislation, particularly as it applies to private aircraft operation when entering the United States on holidays and weekends. Although the membership of the National Pilots Association is relatively small (approximately 5,000), a great many of them are serious cross-country pilots who have occasion to return to the United States at other than the usual Monday through Friday working hours. The financial penalty on these members can be considerable. As an example, an NPA member was charged $73 on January 30, 1966, at Key West Fla., when arriving there at 4 p.m. after a flight from Merida, Mexico. There were two persons aboard this aircraft.

We have many other examples in our files of similar incidents going back over a number of years. Not recorded are cases where flights were deliberately delayed or even canceled because of the known penalty of having to pay an undetermined amount for customs overtime.

The National Pilots Association therefore endorses S. 1596 without qualification.

ASSOCIATION OF OIL PIPE LINES,
Washington, D.C., February 8, 1966.

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

DEAR CHAIRMAN MAGNUSON: Reference is made to the hearings commencing today before the Senate Committee on Commerce on S. 1596, introduced by Senator Monroney, which provides, in effect, that any inspection service required to be performed by any agency of the U.S. Government at ports of entry, as a result of the operation of aircraft, railroad trains, motor vehicles, pipelines, or vessels, shall be performed without reimbursement from owners or operators thereof, whenever such operations are conducted in accordance with such notices as schedules or tariffs.

The Association of Oil Pipe Lines, which is composed of substantially all of the interstate, common carrier, petroleum pipelines in the United States, strongly supports S. 1596 and urges its early approval by the committee and enactment by the Congress.

It is respectfully requested that this letter be made a part of the record of the hearings on S. 1596.

Sincerely,

J. D. DURAND.

THE MARITIME ASSOCIATION,
OF THE PORT OF NEW YORK,
New York, N.Y., February 8, 1966.

In re S. 1596—Inspection of persons, merchandise, and conveyances moving into, through, and out of the United States.

Senator WARREN MAGNUSON,
Chairman, Senate Commerce Committee,
Senate Office Building, Washington, D.C.

DEAR SENATOR MAGNUSON: On behalf of the shipping interests serving the port of New York, the Maritime Association of the port of New York respectfully urges favorable consideration of S. 1596 which is currently receiving the attention of the Senate Commerce Committee.

At the present time in the interest of promoting the trade of the United States, various necessary inspectional services such as customs, immigration, and quarantine service are available to the transportation interests serving the Nation on a 24-hour-day basis. With some few exceptions, however, when these services are performed outside of regular working hours, they are performed on a privately reimbursable basis. In other words, the operators are required to pay for these inspectional services performed by and for the Government. The rate of pay required is on a premium overtime basis.

S. 1596 would require the Government to pay their own agents the overtime when the transportation operations are conducted on notice such as, but not limited to schedules, timetables, tariffs, or flight plans.

We respectfully submit that Senator Monroney's bill, S. 1596, would place the burden of payment where it belongs. Twenty-four-hour-per-day movement of ships, planes, trains, trucks, and buses is clearly in the best interests of the commerce of the United States. The inspectional services performed by the Government are solely for the benefit of the Government, either to protect public health, to collect custom duties, or to preserve the immigration laws.

It is self-evident that inasmuch as these services are solely in the interests of the Government and the public at large, the Government and not the private transportation interests should pay for the services of the Government inspectors.

We urge enactment of S. 1596, and request that this letter be incorporated in the record of the present proceedings of your committee.

Respectfully submitted.

WILLIAM F. GIESEN,
General Manager and Counsel.

AFL–CIO MARITIME COMMITTEE,
Washington, D.C., February 16, 1966.

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

DEAR SENATOR MAGNUSON: Earlier this month your committee held hearings on S. 1596, proposed legislation to require the Government to assume the cost of overtime cost when customs inspections and quarantine services are performed outside of the regular work hours.

Currently this service is performed without cost to the Government because it is performed for the convenience of the person requesting the service.

We are opposed to the enactment of S. 1596 for the following reasons:

1. It would limit the service because, in our opinion, the Government, in an effort to hold expenditures down, would not provide for the degree of overtime inspection and quarantine service necessary to meet the needs of the merchant marine.

2. It would, in effect, extend a subsidy to the foreign airlines and steamship companies.

3. It would invite an overall usury tax to cover all such services performed by the Government.

4. It was the operators in the first instance, for their convenience, that requested and later received at their expense the performance of the service during overtime hours.

Respectfully,

HOYT S. HADDOCK, *Executive Secretary.*

COMMITTEE OF AMERICAN STEAMSHIP LINES,
Washington, D.C., February 2, 1966.

Senator WARREN G. MAGNUSON,
Chairman, Senate Commerce Committee,
Washington, D.C.

DEAR MR. CHAIRMAN: According to a press release dated January 24, 1966, the Senate Commerce Committee will be holding hearings on S. 1596 on February 9 and 10.

The bill would require the Government to furnish certain inspection services on a businesslike basis to meet the needs of present-day commerce.

In a letter to you dated August 2, 1965, I expressed endorsement of the objective of S. 1596 on behalf of the Committee of American Steamship Lines.

The Committee of American Steamship Lines reiterates its support for enactment of S. 1596 and requests that its letter of August 2, 1965, be made a part of the record on this bill. A copy of such letter is enclosed.

Sincerely,

RALPH K. JAMES,
Rear Admiral, U.S. Navy (Retired),
Executive Director.

AUGUST 2, 1965.

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

DEAR SENATOR MAGNUSON: The Committee of American Steamship Lines has studied with interest a bill, S. 1596, introduced by Senator Monroney, which has been referred to the Senate Commerce Committee.

The CASL companies endorse the objective of S. 1596 and believe that it would be beneficial to the foreign commerce of the United States. In considering this legislation, we suggest that you committee review the impact of the elimination of overtime pay upon customs inspectors and also seek to insure that there is no reduction in the availability of inspection services required for the efficient movement of goods and vessels.

Sincerely,

RALPH K. JAMES,
Rear Admiral U.S. Navy (Retired),
Executive Director.

AMERICAN MERCHANT MARINE INSTITUTE, INC.,
Washington, D.C., February 14, 1966.

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

MY DEAR MR. CHAIRMAN: On February 9 and 10 your committee held public hearings on S. 1596, a bill which would require the Government to perform overtime inspection and quarantine services without reimbursement.

Unfortunately the American Merchant Marine Institute which, as you know, is the largest of the steamship associations representing American-flag operators, was unable to present oral testimony during the course of the aforementioned hearings. We are, however, extremely concerned with the legislation.

We hardly need stress to you or your colleagues on the committee the essentiality of the U.S. transportation industry, of which we are a part, having available to it those inspectional services required by the Government on a round-the-clock, 365-day-a-year basis. Modern commerce and up-to-date international business make the availability of these services completely essential Under no circumstances, therefore, do we believe any contemplation is being given to the lessening of these Federal services to the transportation industry.

Nevertheless, our institute has had a longstanding, and I believe you will agree, highly rational position that those services required by the Federal Government such as customs and quarantine, among others, to protect the public health and well-being should be paid for by the Public Treasury rather than the operators of the facilities requiring those inspections. This is certainly accepted as fundamental by the Federal Government itself, except that it, so far as our industry is concerned, assumes this burden only during the so-called normal working hours of a normal working day. Thus, the issue, as embodied in S. 1596, concerns itself with not the obligation of the Federal Government to perform this service but at what hour of the day it ceases to be a Federal responsibility and becomes the responsibility of the private operator of the transportation facility. As a principle, we can see no reason for making this determination on the basis of the clock. We therefore agree in principle with that which is intended to be accomplished under the bill you have just heard.

In our judgment, the Government has a choice of two very real alternatives in order to establish a system which will be equitable and just to all concerned. It can assume the overtime burden presently thrown upon private carriers, or each agency can establish tours of duty with normal premium pay so that the service is consistently available but with pay structures different from their present levels. The choice is for administrative determination, and is one on which we express no real conviction.

However, as to the basic issue, we wish to reiterate our belief that services performed in the public interest should be paid for from the public treasury.

Very truly yours,

ALVIN SHAPIRO.

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