Mrs. Elizabeth E. Heffelfinger, of Minnesota.

Asa T. Spaulding, of North Carolina.

To be alternate representatives of the United States of America to the ninth session of the General Conference of the United Nations Educational, Scientific, and Cultural Organization

Herold Christian Hunt, of Massachusetts.

Robert McClintock, of California.

DEPARTMENT OF STATE

William M. Rountree, of Maryland, to be an Assistant Secretary of State.

DIPLOMATIC AND FOREIGN SERVICE

Henry A. Byroade, of Indiana, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Union of South Africa.

George V. Allen, of North Carolina, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Greece.

Edward T. Wailes, of the District of Columbia, to be Envoy Extraordinary and Minister Plenipotentiary of the United States of America to Hungary.

MISSISSIPPI RIVER COMMISSION

To be members of the Mississippi River Commission

Brig. Gen. Lyle E. Seeman (colonel, Corps of Engineers).

Rear Adm. H. Arnold Karo (Director of the Coast and Geodetic Survey).

POSTMASTERS

GEORGIA

Thomas E. Sikes, Columbus.
Reita A. Williamson, Flintstone.

ILLINOIS

Eric R. Kylen, Hinsdale.
Wilbur M. Abel, Lowpoint.
Stanley J. Fisher, Macomb.
Wilburn R. Spencer, Murrayville.
Harry W. King, Sycamore.
Oliva S. Bradford, Table Grove.
Virden L. Peach, Walnut.

INDIANA

Donald F. Clark, Hammond.
Delbert E. Cantrall, Red Key.

IOWA

Edward J. Wesselink, Pella.
Melvin Hartvig Albertson, Ridgeway.

KENTUCKY

Miles M. Davis, Paris.

MARYLAND

Emory F. Holbrook, Conowingo.
Maurice Anderson Spalding, Gaithersburg.
Edward C. Kaighn, Greenbelt.
Margaret F. Williams, Worton.

MICHIGAN

Walter B. Steele, Muskegon.

MINNESOTA

Floy A. McCoy, Monticello.
Sigurd A. Bertelsen, St. Paul.

MISSISSIPPI

Reece L. Cupit, Columbia.
Euree J. Grantham, Mendenhall.

MISSOURI

Leona B. Tirmenstein, Benton.
Rebecca J. Jackson, Dearborn.
Eugene H. Terry, Exeter.
Warren J. Thomas, Marble Hill.
Fred W. Torwegge, Jr., Potosi.
Charles I. Snodgrass, Tuscumbia.

MONTANA

John K. Pendergraft, Corvallis.

NEW MEXICO

Chester E. Haley, Chama.

NEW YORK

Margurette E. Stark, Altona.
Christopher Raymond Cole, Jr., Croton Falls.
Donald J. Clark, Earlville.
Herman R. Sievert, Fort Hunter.
Ruth Clark, Fort Johnson.
Herman E. Story, Freehold.
Louis G. B. Stebbins, Glens Falls.
James Gordon Thomson, Huntington.
Fred H. Woolschlager, Lowville.
Gus J. Cutrone, Marlboro.
Philip S. Levy, Newburgh.
William E. Way, Peconic.
Donald E. Anderson, Saranac Inn.
Paul W. Brown, Sloansville.
Edward P. Humbert, Spring Valley.
Walter R. Ulmer, Treadwell.
Arthur T. Judge, Troy.

NORTH CAROLINA

Richard E. Gordon, Tabor City.
Eleanor E. Vise, Burlington.
Dennis F. Evert, Edgeley.
Roland G. Swen, Gilby.
Edith M. Lyle, Havana.
Elmer O. Severson, Fessenden.
Edward Barth, Fort Yates.
Ira V. Martin, Hettinger.
Clyde E. Ellison, Leonard.
Harold D. Walland, Rugby.
Alfred G. Lettenmaier, Sanborn.
Ardell C. Bakko, Walcott.
Robert G. Brown, Wimbledon.

OHIO

Voldo P. Smith, Cygnet.

OKLAHOMA

William N. Hamm, Covington.
Kendall E. Campbell, Hunter.

OREGON

Leonard M. Bizon, Hubbard.
John P. Ivers, Oceanlake.
George H. Carl, Oswego.

PENNSYLVANIA

Robert S. McGaughey, Luthersburg.

TENNESSEE

Charles Frank Heaton, Roan Mountain.

TEXAS

Loren A. Turner, Burleson.
David L. Clabaugh, Carthage.
James D. South, Clyde.
Arthur E. Tarver (Mrs.), Cotulla.
Elias F. Crim, Jr., Henderson.
Melvin J. Nagel, Mathis.
Christine E. Upchurch, Midkiff.
Faye H. Traylor, New Waverly.
Albert B. Russell, Reklaw.
Jean F. Walker, Sheridan.

VIRGINIA

Virginia C. Foskett, Lynnhaven.

WEST VIRGINIA

Amanda C. Caldwell, Barnabus.
Arnold Grant Porterfield, Bluefield.
Elber O. Drake, Boomer.
Edward Russell Peveler, Bradshaw.
Margaret Ann Arnold, Capels.
Dorothy R. Bland, Capon Springs.
William H. Stepp, Chattaroy.
Edna Saxton, Handley.
John H. Wiseman, Hines.
Guy S. Holliday, Layland.
Florence D. Caldwell, Lookout.
Buren R. Hill, Pineville.
Lorraine D. Tennant, Pursglove.
Charles C. Workman, Red House.
Marshall H. Kirk, Red Jacket.
James Denton Dinsmoor, St. Marys.
Joseph A. Bolman, Shinnston.
Edna L. Unger, Unger.
Jack G. Burnett, Whitesville.

WISCONSIN

Robert J. Antes, Evansville.

HOUSE OF REPRESENTATIVES

THURSDAY, JULY 26, 1956

The House met at 10 o'clock a. m.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Most merciful and gracious God, Thou knowest that daily we are challenged by great issues and perplexing problems, but may we always meet them with courage and conviction and a splendor of faith that nothing can dim or eclipse.

Purge us from everything that dwarfs and dulls our capacity for noble service, and may our minds and hearts be impervious to all selfish desires.

Show us how we may build a more blessed social order and may we never be too callous to care, too blind to see, and too indifferent to heed the needs of humanity.

Help us to hasten the coming of that glorious day of prediction, when there shall be peace on earth and good will among men.

Hear us in the name of the Prince of Peace. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H. R. 12237. An act to encourage and assist the States in the establishment of State committees on education beyond the high school, and for other purposes.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 3911. An act to amend the Federal Deposit Insurance Act to provide safeguards against mergers and consolidations of banks which might lessen competition unduly or tend unduly to create a monopoly in the field of banking.

The message also announced that the Senate had passed, with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 11742. An act to extend and amend laws relating to the provision and improvement of housing and the conservation and development of urban communities, and for other purposes.

The message also announced that the Senate insists upon its amendment to the foregoing bill, and requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. FULBRIGHT, Mr. SPARKMAN, Mr. DOUGLAS, Mr. MONRONEY, Mr. CAPEHART, Mr. BRICKER, and Mr. BENNETT to be the conferees on the part of the Senate.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 12350. An act making supplemental appropriations for the fiscal year ending June 30, 1957, and for other purposes.

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

The message also announced that the Senate insists upon its amendments to the foregoing bill, and requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. HAYDEN, Mr. RUSSELL, Mr. CHAVEZ, Mr. ELLENDER, Mr. HILL, Mr. ANDERSON, Mr. BRIDGES, Mr. SALTONSTALL, Mr. YOUNG, and Mr. KNOWLAND to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the amendments of the House to bills and a joint resolution of the Senate of the following titles:

S. 218. An act for the relief of the town of Clayton, N. Mex.;

S. 898. An act to amend the Interstate Commerce Act, with respect to the authority of the Interstate Commerce Commission to regulate the use by motor carriers (under leases, contracts, or other arrangements) of motor vehicles not owned by them, in the furnishing of transportation of property;

S. 985. An act to establish an Alaska International Rail and Highway Commission;

S. 1135. An act to amend the act entitled "An act to establish Civil Air Patrol as a civilian auxiliary of the United States Air Force and to authorize the Secretary of the Air Force to extend aid to Civil Air Patrol in the fulfillment of its objectives, and for other purposes";

S. 1456. An act to amend sections 212, 219 (a), 221 (a), and 410 (a) of the Communications Act of 1934, as amended;

S. 1833. An act to amend the Merchant Marine Act of 1936, as amended.

S. 2060. An act to amend the act of March 3, 1901 (31 Stat. 1449), as amended, to incorporate in the Organic Act of the National Bureau of Standards the authority to use the Working Capital Fund, and to permit certain improvements in fiscal practices;

S. 3195. An act to authorize the Administrator of General Services to convey certain lands in the State of Rhode Island to the town of North Kingstown, R. I.;

S. 3316. An act authorizing the Administrator of General Services to convey certain property which has been declared surplus to the needs of the United States to the city of Roseburg, Oreg.;

S. 3391. An act to provide for the regulation of the interstate transportation of migrant farmworkers;

S. 3879. An act, to supplement the antitrust laws of the United States, in order to balance the power now heavily weighted in favor of automobile manufacturers, by enabling franchise automobile dealers to bring suit in the district courts of the United States to recover compensatory damages sustained by reason of the failure of automobile manufacturers to act in good faith in complying with the terms of franchises or in terminating or not renewing franchises with their dealers; and

S. J. Res. 93. Joint resolution authorizing the acceptance of a gift from the Ericsson Memorial Committee of the United States.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6040) entitled "An act to amend certain administrative provisions of the Tariff Act of 1930 and to repeal obsolete provisions of the customs laws."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 8750) entitled "An act to amend the Watershed Protection and Flood Prevention Act."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 11124) entitled "An act to amend title 28, United States Code, to provide for the payment of annuities to widows and dependent children of judges."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 11544) entitled "An act to improve and simplify the credit facilities available to farmers, to amend the Bankhead-Jones Farm Tenant Act, and for other purposes."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 12138) entitled "An act making supplemental appropriations for the fiscal year ending June 30, 1957, and for other purposes."

The message also announced that the Senate agrees to the amendments of the House to Senate amendments numbered 4, 22, 27, 33, and 36 to the above-entitled bill.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1637) entitled "An act to extend the time limit within which awards of certain military and naval decorations may be made."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill S. 3897) entitled "An act to improve governmental budgeting and accounting methods and procedures and for other purposes."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 3903) entitled "An act to amend the Agricultural Trade Development and Assistance Act of 1954, as amended, so as to increase the amount authorized to be appropriated for purposes of title I of the act, and for other purposes."

ANNUITIES TO WIDOWS AND DEPENDENT CHILDREN OF JUDGES

Mr. CELLER submitted the following conference report and statement on the bill (H. R. 11124) to amend title 28, United States Code, to provide for the payment of annuities to widows and dependent children of judges:

CONFERENCE REPORT (H. REPT. No. 2934)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 11124) to amend title 28, United States Code, to provide for the payment of annuities to widows and dependent children of judges, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "That (a) item 375 in the analysis of chapter 17 of title 28, United States Code, immediately preceding section 371, is amended and a new item 376 is inserted immediately thereunder, to read as follows:

"'375. Annuities to widows of justices.

"'376. Annuities to widows and surviving dependent children of judges.'

"(b) The catchline to section 375 of title 28, United States Code, is amended to read as follows:

"'§ 375. Annuities to widows of justices'.

"SEC. 2. Chapter 17 of title 28, United States Code, is amended by inserting at the end thereof, immediately following section 375, a new section reading as follows:

"'§ 376. Annuities to widows and surviving dependent children of judges.

"'(a) Any judge of the United States may by written election filed with the Director of the Administrative Office of the United States Courts within six months after the date on which he takes office (or within six months after the enactment of this section) bring himself within the purview of this section.

"'(b) There shall be deducted and withheld from the salary of each judge electing to bring himself within the purview of this section a sum equal to 3 per centum of such judge's salary, including salary paid after retirement from regular active service under section 371 (b) or 372 (a) of this title or after retirement from office by resignation on salary under section 371 (a) of this title. The amounts so deducted and withheld from the salary of each such judge shall, in accordance with such procedure as may be prescribed by the Comptroller General of the United States, be deposited in the Treasury of the United States to the credit of a fund to be known as the "judicial survivors annuity fund" and said fund is appropriated for the payment of annuities, refunds and allowances as provided by this section. Every judge who elects to bring himself within the purview of this section shall be deemed thereby to consent and agree to the deductions from his salary as provided in this subsection, and payment less such deductions shall be a full and complete discharge and acquittance of all claims and demands whatsoever for all judicial services rendered by such judge during the period covered by such payment, except the right to the benefits to which he or his survivors shall be entitled under the provisions of this section.

"'(c) Each judge who has elected to bring himself within the purview of this section shall deposit, with interest at 4 per centum per annum to December 31, 1947, and 3 per centum per annum thereafter, compounded on December 31 of each year, to the credit of the judicial survivors annuity fund created by this section a sum equal to 3 per centum of his salary received for service as a judge of the United States (including salary received after retirement from regular active service under section 371 (b) or 372 (a) of this title and salary received after retirement from office by resignation on salary under section 371 (a) of this title), and of his basic salary, pay, or compensation for service as a Senator, Representative, Delegate or Resident Commissioner in Congress and for any other civilian service within the purview of section 707 of title 5. Such interest shall not be required for any period during which the judge was separated from all such service and was not receiving salary under section 371 (a) or 373 of this title. Each judge may elect to make such deposits in installments

during the continuance of his judicial service in such amounts and under such conditions as may be determined in each instance by the Director of the Administrative Office of the United States Courts. Notwithstanding the failure of a judge to make such deposit, credit shall be allowed for the service rendered, but the annuity of the widow of such judge shall be reduced by an amount equal to 10 per centum of the amount of such deposit, computed as of the date of the death of such judge, unless such widow shall elect to eliminate such service entirely from credit under subsection (o) of this section: *Provided*, That no deposit shall be required from a judge for any service rendered prior to August 1, 1920, or for any honorable service in the Army, Navy, Air Force, Marine Corps, or Coast Guard of the United States.

"'(d) The Secretary of the Treasury shall invest from time to time, in interest-bearing securities of the United States or Federal farm loan bonds, such portions of the judicial survivors annuity fund as in his judgment may not be immediately required for the payment of annuities, refunds and allowances as provided in this section. The income derived from such investments shall constitute a part of said fund for the purpose of paying annuities and of carrying out the provisions of subsections (f), (g), (i), and (j) of this section.

"'(e) The amount deposited by or deducted and withheld from the salary of each judge electing to bring himself within the purview of this section for credit to the judicial survivors annuity fund created by this section covering service from and after August 1, 1920, shall be credited to an individual account of such judge.

"'(f) If any judge who has elected to bring himself within the purview of this section resigns from office otherwise than on salary under section 371 (a) of this title, the amount credited to his individual account, together with interest at 4 per centum per annum to December 31, 1947, and 3 per centum per annum, thereafter, compounded on December 31st of each year, to the date of his relinquishment of office, shall be returned to him.

"'(g) In case any judge who has elected to bring himself within the purview of this section shall die while in office (whether in regular active service or retired from such service under section 371 (b) or 372 (a) of this title), or after retirement from office by resignation on salary under section 371 (a) of this title, after having rendered at least five years of civilian service computed as prescribed in subsection (o) of this section, for the last five years of which the salary deductions provided for by subsection (b) of this section or the deposits required by subsection (c) of this section have actually been made—

"'(1) if such judge is survived by a widow but not by a dependent child, there shall be paid to such widow an annuity beginning with the day of the death of the judge or following the widow's attainment of the age of fifty years, whichever is the later, in an amount computed as provided in subsection (n) of this section; or

"'(2) if such judge is survived by a widow and a dependent child or children, there shall be paid to such widow an immediate annuity in an amount computed as provided in subsection (n) of this section, and there shall also be paid to or on behalf of each such child an immediate annuity equal to one-half the amount of the annuity of such widow, but not to exceed $900 per year, divided by the number of such children or $360 per year, whichever is lesser; or

"'(3) if such judge leaves no surviving widow or widower but leaves a surviving dependent child or children, there shall be paid to or on behalf of each such child an immediate annuity equal to the amount of the annuity to which such widow would have been entitled under paragraph (2) of this subsection had she survived, but not to exceed $480 per year.

"'The annuity payable to a widow under this subsection shall be terminable upon her death or remarriage. The annuity payable to a child under this subsection shall be terminable upon (A) his attaining the age of eighteen years, (B) his marriage, or (C) his death, whichever first occurs, except that if such child is incapable of self-support by reason of mental or physical disability his annuity shall be terminable only upon death, marriage, or recovery from such disability. In case of the death of a widow of a judge leaving a dependent child or children of the judge surviving her the annuity of such child or children shall be recomputed and paid as provided in paragraph (3) of this subsection. In any case in which the annuity of a dependent child, under this subsection, is terminated, the annuities of any remaining dependent child or children, based upon the service of the same judge, shall be recomputed and paid as though the child whose annuity was so terminated had not survived such judge.

"'(h) As used in this section—

"'(1) The term "widow" means a surviving wife of an individual, who either (A) shall have been married to such individual for at least two years immediately preceding his death or (B) is the mother of issue by such marriage, and who has not remarried.

"'(2) The term "dependent child" means an unmarried child, including a dependent stepchild or an adopted child, who is under the age of eighteen years or who because of physical or mental disability is incapable of self-support.

"'Questions of dependency and disability arising under this section shall be determined by the Director of the Administrative Office of the United States Courts subject to review only by the Judicial Conference of the United States the decision of which shall be final and conclusive. The Director may order or direct at any time such medical or other examinations as he shall deem necessary to determine the facts relative to the nature and degree of disability of any dependent child who is an annuitant or applicant for annuity under this section, and may suspend or deny any such annuity for failure to submit to any examination.

"'(i) In any case in which (1) a judge who has elected to bring himself within the purview of this section shall die while in office (whether in regular active service or retired from such service under section 371 (b) or 372 (a) of this title), or after retirement from office by resignation on salary under section 371 (a) of this title, before having rendered five years of civilian service computed as prescribed in subsection (o) of this section, or after having rendered five years of such civilian service but without a survivor or survivors entitled to annuity benefits provided by subsection (g) of this section, or (2) the right of all persons entitled to annuity under subsection (g) of this section based on the service of such judge shall terminate before a valid claim therefor shall have been established, the total amount credited to the individual account of such judge, with interest at 4 per centum per annum to December 31, 1947, and 3 per centum per annum, thereafter, compounded on December 31st of each year, to the date of the death of such judge, shall be paid, upon the establishment of a valid claim therefor, to the person or persons surviving at the date title to the payment arises, in the following order of precedence, and such payment shall be a bar to recovery by any other person:

"'First, to the beneficiary or beneficiaries whom the judge may have designated by a writing received by the Administrative Office of the United States Courts prior to his death;

"'Second, if there be no such beneficiary, to the widow of such judge;

"'Third, if none of the above, to the child or children of such judge and the descendants of any deceased children by representation;

"'Fourth, if none of the above, to the parents of such judge or the survivor of them;

"'Fifth, if none of the above, to the duly appointed executor or administrator of the estate of such judge;

"'Sixth, if none of the above, to such other next of kin of such judge as may be determined by the Director of the Administrative Office of the United States Courts to be entitled under the laws of the domicile of such judge at the time of his death.

"'Determination as to the widow or child of a judge for the purposes of this subsection shall be made by the Director of the Administrative Office of the United States Courts without regard to the definition of these terms stated in subsection (h) of this section.

"'(j) In any case in which the annuities of all persons entitled to annuity based upon the service of a judge shall terminate before the aggregate amount of annuity paid equals the total amount credited to the individual account of such judge, with interest at 4 per centum per annum to December 31, 1947, and 3 per centum per annum thereafter, compounded on December 31st of each year, to the date of the death of such judge, the difference shall be paid, upon establishment of a valid claim therefor, in the order of precedence prescribed in subsection (i) of this section.

"'(k) Any accrued annuity remaining unpaid upon the termination (other than by death) of the annuity of any person based upon the service of a judge shall be paid to such person. Any accrued annuity remaining unpaid upon the death of any person receiving annuity based upon the service of a judge shall be paid, upon the establishment of a valid claim therefor, in the following order of precedence:

"'First, to the duly appointed executor or administrator of the estate of such person;

"'Second, if there is no such executor or administrator payment may be made, after the expiration of thirty days from the date of the death of such person, to such individual or individuals as may appear in the judgment of the Director of the Administrative Office of the United States Courts to be legally entitled thereto, and such payment shall be a bar to recovery by any other individual.

"'(l) Where any payment under this section is to be made to a minor, or to a person mentally incompetent or under other legal disability adjudged by a court of competent jurisdiction, such payment may be made to the person who is constituted guardian or other fiduciary by the law of the State of residence of such claimant or is otherwise legally vested with the care of the claimant or his estate. Where no guardian or other fiduciary of the person under legal disability has been appointed under the laws of the State of residence of the claimant, the Director of the Administrative Office of the United States Courts shall determine the person who is otherwise legally vested with the care of the claimant or his estate.

"'(m) Annuities granted under the terms of this section shall accrue monthly and shall be due and payable in monthly installments on the first business day of the month following the month or other period for which the annuity shall have accrued. None of the moneys mentioned in this section shall be assignable, either in law or in equity, or subject to execution, levy, attachment, garnishment, or other legal process.

"'(n) The annuity of the widow of a judge who has elected to bring himself within the purview of this section shall be an amount equal to the sum of (1) 1¼ per centum of the average annual salary re-

ceived by such judge for judicial service and any other prior allowable service during the last five years of such service prior to his death, or retirement from office by resignation on salary under section 371 (a) of this title, multiplied by the sum of his years of judicial service, his years of prior allowable service as a Senator, Representative, Delegate, or Resident Commissioner in Congress, his years of prior allowable service performed as a member of the Armed Forces of the United States, and his years, not exceeding fifteen, of prior allowable service performed as an employee described in section 698 (g) of title 5, and (2) ¾ of 1 per centum of such average annual salary multiplied by his years of any other prior allowable service, but such annuity shall not exceed 37½ per centum of such average annual salary and shall be further reduced in accordance with subsection (c) of this section, if applicable.

"'(o) Subject to the provisions of subsection (c) of this section, the years of service of a judge which are allowable as the basis for calculating the amount of the annuity of his widow shall include his years of service as a judge of the United States (whether in regular active service or retired from such service under section 371 (b) or 372 (a) of this title), his years of service as a Senator, Representative, Delegate, or Resident Commissioner in Congress, his years of active service as a member of the Armed Forces of the United States not exceeding five years in the aggregate and not including any such service for which credit is allowed for the purposes of retirement or retired pay under any other provision of law, and his years of any other civilian service within the purview of section 707 of title 5.

"'(p) Nothing contained in this section shall be construed to prevent a widow eligible therefor from simultaneously receiving an annuity under this section and any annuity to which she would otherwise be entitled under any other law without regard to this section, but in computing such other annuity service used in the computation of her annuity under this section shall not be credited.

"'(q) The judges of the District Court for the Territory of Alaska, the United States District Court for the District of the Canal Zone, the District Court of Guam and the District Court of the Virgin Islands and judges of the United States, as defined in section 451 of this title, who are entitled to hold office only for a term of years shall be deemed judges of the United States for the purposes of this section and shall be entitled to bring themselves within the purview of this section by filing an election as provided in subsection (a) of this section within the time therein specified. In the case of such judges the phrase "retirement from office by resignation on salary under section 371 (a) of this title" as used in subsections (b), (c), (g), (i) and (n) of this section shall mean "retirement from office by resignation on salary under section 373 of this title or by removal or failure of reappointment after not less than ten years judicial service", and the phrase "resigns from office otherwise than on salary under section 371 (a) of this title" as used in subsection (f) of this section shall mean "resigns from office otherwise than on salary under section 373 of this title or is removed or fails of reappointment after less than ten years judicial service".'

"SEC. 3. Paragraph (7) of subsection (a) of section 604 of title 28, United States Code, is amended to read as follows:

"'(7) Regulate and pay annuities to widows and surviving dependent children of judges and necessary travel and subsistence expenses incurred by judges, court officers and employees, and officers and employees of the Administrative Office, while absent from their official stations on official business.'

"SEC. 4. The first paragraph of section 605 of title 28, United States Code, is amended to read as follows:

"'The Director, under the supervision of the Judicial Conference of the United States, shall submit to the Bureau of the Budget annual estimates of the expenditures and appropriations necessary for the maintenance and operation of the courts and the Administrative Office and the operation of the judicial survivors annuity fund, and such supplemental and deficiency estimates as may be required from time to time for the same purposes, according to law. The Director shall cause periodic examinations of the judicial survivors annuity fund to be made by an actuary, who may be an actuary employed by another department of the Government temporarily assigned for the purpose, and whose findings and recommendations shall be transmitted by the Director to the Judicial Conference.'

"SEC. 5. Funds necessary to carry out the provisions of this Act may be appropriated out of any money in the Treasury not otherwise appropriated.

"SEC. 6. A judge who resigned prior to the date of enactment of this Act and who on that date is receiving salary under section 371 (a) of title 28, United States Code, or who resigned, was removed or failed of reappointment prior to the date of enactment of this Act and who on that date is receiving salary under section 373 of title 28, United States Code, shall be considered a judge within the meaning of section 376 of title 28, United States Code, as added by section 2 of this Act, and as such shall be entitled within six months after the date of enactment of this Act to make the election authorized by and to receive the benefits of that section. A judge who retired from regular active service under section 260 of the Judicial Code of 1911 or the Act of August 5, 1939, chapter 433, and who is living on the date of enactment of this Act shall be deemed for the purposes of this Act to have retired from regular active service under section 371 (b) or 372 (a), as the case may be, of title 28, United States Code.

"SEC. 7. In the case of a living widow of a judge of the United States as defined in section 451 of title 28, United States Code, who died prior to the date of enactment of this Act, an annuity shall be paid as provided in section 376 of title 28, United States Code, as added by section 2 of this Act, as if such judge had died on such date and had elected to bring himself within the purview of such section 376, but had not made the deposit provided for by subsection (c) of the said section: *Provided*, (a) That such widow has not remarried; and (b) that the amount of such annuity and the reduction therein because of such deposit not having been made shall be computed on the basis of the actual length of judicial and other allowable service of such judge: *And provided further*, That notwithstanding the provisions of subsection (g) of such section 376 such annuity shall be payable even though such judge had not rendered five years of civilian service prior to his death. In the case of a judge of the United States as defined in section 451 of title 28, United States Code, who dies within 6 months after the date of enactment of this Act after having rendered at least 5 years of civilian service computed as prescribed in subsection (o) of section 376 of title 28, United States Code, as added by section 2 of this Act, but without having made an election as provided in such section 376 to bring himself within the purview of that section, an annuity shall be paid to his widow and surviving dependent children as provided in such section 376 as if such judge had elected on the day of his death to bring himself within the purview of such section 376 but had not made the deposit provided for by subsection (c) of the said section. An annuity shall be payable under this section computed on the basis of the actual length of judicial and other allowable service of the judge and subject to the reduction required by subsection (c) of such section 376 even though no deposit has been made, as required by subsection (g) of such section 376, with respect to any of such service."

And the Senate agree to the same.

EMANUEL CELLER,
PETER W. RODINO, Jr.,
BYRON G. ROGERS,
KENNETH B. KEATING,
WILLIAM M. MCCULLOCH,
Managers on the Part of the House.

JAMES O. EASTLAND,
OLIN D. JOHNSTON,
JOSEPH C. O'MAHONEY,
ARTHUR V. WATKINS,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 11124) to amend title 28, United States Code, to provide for the payment of annuities to widows and dependent children of judges, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The Senate passed the House bill but amended it by striking out all after the enacting clause and inserting its own provision as a complete substitute. The House disagreed to the amendment of the Senate and insisted upon its version and requested a conference to which the Senate agreed.

The conference report recommends that the House recede from its disagreement to the Senate amendment and to agree to the same with amendment, the amendment being to insert in lieu of the matter proposed to be inserted by the Senate amendment the matter agreed to by the conference, and the House agree thereto.

In substance the conference report contains the language of the bill as it passed the House except in a few instances. Both the House and Senate versions differed in only five points.

The first point in dispute was the rate of contribution which an eligible judge should make from his salary into the fund. The House version provided for a rate of 1½ percent of such judge's salary, while the Senate version fixed the rate at 3 percent. The conference accepted the Senate version and fixed the rate at 3 percent.

The second point at variance was the length of service required of a judge in order that his widow might qualify for an annuity. The House version provided that the judge should render at least 5 years of civilian service, which service would include service as a member of the legislative, executive, or judicial branch of the Federal Government. The Senate version required that a judge serve 5 years as a judge of the United States as defined in section 451 of title 28, United States Code. The conference adopted a 5-year service provision and further provided that it include civilian service as provided for in the House version. However, such service must be covered either by salary deductions or by deposits covering previous Federal civilian service.

The House version provided that in a case where a judge left no surviving widow or widower but did leave a surviving dependent child or children, the maximum amount that such child or children could receive was $480 per year per child, or a gross maximum of $1,200 per year, divided by the number of such children, whichever was the lesser. The Senate version provided for a maximum of $480 per year for each child. The conference adopted the language of the Senate and fixed the maximum for each child at $480 per year.

The House version provided that if a judge failed to make the required deposit to cover previous allowable Federal service, credit would be allowed for that service but the annuity of the widow of such judge would be reduced by an amount equal to 10 percent of the amount of such deposit, computed as the date of the death of such judge, unless such widow should elect to eliminate such service entirely from credit in calculating the amount of the annuity to be paid. The Senate version contained no such a provision to cover credit for previously rendered service, unless the required deposit was paid into the fund for all previously rendered service. The conference adopted the language of the House bill with regard to this particular provision.

The House version also provided for annuities for living widows of a judge who had died prior to the enactment of this act. The provision further provided that such widow would be eligible regardless of the length of service rendered by the deceased judge. The Senate version contained no such a provision to cover the case of living widows of deceased Federal judges. The conference adopted the language of the House bill and also provided that annuity should be payable regardless of the requirements that a judge either have rendered 5 years of allowable civilian service or to have served less than the 5 years as a judge but to have paid back into the fund the required deposits for previously rendered service. Thus the language adopted by the conference would cover all cases of living widows of Federal judges who died prior to the enactment of the act.

EMANUEL CELLER,
PETER W. RODINO, Jr.,
BYRON G. ROGERS,
KENNETH B. KEATING,
WILLIAM M. MCCULLOCH,
Managers on the Part of the House.

Mr. CELLER. Mr. Speaker, I call up the conference report on the bill (H. R. 11124) to amend title 28, United States Code, to provide for the payment of annuities to widows and dependent children of judges, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. GROSS. Mr. Speaker, reserving the right to object, I should like to ask the gentleman to explain what changes have been made in this bill.

Mr. CELLER. The House bill was practically accepted in its entirety, with one major exception, namely, that the contribution to be made by the judges to the annuity fund for their dependents was increased from the House provision of 1.5 to 3 percent.

Otherwise practically the entire bill was accepted.

Mr. GROSS. I am glad to hear the gentleman say that they are at least paying something toward annuities for their dependents.

Mr. CELLER. Yes; I will say to the gentleman that the 3 percent practically keeps the Government in the black on the matter of the payment of annuities to dependents of the deceased judges.

Mr. GROSS. I appreciate the gentleman's statement.

Mr. Speaker, I withdraw my reservation of objection.

The Clerk read the statement.

The SPEAKER. The question is on the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

JUDITH KAO

Mr. WALTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 5808) for the relief of Judith Kao, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Line 6, after "act", insert ", for a period of 4 years or until such time as she has completed her schooling, whichever occurs sooner."

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

NIKOLAI E. KHOKHLOV

Mr. WALTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 10984) for the relief of Nikolai E. Khokhlov, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Lines 7, 8, and 9, strike out "section 212 (a) (28) of the said act shall be inapplicable in the case of such alien" and insert "his past membership in the classes defined in section 212 (a) (28) of the said act of which the Attorney General has knowledge prior to the date of the enactment of this act shall not hereafter be a cause for his exclusion from the United States."

Mr. WALTER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. WALTER. Mr. Speaker, I am very happy that the other body took expeditious action on this most meritorious measure. The beneficiary of this bill was a high-ranking official in the Soviet Union, and had an important task cut out for him in the international Communist conspiracy. Showing great courage and considerable sacrifice, he came over to our side and provided United States Government agencies with information of tremendous value in our fight against the mortal danger presented by international communism.

Mr. Khokhlov has well deserved asylum in this country. He has been very helpful to committees of the Congress and is continuing extensive activities in enlightening the American people to the danger they face, disclosing the ominous nature of international communism and the foul dealings of Soviet agents in this country and abroad.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

ESTERLEE HUTZLER WEINHOEPPEL

Mr. WALTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 11821) for the relief of Esterlee Hutzler Weinhoeppel, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert "That the act entitled 'An act for the relief of Mrs. Esterlee Hutzler Weinhoeppel,' approved August 24, 1954 (68 Stat. A196), is amended by striking out the following: ': *Provided further*, That failure to establish permanent residence in the United States within a period of 18 months following the enactment of this act shall result in the divestiture of United States citizenship acquired by Mrs. Esterlee Hutzler Weinhoeppel under this act.' "

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

GRANTING STATUS OF PERMANENT RESIDENCE TO CERTAIN ALIENS

Mr. WALTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the concurrent resolution (H. Con. Res. 246) approving the granting of the status of permanent residence to certain aliens, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the concurrent resolution.

The Clerk read the Senate amendments, as follows:

Page 2, strike out line 1.
Page 7, line 9, strike out "Huskel" and insert "Heskel."
Page 27, strike out line 6.
Page 27, strike out line 7.
Page 31, after line 2, insert:
"0300-387762, Foo, You Sung.
"A-6958562, Fong, Wen Chih.
"E-094641, Garcich, John.
"T-359295, Han, Paul.
"A-8057156, Salamon, Anton.
"0300-170339, Shiah, Chyn Duog.
"0300-465873, Swee, Tong.
"A-6542172, Tai, Jun Tsei.
"A-8082020, Yen, Chan Park.
"A-9694637, Yeung, Foo.
"0300-471299, Yook, Leong.
"A-6695455, Tong, William Langson.
"A-9770864, Tong, Ruth."

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

RELIEF OF CERTAIN ALIENS

Mr. WALTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the joint resolution (H. J. Res. 472) for the relief of certain aliens, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the joint resolution.

The Clerk read the Senate amendments, as follows:

Page 1, line 4, strike out "Isak Herstig."

Page 1, line 6, strike out "Solomon Joseph Sadakne."

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

IN BEHALF OF CERTAIN ALIENS

Mr. WALTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the joint resolution (H. J. Res. 617) to waive certain subsections of section 212 (a) of the Immigration and Nationality Act in behalf of certain aliens, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the joint resolution.

The Clerk read the Senate amendments, as follows:

Page 1, line 10, strike out "Olive Markley" and insert "Nelson Rupert Holland."

Page 6, after line 7, insert:

"SEC. 9. Notwithstanding the provision of section 212 (a) (19) of the Immigration and Nationality Act, Aston H. Savage may be issued a visa and admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that act."

Page 6, after line 7, insert:

"SEC. 10. Notwithstanding the provision of section 212 (a) (4) of the Immigration and Nationality Act, Maria LaSala and Gillian Allison Hackler may be issued visas and admitted to the United States for permanent residence if they are found to be otherwise admissible under the provisions of that act: *Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited in each case as prescribed by section 213 of the said act."

Page 6, after line 7, insert:

"SEC. 11. Notwithstanding the provision of section 212 (a) (9) of the Immigration and Nationality Act, Erna Barbara Kreutner may be issued a visa and admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that act: *Provided*, That her marriage to her United States citizen fiancé, S. Sgt. Hubert Griffith, shall occur not later than 6 months following the date of the enactment of this act.

Page 6, line 8, strike out "9" and insert "12."

Page 6, after line 11, insert:

"SEC. 13. In the administration of the Immigration and Nationality Act, Gertrud Kreen, the fiance of Pfc. J. B. Elswick, Jr., a citizen of the United States, shall be eligible for a visa as a nonimmigrant temporary visitor for a period of 3 months: *Provided*, That the administrative authorities find that the said Gertrud Kreen is coming to the United States with a bona fide intention of being married to the said Pfc. J. B. Elswick, Jr., and that she is found otherwise admissible under the provisions of the Immigration and Nationality Act. In the event that the marriage between the above-named persons does not occur within 3 months after the entry of the said Gertrud Kreen, she shall be required to depart from the United States and upon failure to do so shall be deported in accordance with the provisions of sections 242 and 243 of the Immigration and Nationality Act. In the event that the marriage between the above-named persons shall occur within 3 months after the entry of the said Gertrud Kreen, the Attorney General is authorized and directed to record the lawful admission for permanent residence of the said Gertrud Kreen as of the date of the payment by her of the required visa fee."

Page 6, after line 11, insert:

"SEC. 14. For the purposes of the Immigration and Nationality Act, Olive Markley shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee."

Amend the title to read "a joint resolution to waive certain subsections of section 212 (a) of the Immigration and Nationality Act in behalf of certain aliens, and for other purposes."

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

WAIVING CERTAIN PROVISIONS OF IMMIGRATION AND NATIONALITY ACT

Mr. WALTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the joint resolution (H. J. Res. 618) to waive the provision of section 212 (a) (6) of the Immigration and Nationality Act in behalf of certain aliens, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the joint resolution.

The Clerk read the Senate amendments as follows:

Page 1, line 9, strike out "and."

Page 1, line 10, preceding "may" insert ", Kalman Novak."

Page 1, line 10, preceding "may" insert ", and Bojana D. Bojovitch."

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

Mr. GROSS. Reserving the right to object, Mr. Speaker, will the gentleman explain the Senate amendments?

Mr. WALTER. This joint resolution contains the names of a number of wives of servicemen. These women are inadmissible because they have arrested cases of tuberculosis. When the joint resolution went over to the Senate there were two more cases involved in which the facts were the same except they lacked reports, back reports have come from the United States Public Health Service to the effect that the cases of tuberculosis of these two young women are now arrested so that they are eligible for admission under the long-accepted policy of the Congress. One of these amendments was introduced by Senator BENDER and the other by Senator THYE.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

RELIEF OF CERTAIN ALIENS

Mr. WALTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the joint resolution (H. J. Res. 620) for the relief of certain aliens, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the joint resolution.

The Clerk read the Senate amendment as follows:

Page 1, line 4, after "Akilloglou," insert "Ezra Chitayat, Violet Chitayat, Georgette Chitayat, Linda Chitayat."

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

RELIEF OF CERTAIN ALIENS

Mr. WALTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the joint resolution (H. J. Res. 636) for the relief of certain aliens, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the joint resolution.

The Clerk read the Senate amendments as follows:

Page 1, line 6, strike out "Thung" and insert "Tsung."

Page 2, after line 9, insert:

"SEC. 4. For the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Cecelia Therese Lynch, shall be held and considered to be the natural-born alien child of Mr. and Mrs. Donald F. Lynch, citizens of the United States."

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

WAIVING CERTAIN SUBSECTIONS OF IMMIGRATION AND NATIONALITY ACT

Mr. WALTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the joint resolution (H. J. Res. 637) to waive certain subsections of section 212 (a) of the Immigration and Nationality Act in behalf of certain aliens, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the joint resolution.

The Clerk read the Senate amendment as follows:

Page 4, line 18, after "and", insert "her son, John."

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

RELIEF OF CERTAIN ALIENS

Mr. WALTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the joint resolution (H. J. Res. 639) for the relief of certain aliens, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the joint resolution.

The Clerk read the Senate amendment, as follows:

Page 1, line 4, strike out "Jaffa Kam."

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

WAIVING CERTAIN SUBSECTIONS OF THE IMMIGRATION AND NATIONALITY ACT

Mr. WALTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the joint resolution (H. J. Res. 651) to waive certain subsections of section 212 (a) of the Immigration and Nationality Act in behalf of certain aliens, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the joint resolution.

The Clerk read the Senate amendments, as follows:

Page 1, strike out lines 3 to 8, inclusive.

Page 1, strike out line 9 and insert: "That, notwithstanding the provisions of section 212."

Page 2, line 5, strike out "3" and insert "2."

Page 2, line 17, strike out "4" and insert "3."

Page 3, strike out lines 16 to 20, inclusive, and insert:

"SEC. 4. Notwithstanding the provision of section 212 (a) (9) of the Immigration and Nationality Act, Marianne Koch Everson, Frieda Painter-Luenenschloss, and Maja Veara may be issued visas and admitted to the United States for permanent residence if they are found to be otherwise admissible under the provisions of that act."

Page 3, line 21, strike out "6" and insert "5."

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

RELIEF OF RELATIVES OF UNITED STATES CITIZENS

Mr. WALTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the joint resolution (H. J. Res. 662) for the relief of certain relatives of United States citizens, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the joint resolution.

The Clerk read the Senate amendments, as follows:

Page 2, line 2, after "act:" insert *"And provided further,* That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this act."

Page 2, line 7, after "Hsieh", insert "Mario Infantino."

Page 2, line 8, after "Medic", insert "Yeup Yeon Micuch."

Page 2, line 9, after "Ordonez," insert "Hedwig M. Perrine."

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

WAIVING CERTAIN PROVISIONS OF THE IMMIGRATION AND NATIONALITY ACT

Mr. WALTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the joint resolution (H. J. Res. 680) to waive certain provisions of section 212 (a) of the Immigration and Nationality Act in behalf of certain aliens, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the joint resolution.

The Clerk read the Senate amendments, as follows:

Page 1, strike out all after line 2 over to and including line 8 on page 2 and insert "That, notwithstanding the provision of section 212 (a) (1) of the Immigration and Nationality Act, Maria Di Benedetto and Eida Mondillo may be issued visas and admitted to the United States for permanent residence if they are found to be otherwise admissible under the provisions of that act: *Provided,* That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited in each case as prescribed by section 213 of the said act."

Page 2, line 9, strike out "3" and insert "2."

Page 2, line 10, after "(9)" insert "and (12)."

Page 3, line 6, strike out "4" and insert "3."

Page, 3, line 18, strike out "5" and insert "4."

Page 3, line 20, strike out "Mrs. Anneliese Martin (nee Fesslmayer)."

Page 4, line 2, strike out "Dickerson" and insert "Dickson."

Page 4, line 5, strike out "6" and insert "5."

Page 5, line 3, strike out "7" and insert "6."

Page 5, line 9, strike out "8" and insert "7."

Page 5, line 14, strike out "9" and insert "8."

Page 5, line 20, strike out "10" and insert "9."

Page 6, line 1, strike out "11" and insert "10."

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

WAIVING PROVISION OF IMMIGRATION AND NATIONALITY ACT

Mr. WALTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the joint resolution (H. J. Res. 681) to waive the provision of section 212 (a) (6) of the Immigration and Nationality Act in behalf of certain aliens, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the joint resolution.

The Clerk read the Senate amendments, as follows:

Page 2, line 3, after "act:" insert *"Provided further,* That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this act."

Page 2, line 6, strike out "and."

Page 2, line 7, strike out "Blakeslee." and insert "Blakeslee, and Dr. Lewis de Huszovszky."

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

RELIEF OF CERTAIN ALIENS

Mr. WALTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the joint resolution (H. J. Res. 683) for the relief of certain aliens, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the joint resolution.

The Clerk read the Senate amendments, as follows:

Page 2, line 13, strike out "Spiridon" and insert "Spyridon."

Page 4, line 5, strike out "Pender and Mrs. Pender, citizens" and insert "Pender, a citizen."

Page 5, line 3, strike out "Panorea" and insert "Panoraea."

Page 6, after line 20, insert:

"SEC. 27. For the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Yumi Mense, shall be held and considered to be the natural-born alien child of Mr. Alfred L. Mense, a citizen of the United States."

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

INCORPORATING BOYS' CLUBS OF AMERICA

Mr. CELLER. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (S. 4184) to incorporate the Boys' Clubs of America.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the following persons: Herbert Hoover, New York, N. Y.; William E. Hall, New York, N. Y.; Albert L. Cole, Pleasantville, N. Y.; James A. Farley, New York, N. Y.; Albert C. Wedemeyer, New York, N. Y.; Matthew Woll, New York, N. Y.; Jeremiah Milbank, New York, N. Y.; Stanley Resor, New York, N. Y.; James B. Carey, Washington, D. C.; J. Edgar Hoover, Washington, D. C.; Lewis L. Strauss, Washington, D. C.; Gen. Robert E. Wood, Chicago, Ill.; Frederic Cameron Church, Boston, Mass.; H. Bruce Palmer, Newark, N. J.; Edgar A. Guest, Detroit, Mich.; Nicholas H. Noyes, Indianapolis, Ind.; George A. Scott, San Diego, Calif.; E. E. Fogleson, Dallas, Tex.; Ernest Ingold, San Francisco, Calif.; Jesse Draper, Atlanta, Ga.; Julius Epstein, Chicago, Ill., and their successors, are hereby created and declared to be a body corporate of the District of Columbia, where its legal domicile shall be, by the name of the Boys' Clubs of America (hereinafter referred to as the corporation) and by such name shall be known and have perpetual succession and the powers, limitations, and restrictions herein contained.

COMPLETION OF ORGANIZATION

SEC. 2. A majority of the persons named in the first section of this act are authorized to complete the organization of the corporation by the adoption of a constitution and bylaws, not inconsistent with this act, and the doing of such other acts (including the selection of officers and employees in accordance with such constitution and bylaws) as may be necessary for such purpose.

PURPOSES OF THE CORPORATION

SEC. 3. The purposes of the corporation shall be to promote the health, social, educational, vocational, and character development of boys throughout the United States of America; to receive, invest, and disburse funds and to hold property for the purposes of the corporation.

CORPORATE POWERS

SEC. 4. The corporation shall have power—

(1) to have succession by its corporate name;

(2) to sue and be sued, complain and defend in any court of competent jurisdiction;

(3) to adopt, use, and alter a corporate seal;

(4) to choose such officers, managers, agents, and employees as the business of the corporation may require;

(5) to adopt, amend, and alter a constitution and bylaws, not inconsistent with the laws of the United States or any State in which the corporation is to operate, for the management of its property and the regulation of its affairs;

(6) to contract and be contracted with;

(7) to take by lease, gift, purchase, grant, devise, or bequest from any private corporation, association, partnership, firm or individual and to hold any property, real, personal, or mixed, necessary or convenient for attaining the objects and carrying into effect the purposes of the corporation, subject, however, to applicable provisions of law of any State (A) governing the amount or kind of property which may be held by, or (B) otherwise limiting or controlling the ownership of property by, a corporation operating in such State;

(8) to transfer, convey, lease, sublease, encumber and otherwise alienate real, personal or mixed property; and

(9) to borrow money for the purposes of the corporation, issue bonds therefor, and secure the same by mortgage, deed of trust, pledge, or otherwise, subject in every case to all applicable provisions of Federal and State laws.

PRINCIPAL OFFICE: SCOPE OF ACTIVITIES: DISTRICT OF COLUMBIA AGENT

SEC. 5. (a) The principal office of the corporation shall be located in New York City, N. Y., or in such other place as may be later determined by the board of directors, but the activities of the corporation shall not be confined to that place, but may be conducted throughout the various States, Territories, and possessions of the United States.

(b) The corporation shall have in the District of Columbia at all times a designated agent authorized to accept service of process for the corporation; and notice to or service upon such agent, or mailed to the business address of such agent, shall be deemed notice to or service upon the corporation.

MEMBERSHIP

SEC. 6. (a) Eligibility for membership in the corporation and the rights, privileges, and designation of classes of members shall, except as provided in this act, be determined as the constitution and bylaws of the corporation may provide. Each member of the corporation shall have the right to one vote on each matter submitted to a vote at all meetings of the members of the corporation.

(b) Each organization which is a member of the corporation as provided in the constitution thereof shall be entitled to all the benefits of incorporation under this act, but such benefits shall cease immediately either upon its resignation from the corporation, or in the event that its membership in the corporation is canceled or otherwise terminated by the board of directors, as provided in the constitution of the corporation.

BOARD OF DIRECTORS: COMPOSITION, RESPONSIBILITIES

SEC. 7. (a) Upon the enactment of this act the membership of the initial board of directors of the corporation shall consist of the present members of the board of directors of the Boys' Clubs of America, the corporation described in section 16 of this act, or such of them as may then be living and are qualified members of said board of directors, to wit: Hoyt Ammidon, New York, N. Y.; Wendell W. Anderson, Detroit, Mich.; Sewell L. Avery, Chicago, Ill.; Richard E. Berlin, New York, N. Y.; Arthur T. Burger, Boston, Mass.; Hendry S. M. Burns, New York, N. Y.; John L. Burns, New York, N. Y.; Peter Capra, New York, N. Y.; James B. Carey, Washington, D. C.; Colby M. Chester, New York, N. Y.; Frederic C. Church, Boston, Mass.; Albert L. Cole, Pleasantville, N. Y.; Carle C. Conway, New York, N. Y.; Donald K. David, New York, N. Y.; Morse G. Dial, New York, N. Y.; Robert W. Dowling, New York, N. Y.; Kempton Dunn, New York, N. Y.; Gilbert D. Eaton, Oakland, Calif.; Julius Epstein, Chicago, Ill.; James A. Farley, New York, N. Y.; Horace C. Flanigan, New York, N. Y.; E. E. Fogelson, Dallas, Tex.; Philip G. Geiger, Pawtucket, R. I.; M. Preston Goodfellow, Washington, D. C.; J. Peter Grace, Jr., New York, N. Y.; John S. Griswold, New York, N. Y.; Powell C. Groner, Kansas City, Mo.; Edgar A. Guest, Detroit, Mich.;

William Edwin Hall, New York, N. Y.; Robert B. Heppenstall, Pittsburgh, Pa.; William Edwin Hill, New York, N. Y.; Allan Hoover, New York, N. Y.; Herbert Hoover, New York, N. Y.; J. Edgar Hoover, Washington, D. C.; Arthur Huck, New York, N. Y.; Austin S. Iglehart, New York, N. Y.; Ernest Ingold, San Francisco, Calif.; Edward Ingraham, Bristol, Conn.; Gordon Jeffery, Toledo, Ohio; Frank R. Jelleff, Washington, D. C.; Grant Keehn, New York, N. Y.; James S. Kemper, Chicago, Ill.; Maj. William G. Kiefer, Louisville, Ky.; Philip Le Boutillier, New York, N. Y.; Philip Le Boutillier, Jr., Toledo, Ohio; James A. Linen, New York, N. Y.; John D. Lockton, New York, N. Y.; Fred Loock, Milwaukee, Wis.; David I. McCahill, Pittsburgh, Pa.; Charles P. McCormick, Baltimore, Md.; Everett McCullough, Wichita Falls, Tex.; Ira McGuire, Muncie, Ind.; Charles R. Messier, Newark, N. J.; Jeremiah Milbank, New York, N. Y.; Theodore G. Montague, New York, N. Y.; W. B. Nicholson, Jr., Philadelphia, Pa.; Nicholas H. Noyes, Indianapolis, Ind.; Harry L. Olden, Cincinnati, Ohio; Frank Pace, Jr., New York, N. Y.; August K. Paeschke, Milwaukee, Wis.; H. Bruce Palmer, Newark, N. J.; Richard S. Perkins, New York, N. Y.; Samuel F. Pryor, New York, N. Y.; Stanley Resor, New York, N. Y.; Capt. E. V. Rickenbacker, New York, N. Y.; Victor F. Ridder, New York, N. Y.; Fredric E. Schluter, Trenton, N. J.; George A. Scott, San Diego, Calif.;

Irving J. Scher, Milwaukee, Wis.; Grant G. Simmons, New York, N. Y.; P. C. Spencer, New York, N. Y.; Clifford L. Strang, Tonawanda, N. Y.; Edward K. Straus, New York, N. Y.; Lewis L. Strauss, Washington, D. C.; Kenneth C. Towe, New York, N. Y.; Maxwell M. Upson, New York, N. Y.; Virgil P. Warren, Atlanta, Ga.; Albert C. Wedemeyer, New York, N. Y.; Morgan W. Wheelock, New York, N. Y.; J. Dugald White, New York, N. Y.; Myron A. Wick, Jr., Stamford, Conn.; Alfred G. Wilson, Detroit, Mich.; William S. Wilson, New York, N. Y.; Matthew Woll, New York, N. Y.; Gen. Robert E. Wood, Chicago, Ill.; Gordon J. Wormal, Santa Barbara, Calif.; E. A. Wright, Detroit, Mich.; Paul S. Young, Schenectady, N. Y.; William Ziegler, Jr., New York, N. Y.

(b) Thereafter the board of directors of the corporation shall consist of such number as may be prescribed in the constitution of the corporation, and the members of such board shall be selected in such manner (including the filling of vacancies), and shall serve for such terms, as may be prescribed in the constitution and bylaws of the corporation.

(c) The board of directors shall be the managing body of the corporation and shall have such powers, duties, and responsibilities as may be prescribed in the constitution and bylaws of the corporation.

OFFICERS: ELECTION AND DUTIES OF OFFICERS

SEC. 8. (a) The officers of the corporation shall be a chairman of the board of directors, a president, one or more vice presidents (as may be prescribed in the constitution and bylaws of the corporation), a secretary, and a treasurer, and one or more assistant secretaries and assistant treasurers as may be provided in the constitution and bylaws.

(b) The officers of the corporation shall be elected in such manner and for such terms and with such duties as may be prescribed in the constitution and bylaws of the corporation.

USE OF INCOME: LOANS TO OFFICERS, DIRECTORS, OR EMPLOYEES

SEC. 9. (a) No part of the income or assets of the corporation shall inure to any of its members, directors, or officers as such, or be distributable to any of them during the life of the corporation or upon its dissolution or final liquidation. Nothing in this subsection, however, shall be construed to prevent the payment of compensation to officers of the corporation in amounts approved by the board of directors of the corporation.

(b) The corporation shall not make loans to its officers, directors, or employees. Any director who votes for or assents to the making of a loan or advance to an officer, director, or employee of the corporation, and any officer who participates in the making of

such a loan or advance, shall be jointly and severally liable to the corporation for the amount of such loan until the repayment thereof.

NONPOLITICAL NATURE OF CORPORATION

SEC. 10. The corporation, and its officers and directors as such, shall not contribute to or otherwise support or assist any political party or candidate for public office.

LIABILITY FOR ACTS OF OFFICERS AND AGENTS

SEC. 11. The corporation shall be liable for the acts of its officers and agents when acting within the scope of their authority.

PROHIBITION AGAINST ISSUANCE OF STOCK OR PAYMENT OF DIVIDENDS

SEC. 12. The corporation shall have no power to issue any shares of stock or to declare or pay any dividends.

BOOKS AND RECORDS: INSPECTION

SEC. 13. The corporation shall keep correct and complete books and records of account and shall keep minutes of the proceedings of its members, board of directors, and committees having any authority under the board of directors; and it shall also keep at its principal office a record of the names and addresses of its members entitled to vote. All books and records of the corporation may be inspected by any member entitled to vote, or his agent or attorney, for any proper purpose, at any reasonable time.

AUDIT OF FINANCIAL TRANSACTIONS

SEC. 14. (a) The financial transactions shall be audited annually by an independent certified public accountant in accordance with the principles and procedures applicable to commercial corporate transactions. The audit shall be conducted at the place or places where the accounts of the corporation are normally kept. All books, accounts, financial records, reports, files, and all other papers, things, or property belonging to or in use by the corporation and necessary to facilitate the audit shall be made available to the person or persons conducting the audit; and full facilities for verifying transactions with the balances or securities held by depositories, fiscal agents, and custodians shall be afforded to such person or persons.

(b) A report of such audit shall be made by the corporation to the Congress not later than March 1 of each year. The report shall set forth the scope of the audit and shall include a verification by the person or persons conducting the audit of statements of (1) assets and liabilities, (2) capital and surplus or deficit, (3) surplus or deficit analysis, (4) income and expense, and (5) sources and application of funds. Such report shall not be printed as a public document.

USE OF ASSETS ON DISSOLUTION OR LIQUIDATION

SEC. 15. Upon dissolution or final liquidation of the corporation, after discharge or satisfaction of all outstanding obligations and liabilities, the remaining assets, if any, of the corporation shall be distributed in accordance with the determination of the board of directors of the corporation and in compliance with the constitution and bylaws of the corporation and all Federal and State laws applicable thereto.

TRANSFERS OF ASSETS

SEC. 16. The corporation may acquire the assets of the Boys' Clubs of America, a corporation organized under the laws of the Commonwealth of Massachusetts, upon discharging or satisfactorily providing for the payment and discharge of all of the liability of such corporation and upon complying with all laws of the Commonwealth of Massachusetts applicable thereto.

RESERVATION OF RIGHT TO AMEND OR REPEAL CHARTER

SEC. 17. The right to alter, amend, or repeal this act is expressly reserved.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ARCHAEOLOGICAL INSTITUTE OF AMERICA

Mr. CELLER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill H. R. 9348, entitled "An act to amend the act entitled 'An act incorporating the Archeological Institute of America' to increase the value of real and personal property that such Institute may hold" with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Line 4, strike out "Archeological" and insert "Archaeological."

Amend the title so as to read: "An act to amend the act entitled 'an act incorporating the Archaeological Institute of America' to increase the value of real and personal property that such Institute may hold."

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

TIMBER HEARINGS

Mr. HOFFMAN of Michigan. Mr. Speaker, I ask unanimous consent that I may have until midnight tomorrow night to file additional views in connection with the report on the joint hearings before a special subcommittee on the legislative oversight functions of the Committee on Interior and Insular Affairs of the Senate and the Subcommittee on Public Works and Resources of the Committee on Government Operations of the House of Representatives, and that the additional views be printed with the committee report.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

COLIN STAM AND THE JOINT COMMITTEE ON INTERNAL REVENUE TAXATION

Mr. KEOGH. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. KEOGH. Mr. Speaker, I wish to call the attention of the House to the fact that this year is the 30th anniversary of the organization of the Joint Committee on Internal Revenue Taxation. That committee was organized under the Revenue Act of 1926. During all the years following its organization the staff of that committee has most ably assisted all Members of Congress, as well as the Committee on Ways and Means of the House and the Committee on Finance of the Senate with respect to legislative tax proposals. I am sure that there are many Members of Congress who can vouch for the fine service they have received from that staff. Since July 1, 1938, the committee staff has been headed by Mr. Colin F. Stam, who has at all times given us impartial and valuable technical advice and service on tax problems. Mr. Stam in his capacity as chief of staff of that committee has also assisted both the Ways and Means Committees of the House and the Finance Committee of the Senate in the preparation of tax legislation. The joint committee staff has become an institution and has been recognized both here and abroad as a necessary adjunct of the legislative process. It is with a note of sadness that I have seen recently a tendency on the part of a very few to imply criticism of this great staff. The staff is now accepted by most of us as an inherent part of our legislative system.

Mr. Speaker, I am sure that Members of the House who have received such splendid service from this able staff will resent any effort to belittle its work or to attack its integrity or impartiality. I wish to salute this staff for its fine work and to express the hope that it will continue to operate and perform the same service as it has in the past. Let us do nothing which may have a tendency to weaken the effectiveness of that staff.

PRIVATE CALENDAR

The SPEAKER. The next order of business is the call of the Private Calendar. The Clerk will call the first bill on the calendar.

ELISABETH VON OBERNDORFF

The Clerk called the bill (H. R. 9440) for the relief of Miss Elisabeth von Oberndorff.

Mr. ROBERTS. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

E. B. KAISER CO.

The Clerk called the bill (H. R. 6185) for the relief of the E. B. Kaiser Co.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the E. B. Kaiser Co. of Chicago, Ill., the sum of $40,722.50. The payment of such sum shall be in full settlement of all claims of the said E. B. Kaiser Co. against the United States for compensation for additional work done in connection with the performance of subcontract No. 27–42 under contract No. W559 eng–5949: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violat-

ing the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HAL A. MARCHANT

The Clerk called the bill (S. 1154) for the relief of Hal A. Marchant.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. DORN of New York and Mr. CUNNINGHAM objected, and, under the rule, the bill was recommitted to the Committee on the Judiciary.

DISPOSITION OF CERTAIN LAND AT FORT BELVOIR ACCOTINK DAM SITE MILITARY RESERVATION

The Clerk called the bill (H. R. 9679) to authorize the Secretary of the Army to dispose of a certain parcel of land, a part of Fort Belvoir Accotink Dam site military reservation.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Army is hereby authorized and directed to convey, on behalf of the United States of America, to the Crestwood Construction Corp., a Virginia corporation, for a fair value to be determined by the Secretary, all the right, title, and interest of the United States of America in and to all that certain land situate in Fairfax County, Va., more particularly described as follows:

Beginning at a point in the northerly right-of-way line of the Old Southern Railway (abandoned), said point being the northeasterly corner of parcel B as described in a certain deed from the Southern Railway Co. to the United States of America, dated February 23, 1944, and recorded in deed book 424, at page 411, among the land records of Fairfax County, Va.; thence, along the northeasterly line of said parcel B, south 62 degrees, 49 minutes, 50 seconds east 103 feet to a point in the southerly line of said parcel B; thence, with the southerly line of said parcel B, as follows: South 64 degrees, 20 minutes, 50 seconds west 45.01 feet to a point; thence south 70 degrees, 48 minutes west 724.27 feet to a point; thence south 70 degrees, 30 minutes west 682.10 feet to a point; and thence south 70 degrees 51 minutes west 275.96 feet to a point; thence departing from the southerly line of said parcel B and running through said parcel B, as follows: With the arc of a 1,082.67-foot radius curve to the right, the chord of which bears north 60 degrees, 31 minutes, 49 seconds east 151.70 feet, an arc distance of 151.82 feet to a point; thence north 18 degrees, 9 minutes west 57.02 feet to a point in the northerly line of said parcel B, said point being common to the property of Crestwood Construction Corp. and W. S. Hoge III, and others; thence, with the northerly line of said parcel B, as follows: North 70 degrees, 51 minutes east 785.29 feet to a point; and north 70 degrees, 48 minutes east 721.31 feet to the point and place of beginning, and containing 2.9178 acres of land; and being a part of the same property acquired by the United States of America by the aforesaid deed recorded in deed book 424, at page 411, among the land records of said county: *Provided, however*, That simultaneously with the conveyance of the above described land to Crestwood Construction Corp., the said Crestwood Construction Corp. shall grant unto the United States of America, its successors and assigns, without cost, the following easements over those portions of the said land more particularly described in subparagraphs (a) and (b), as follows:

(a) A temporary easement for a roadway over all that portion of said land to be conveyed to Crestwood Construction Corp., said easement being described as:

Beginning at a point in the southerly right-of-way line of the Old Southern Railway (abandoned), said point being in the southeasterly line of parcel B as described in the aforesaid deed from the Southern Railway Co. to the United States of America, recorded in deed book 424, at page 411, of the land records of Fairfax County, Va., said point being the extreme southwest corner of the above-described land; thence, departing from the southeasterly line of said parcel B, and running along a portion of the northwesterly line of the above-described land, and along the arc of a 1,082.67-foot radius curve to the right, the chord of which bears north 60 degrees 41 minutes 49 seconds east 151.70 feet, an arc distance of 151.82 feet to a point; thence running through the above-described land as follows: Along another arc of said 1,082.67-foot radius curve to the right, the chord of which arc bears north 67 degrees 58 minutes 38 seconds east 123.18 feet, an arc distance of 123.22 feet, to a point of tangency of said curve; then north 71 degrees 14 minutes 6 seconds east 118.55 feet to a point of curvature of a 1,262.81-foot radius curve to the right; thence, along the arc of said curve, the chord of which bears north 77 degrees 16 minutes 56 seconds east 266.07 feet, an arc distance of 266.56 feet to a point in the southeasterly line of the above-described portion of said parcel B; thence, with the said southeasterly line of said parcel B, south 70 degrees 30 minutes west 379.44 feet to a point; and south 70 degrees 51 minutes west 275.96 feet to the point and place of beginning, and being a part of the property directed to be conveyed to the said Crestwood Construction Corp. by this act; said easement being for the following purposes:

A temporary easement for roadway purposes for ingress and egress to the remaining lands of the United States of America lying southwesterly of and contiguous to the property directed to be conveyed to Crestwood Construction Corp. by this act, which easement shall expire and terminate at such time as the land subject thereto shall be dedicated as a public thoroughfare, or as a part of a public thoroughfare by the said Crestwood Construction Corp., its successors and assigns, and accepted for maintenance as a part of the State road system of the Commonwealth of Virginia.

(b) A perpetual easement for a roadway over all that portion of said land to be conveyed to Crestwood Construction Corp., said easement being described as:

Beginning at a point in the northerly right-of-way line of the Old Southern Railway (abandoned) said point being the northwesterly line of parcel B, as described in the aforesaid deed from the Southern Railway Co. to the United States of America recorded in deed book 424, at page 411, of the land records of Fairfax County, Va., said point being common to Crestwood Construction Corp. and W. S. Hoge III, and others, referred to above, and running thence, through said parcel B, north 81 degrees 34 minutes 10 seconds east 281.48 feet to a point in the northwesterly line of said temporary easement described in subparagraph (a) above; thence with the northwesterly line of said temporary easement as follows: with the arc of a 1,262.81-foot radius curve to the left, the chord of which bears south 72 degrees 1 minute 45 seconds west 35 feet, an arc distance of 35 feet to a point of tangency of said curve; thence south 71 degrees 14 minutes 6 seconds west 118.55 feet to a point of curvature of a 1,082.67-foot radius curve to the left; thence with the arc of said curve, the chord of which bears south 67 degrees 58 minutes 38 seconds west 123.18 feet, an arc distance of 123.22 feet to a point; thence departing from the northwesterly line of said temporary easement and running with the southwesterly line of the property directed to be conveyed by this act, north 18 degrees 9 minutes west 57.02 feet to the point and place of beginning, said easement being for the following purpose:

A perpetual easement for a roadway purpose for ingress and egress to the remaining lands of the United States of America lying southwest of and contiguous to the property directed to Crestwood Construction Corp. by this act.

With the following committee amendments:

Page 2, line 19, strike "31 minutes," and insert "41 minutes."

Page 3, line 6, strike the language following the colon and all of lines 7 through 12 and insert in lieu thereof the following language: "Reserving to the United States, however."

Page 4, line 20, strike the semicolon and insert a period.

Page 4, lines 20 and 21, strike "said easement being for the following purposes:" and strike all of lines 22 through 25 and on page 5, strike all of lines 1 through 7.

Page 6, line 11, strike the comma and insert a period.

Page 6, line 11, strike "said easement being for the following purpose:" and all of lines 12 through 16.

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SOUTHWEST RESEARCH INSTITUTE

The Clerk called the bill (H. R. 1140) for the relief of the Southwest Research Institute.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Southwest Research Institute, of San Antonio, Tex., the sum of $8,200.84. Payment of such sum shall be in full settlement of all claims of the Southwest Research Institute against the United States for compensation for certain research work performed by the Institute for which the Institute believed it was to be compensated by the United States under contract H-76 or under an amendment thereto; but for which compensation has been denied by the United States: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 2, lines 3 and 4, strike out the words "in excess of 10 percent thereof."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FRANK R. DAVIS

The Clerk called the bill (S. 1184) for the relief of Frank R. Davis.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. DORN of New York and Mr. FORD objected, and, under the rules, the bill was recommitted to the Committee on the Judiciary.

EGBERT CARLSSON

The Clerk called the bill (S. 3361) for the relief of Egbert Carlsson.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provisions of the act entitled "An act providing for the barring of claims against the United States," approved October 9, 1940 (54 Stat. 1061), the Comptroller General of the United States is authorized and directed to accept and consider any claim filed within 1 year from the date of enactment of this act by Egbert Carlsson, of McPherson, Kans., for compensation for the use by the Department of the Navy, from about November 1, 1943, through March 31, 1945, of certain lands in Lake County, Oreg., as part of an aerial gunnery range.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MIROSLAV SLOVAK

The Clerk called the bill (S. 3363) for the relief of Miroslav Slovak.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. DORN of New York and Mr. DONOHUE objected, and, under the rule, the bill was recommitted to the Committee on Interstate and Foreign Commerce.

LEASE RENEWAL

The Clerk called the bill (S. 4058) to authorize the Secretary of Agriculture to extend and renew to Chicago, Milwaukee, St. Paul & Pacific Railroad Co. for the term of 10 years a lease of a tract of land in the United States Department of Agriculture Range Livestock Experiment Station, in the State of Montana, and for a right-of-way to said tract, for the removal of gravel and ballast material, executed under the authority of the act of Congress approved June 26, 1946.

There being no objection the Clerk read the bill as follows:

Be it enacted, etc., That the Secretary of Agriculture be, and he is hereby, authorized, in his discretion, to extend and renew to Chicago, Milwaukee, St. Paul & Pacific Railroad Co. for a term of 10 years that certain lease to Chicago, Milwaukee, St. Paul & Pacific Railroad Co., bearing date August 16, 1946, of a tract of land in the United States Department of Agriculture Range Livestock Experiment Station, in the State of Montana, containing an approximate area of 241.67 acres, and also a strip of land for a right-of-way to said tract, executed by the Secretary of Agriculture under the authority of the act of Congress approved June 26, 1946, upon the general terms and conditions now contained in said lease but with specific provision that lessee shall pay annually a royalty of 1 cent per cubic yard on all material removed from said tract and shall in addition remove from the tract and deliver in a stockpile annually, free of charge, such quantity of sand and gravel suitable for use upon the walks and roads of the experiment station as would be required by the Government officials in charge of the station, not to exceed 100 carloads per annum; said renewal and extension to inure to the benefit of Chicago, Milwaukee, St. Paul & Pacific Railroad Co.

With the following committee amendment:

Page 2, line 11, following the words "a royalty of", insert "not less than."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MR. AND MRS. RANDALL McMAHON

The Clerk called the bill (H. R. 10898) for the relief of Mr. and Mrs. Randall McMahon.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That if Mr. and Mrs. Randall McMahon, Bonham, Tex., waive their respective rights to receive payments under the Servicemen's Indemnity Act of 1951 (which waiver is hereby authorized) arising out of the death of their son, John Michael McMahon (Veterans' Administration claim No. XC19213917), and repay to the Administrator of Veterans' Affairs all amounts paid to them under such act for periods before such waiver becomes effective, then Mrs. Randall McMahon shall be relieved of liability to repay to the United States the amounts erroneously paid to her by reason of the death of the said John Michael McMahon under the National Service Life Insurance Act of 1940.

SEC. 2. After such waiver becomes effective, no amounts shall be payable under the Servicemen's Indemnity Act of 1951 to any person by reason of the death of the said John Michael McMahon. The Administrator of Veterans' Affairs shall transfer from the current appropriation made for payment of servicemen's indemnities to the National Service Life Insurance Trust Fund amounts sufficient to reimburse such fund for the liability for which the said Mrs. Randall McMahon is relieved by the first section of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DR. ANTON M. LODMELL

The Clerk called the bill (S. 2419) for the relief of Dr. Anton M. Lodmell.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Dr. Anton M. Lodmell, of Walla Walla, Wash., the sum of $138.40. The payment of such sum shall be in full satisfaction of all claims of the said Dr. Anton M. Lodmell arising out of the occupancy and use by the United States Forest Service, Department of Agriculture, of approximately 1 acre of his land situated in Umatilla County, Oreg., as a temporary road construction camp for the period July 1, 1948, to December 15, 1953: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

THOMAS J. SMITH

The Clerk called the bill (S. 3064) for the relief of Thomas J. Smith.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Thomas J. Smith, of Beaver Dam, Va., the sum of $3,041.95, in full settlement of all claims against the United States for loss of salary, loss of annual leave, all caused by his having been separated without pay from the employment of the Public Housing Administration for the period from July 25, 1947, to March 1, 1948, which separation was unjustified and unwarranted as evidenced by the findings of the Civil Service Commission in their opinion dated February 5, 1948, directing his reinstatement: *Provided*, That no part of the amount appropriated in this act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MR. AND MRS. H. F. WEBB

The Clerk called the bill (S. 3347) for the relief of Mr. and Mrs. H. F. Webb.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $1,053.80 to Mr. and Mrs. H. F. Webb, of Forest, Miss., in full settlement of all claims against the United States. Such sum represents the payment for the loss of personal belongings of their son, Lt. Andrew F. Webb, United States Air Force, who was killed in action during World War II: *Provided*, That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WILLIAM C. BRADY AND JOYCE BRADY

The Clerk called the bill (H. R. 12073) for the relief of William C. Brady and Joyce Brady.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

Mr. WALTER. Mr. Speaker, I ask unanimous consent that the Senate bill, S. 2823, an identical bill to the House bill, be substituted for the House bill.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, William C. Brady and Joyce Brady shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees: *Provided*, That in the case of William C. Brady, he shall be required to comply with such conditions and controls which the Attorney General, after consultation with the Surgeon General of the United States Public Health Service, Department of Health, Education, and Welfare, may deem necessary to impose: *Provided further*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control office to deduct the required numbers from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed.

A similar House bill (H. R. 12073) was laid on the table.

A motion to reconsider was laid on the table.

CERTAIN CASES IN WHICH THE ATTORNEY GENERAL HAS SUSPENDED DEPORTATION PURSUANT TO SECTION 244 (A) (5) OF THE IMMIGRATION AND NATIONALITY ACT

The Clerk called Senate Concurrent Resolution 84.

There being no objection, the Clerk read the Senate concurrent resolution, as follows:

Resolved by the Senate (the House of Representatives concurring), That the Congress favors the suspension of deportation in the case of each alien hereinafter named, in which case the Attorney General has suspended deportation pursuant to the provisions of section 244 (a) (5) of the Immigration and Nationality Act (66 Stat. 214; 8 U. S. C. 1254 (c)):

A-4402414, Feigenbaum, Lena.
A-1368567, Guszcza, Konstanty.
A-5540879, Johnson, William.
A-2436831, Schwartz, Albert.
A-1328350, Amado, Joseph Barbosa.
A-2550952, Baum, Louis.
A-3065105, Cinque, Luigi.
A-5448287, Donaldson, John Kelly.
A-2623371, Ekstrom, Gustav Fritz.
A-3576941, Gabartus, Joseph.
A-1418512, Gaines, Raymond Verand.
A-5981807, Gerber, Pauline.
A-4180130, Hernandez, Narciso.
A-3483987, Kolek, Frank.
A-1534631, Martenuk, Wasil.
A-1087241, Mendez-Perez, Feliciano.
A-1258280, Mendez-de la Rosa, Anastacio.
A-5069154, Monteiro, Anthony.
A-8281823, Morrison, John William.
A-5167345, Murphy, Donald K.
A-1297962, Okerstrom, Olof Edwin.
A-5038080, Palen, Adolph.
A-5407196, Rubenstein, Benjamin.
A-847270, Russo, Esteban.
A-2331492, Schwed, John.
A-5919577, Sikorski, Adolph.
A-8678037, Stamatopulos, Andreas Vasilios.
A-2784150, Tamayo, Maria Salazar de.
A-5574722, Zaks, Aber.
1300-134264, Castillo, Pedro Contreras.
A-5991679, Chomsker, Mones.
A-4722856, Garcia, Eliseo Vasquez.
A-5237203, Mascitti, Luigi.
A-3065941, Ruzycki, Walter Stanley.
A-5880176, Aguayo-Renteria, Felipe.
A-5543950, Abeson, Louis.
A-5163391, Briller, Clare Sadie.
A-4241143, Ceddia, Angelo.
A-5190234, Duffy, Dorothy B.
A-5294327, Fellmeth, Martin.
E-057893, Frumpkin, Paul.
A-5242017, Golbin, Margaret.
A-4177923, Gonzales, Louis.
A-2710779, Gutierrez-Galaviz, Miguel.
A-4192990, Kaganski, Chaim.
A-6824870, Kaplan, Morris.
A-4924358, Kryshtall, Alexander.
A-4781163, Laro, Francisco.
A-2513344, Lashuk, Maxime.
A-3084067, Lysyak, Lucas.
A-5624182, Marcus, Benjamin.
A-7142118, Melicharek, John.
A-4732368, Molina, Salvadora Ozuna.
A-4338054, Molina, Saturnino Paderas.
A-8846106, Race, Thomas Frank.
A-5772133, Radmilo, John.
A-4385372, Ramirez-Davalos, Dario.
0300-460796, Reisler, Betty.
A-4098680, Rodriguez-Borjas, Manuel.
A-3445360, Rubicz, Stefan.
A-10035249, Sedor, Walter Richard.
A-4683291, Shadletsky, Esther.
A-2935218, Silverman, George James.
A-5998756, Spector, Maurice.
A-5808720, Springer, James.
A-5758104, Tuxen, Jean Charles.
A-5767334, Wong, Man Jaw.
A-1802172, Zahran, Abraham John.
A-3807772, Zych, Walter Joseph.

The Senate concurrent resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RELIEF OF CERTAIN ALIENS

The Clerk called the bill (S. 267) for the relief of Ellen Kjosnes and Unni Kjosnes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That for the purposes of the Immigration and Nationality Act, Ellen Kjosnes and Unni Kjosnes shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota control officer to deduct the required numbers from the appropriate quota or quotas for the first year that such quota or quotas are available.

With the following committee amendment:

Strike out all after the enacting clause and insert the following: "That, for the purposes of the Immigration and Nationality Act, Ellen Kjosnes, Unni Kjosnes, No Kum Sok (also known as Kenneth No), Jose Maria Arias-Ortega, and Katarzyna Pienkos shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to each alien as provided for in this section of this act, if such alien was classified as a quota immigrant at the time of the enactment of this act, the Secretary of State shall instruct the proper quota-control officer to reduce by one the quota for the quota area to which the alien is chargeable for the first year that such quota is available.

"SEC. 2. The Attorney General is authorized and directed to discontinue any deportation proceedings and to cancel any outstanding orders and warrants of deportation, warrants of arrest, and bonds, which may have been issued in the cases of Giuseppe Scalia and Elizabeth Cacavas (Elisavet Ioannou Kakava). From and after the date of the enactment of this act, the said Giuseppe Scalia and Elizabeth Cacavas (Elisavet Ioannou Kakava) shall not again be subject to deportation by reason of the same facts upon which such deportation proceedings were commenced or any such warrants and orders have issued."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed.

The title was amended so as to read: "An act for the relief of certain aliens."

A motion to reconsider was laid on the table.

WAIVING CERTAIN PROVISIONS OF SECTION 212 (A) OF THE IMMIGRATION AND NATIONALITY ACT IN BEHALF OF CERTAIN ALIENS

The Clerk called the bill (S. 2916) for the relief of Mrs. Aliberta Bernard.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provision of section 212 (a) (9) of the Immigration and Nationality Act, Mrs. Aliberta Bernard may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice have knowledge prior to the enactment of this act.

With the following committee amendment:

Page 1, strike out all after the enacting clause and insert the following: "That, notwithstanding the provision of section 212 (a) (9) of the Immigration and Nationality Act, Mrs. Aliberta Bernard, Natalia Kozlov Kavazov Kolubaev (Koljubajer, Kolubajev), Henry Lappeman, Christa Walther, and Pietro Trupia may be issued visas and admitted to the United States for permanent residence if they are found to be otherwise admissable under the provisions of that act.

"SEC. 2. Notwithstanding the provision of section 212 (a) (6) of the Immigration and Nationality Act, Mrs. Riva Kagan and Jan Hovorka may, if found to be otherwise admissible under the provisions of that act,

be issued visas and admitted to the United States for permanent residence under such conditions and controls as the Attorney General, after consultation with the Surgeon General of the United States Public Health Service, Department of Health, Education, and Welfare, may deem necessary to impose: *Provided*, That suitable and proper bonds or undertakings, approved by the Attorney General, be deposited as prescribed by section 213 of the said act.

"SEC. 3. Notwithstanding the provisions of section 212 (a) (9) and (12) of the Immigration and Nationality Act, Chiyoko Tominaga Beckmann and Antonietta Aurora Mattera Berg may be issued visas and admitted to the United States for permanent residence if they are found to be otherwise admissible under the provisions of that act.

"SEC. 4. Notwithstanding the provision of section 212 (a) (19) of the Immigration and Nationality Act, Saveria Velona Gangemi and Joaquin Flores-Munoz may be issued visas and admitted to the United States for permanent residence if they are found to be otherwise admissible under the provisions of that act.

"SEC. 5. The exemptions provided for in this act shall apply only to grounds for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this act."

Mr. WALTER. Mr. Speaker, I offer an amendment to the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. WALTER to the committee amendment:

On page 3, after line 5, after section 4, add new sections Nos. 5, 6, 7, and 8, to read as follows:

"SEC. 5. Notwithstanding the provision of section 212 (a) (1) of the Immigration and Nationality Act, Peter Jocher Webb may be issued a visa and admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that act: *Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act.

"SEC. 6. Notwithstanding the provision of section 212 (a) (6) of the Immigration and Nationality Act, Odette R. Andrei, Aleftina Goddard, Sophia Kwang Huang, and Ingrid W. A. S. Tangarone may, if found to be otherwise admissible under the provisions of that act, be issued visas and admitted to the United States for permanent residence under such conditions and controls as the Attorney General, after consultation with the Surgeon General of the United States Public Health Service, Department of Health, Education, and Welfare, may deem necessary to impose: *Provided*, That suitable and proper bonds or undertakings, approved by the Attorney General, be deposited as prescribed by section 213 of the said act.

"SEC. 7. Notwithstanding the provisions of section 212 (a) (9) and (12) of the Immigration and Nationality Act, Yi Nyong Suk, the fiance of Lt. James F. Brown, a citizen of the United States, shall be eligible for a visa as a nonimmigrant temporary visitor for a period of 3 months: *Provided*, That the administrative authorities find that the said Yi Nyong Suk is coming to the United States with a bona fide intention of being married to the said Lt. James F. Brown and that she is found otherwise admissible under the immigration laws. In the event the marriage between the above named does not occur within 3 months after the entry of the said Yi Nyong Suk she shall be required to depart from the United States, and upon failure to do so shall be deported in accordance with the provisions of sections 242 and 243 of the Immigration and Nationality Act. In the event the marriage between the above-named persons shall occur within 3 months after the entry of the said Yi Nyong Suk, the Attorney General is authorized and directed to record the lawful admission for permanent residence of the said Yi Nyong Suk as of the date of the payment by her of the required visa fee.

"SEC. 8. Notwithstanding the provisions of section 212 (a) (9) and (12) of the Immigration and Nationality Act, Joan F. Roby, Lina Gertrude Yakumeit Mattingly, and Berta Cabrera Vigil Frohlich may be issued visas and admitted to the United States for permanent residence if they are found to be otherwise admissible under the provisions of that act."

Renumber section 5, to read "SEC. 9."

The amendment to the amendment was agreed to.

The committee amendment, as amended, was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed.

The title was amended so as to read: "An act to waive certain provisions of section 212 (a) of the Immigration and Nationality Act in behalf of certain aliens."

A motion to reconsider was laid on the table.

RELIEF OF CERTAIN ALIENS

The Clerk called the bill (S. 3196) for the relief of Helen Mar Stanger.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That Helen Mar Stanger, who lost United States citizenship under the provisions of section 401 (e) of the Nationality Act of 1940, may be naturalized by taking, prior to 1 year after the date of the enactment of this act, before any court referred to in subsection (a) of section 310 of the Immigration and Nationality Act or before any diplomatic or consular officer of the United States abroad, an oath as prescribed by section 337 of such act. From and after naturalization under this act, the said Helen Mar Stanger shall have the same citizenship status as that which existed immediately prior to its loss.

With the following committee amendment:

Page 2, at the end of the bill insert the following:

"SEC. 2. Paul Edward Horn, who lost United States citizenship under the provisions of section 404 (c) of the Nationality Act of 1940, may be naturalized by taking, prior to 1 year after the date of the enactment of this act, before any court referred to in subsection (a) of section 310 of the Immigration and Nationality Act or before any diplomatic or consular officer of the United States abroad, an oath as prescribed by section 337 of such act. From and after naturalization under this act, the said Paul Edward Horn shall have the same citizenship status as that which existed immediately prior to its loss.

"SEC. 3. Elise Delree, who lost United States citizenship under the provisions of section 404 (c) of the Nationality Act of 1940, as amended, may be naturalized by taking, prior to 1 year after the effective date of this act, before any court referred to in subsection (a) of section 310 of the Immigration and Nationality Act or before any diplomatic or consular officer of the United States abroad, the oaths prescribed by section 337 of the said act. From and after naturalization under this act, the said Elise Delree shall have the same citizenship status as that which existed immediately prior to its loss."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed.

The title was amended so as to read "An act for the relief of certain aliens."

A motion to reconsider was laid on the table.

AMIN HABIB NABHAN

The Clerk called the bill (S. 3255) for the relief of Amin Habib Nabhan.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purpose of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Amin Habib Nabhan, shall be held and considered to be the natural-born alien child of Mr. and Mrs. Kaleel G. Nabhan, citizens of the United States.

With the following committee amendment:

On page 1, after line 7, insert the following:

"SEC. 2. In the administration of the immigration and Nationality Act, sections 201 (a) and 202 (b) shall be held not to be applicable in the case of Giok Po Oey.

"SEC. 3. In the administration of section 3 and subsection (b) of section 4 of the Refugee Relief Act of 1953, as amended, Panagiota Paganis shall be held and considered to be under 21 years of age: *Provided*, That the words 'if accompanying them' in section 3 of the said act shall not apply to the said Panagiota Paganis.

"SEC. 4. For the purposes of the Immigration and Nationality Act, Guiseppina Coppola shall be deemed to have been born in Great Britain.

"SEC. 5. In the administration of the Immigration and Nationality Act, Yuriko Ito, the fiance of Dexter D. Good, a citizen of the United States, shall be eligible for a visa as a nonimmigrant temporary visitor for a period of 3 months: *Provided*, That the administrative authorities find that the said Yuriko Ito is coming to the United States with a bona fide intention of being married to the said Dexter D. Good and that she is found otherwise admissible under the immigration laws. In the event the marriage between the above-named persons does not occur within 3 months after the entry of the said Yuriko Ito, she shall be required to depart from the United States and upon failure to do so shall be deported in accordance with the provisions of sections 242 and 243 of the Immigration and Nationality Act. In the event that the marriage between the above-named persons shall occur within 3 months after the entry of the said Yuriko Ito, the Attorney General is authorized and directed to record the lawful admission for permanent residence of the said Yuriko Ito as of the date of the payment by her of the required visa fee.

"SEC. 6. For the purposes of the Immigration and Nationality Act, Mrs. Toki Lewis shall be held to be classifiable as a nonquota immigrant.

"SEC. 7. In the administration of the Immigration and Nationality Act, Jo-Soon Duk, the fiancee of Wilbert F. Kline, a citizen of the United States, and her minor child, Lee Won Duk, shall be eligible for visas as nonimmigrant temporary visitors for a period of 3 months: *Provided*, That the administrative authorities find that the said Jo-Soon Duk is coming to the United States with a bona fide intention of being married to the said Wilbert F. Kline and that they are found otherwise admissible under the immigration laws. In the event the marriage between the above-named persons does not occur

within 3 months after the entry of the said Jo-Soon Duk and Lee Won Duk, they shall be required to depart from the United States and upon failure to do so shall be deported in accordance with the provisions of sections 242 and 243 of the Immigration and Nationality Act. In the event that the marriage between the above-named persons shall occur within 3 months after the entry of the said Jo-Soon Duk and Lee Won Duk, the Attorney General is authorized and directed to record the lawful admission for permanent residence of the said Jo-Soon Duk and Lee Won Duk as of the date of the payment by them of the required visa fees.

"SEC. 8. For the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Maria Elena Domantay, shall be held and considered to be the natural-born alien child of Emilio Jose Domantay, a citizen of the United States.

"SEC. 9. For the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, Florentia Bougades shall be held and considered to be the natural-born alien minor child of Mrs. Anna Bougades, a citizen of the United States.

"SEC. 10. In the administration of the Immigration and Nationality Act, Judith Wollner shall be granted the status of a nonquota immigrant."

Mr. WALTER. Mr. Speaker, I offer an amendment to the committee amendment.

The Clerk read as follows:

On page 4, at the end of the bill, add a new section, numbered section 11, to read as follows:

"SEC. 11. For the purposes of section 5 (a) of the Refugee Relief Act of 1953, Ljerka Zagar shall be held and considered to be under 10 years of age, and the assurances heretofore filed on her behalf by the prospective adoptive United States citizen father shall be held and considered to meet the requirements of section 5 (b) of the said act. Any application for a visa filed on her behalf pursuant to section 5 (a) of such act may be considered and processed notwithstanding the death of her prospective United States citizen adoptive father."

The amendment was agreed to.

The committee amendment, as amended, was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed.

The title was amended so as to read "An act for the relief of certain aliens."

A motion to reconsider was laid on the table.

YUE YIN WONG (ALSO KNOWN AS WILLIAM YUEYIN WONG)

The Clerk called the bill (S. 2834) for the relief of Yue Yin Wong (also known as William Yueyin Wong).

There being no objection, the Clerk read the bill, as follows:

Be it enacted, That, for the purposes of the Immigration and Nationality Act, Yue Yin Wong (also known as William Yueyin Wong) shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GOON SHEE (GOON JU HAI) AND MOY CHUN NGAN (EDITH MOY)

The Clerk called the bill (H. R. 7824) for the relief of Goon Shee (Goon Ju Hai) and Moy Chun Ngan (Edith Moy).

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, in the administration of the Immigration and Nationality Act, Goon Shee (Goon Ju Hai) and Moy Chun Ngan (Edith Moy) shall be granted the status of nonquota immigrants and shall be admitted to the United States for permanent residence if they are otherwise admissible under the provisions of that act.

With the following committee amendment:

Strike out all after the enacting clause and insert "That, for the purposes of the Immigration and Nationality Act, Goon Shee (Goon Ju Hai) shall be classifiable as a returning resident alien as defined in section 101 (a) (27) (B) of that act."

Amend the title so as to read: "A bill for the relief of Goon Shee (Goon Ju Hai)."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NICOLA MARCELLO

The Clerk called the bill (H. R. 9579) for the relief of Nicola Marcello.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Nicola Marcello shall be classifiable as a returning resident alien as defined in section 101 (a) (27) (B) of that act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. THEODORE (NICOLE XANTHO) ROUSSEAU

The Clerk called the bill (H. R. 11504) for the relief of Mrs. Theodore (Nicole Xantho) Rousseau.

Mr. AVERY. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. AVERY. On the rest of the bills on the Private Calendar there were no committee reports when the House convened this morning. I am reluctant to object to these bills. May I ask, will there be another opportunity for the sponsors to bring these bills up?

The SPEAKER. That is very doubtful. The time may be short between now and tomorrow. If the gentleman wants to take the responsibility of objecting, that is up to him.

Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, section 352 (a) of that act shall be held to be inapplicable to Mrs. Theodore (Nicole Xantho) Rousseau.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EVELYN ALBI

The Clerk called the bill (H. R. 9384) for the relief of Evelyn Albi.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Evelyn Albi, of 711 Elizabeth Street, Denver, Colo., the sum of $500. The payment of such sum shall be in full settlement of all claims of said Evelyn Albi against the Government of the United States, in connection with the $500 departure bond posted by the said Evelyn Albi on behalf of Elvira Bartolin on November 17, 1952: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WEST MARKS BAPTIST CHURCH OF QUITMAN COUNTY, MISS.

The Clerk called the bill (H. R. 9640) to require the Secretary of Agriculture to release certain restrictions on the real property heretofore conveyed to the West Marks Baptist Church of Quitman County, Miss.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of Agriculture shall convey to the trustees of West Marks Baptist Church of Quitman County, Miss., all right, title, and interest of the United States in and to the real property described in section 2 of this act.

SEC. 2. The real property referred to in the first section of this act consists of a tract of land lying in the northwest quarter of section 34, township 28 north, range 1 west in Quitman County, Miss., more particularly described as follows: Starting at the northwest corner of said section 34; thence south along the west line of said section, a distance of 167 feet; thence south 73 degrees 58 minutes east, a distance of 437.2 feet to the center line of a road bearing north 00 degrees 50 minutes east; thence north 00 degrees 50 minutes east along the center line of said road, a distance of 61.9 feet to the point of beginning; thence north 73 degrees 58 minutes west, a distance of 223 feet; thence north 15 degrees 29 minutes east, a distance of 188.5 feet; thence south 72 degrees 32 minutes east, a distance of 174.5 feet to the center line of said road; thence south 00 degrees 50 minutes west, a distance of 191 feet to the point of beginning; containing, after deduction of right-of-way for road, 0.79 acre, more or less, together with the improvements thereon and the rights and appurtenances thereunto belonging or appertaining, and the equipment and chattels contained therein.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HAL A. MARCHANT

Mr. HORAN. Mr. Speaker, I ask unanimous consent to return for immediate consideration to Private Calendar No. 1077, the bill (S. 1154) for the relief of Hal A. Marchant.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provisions of section 27 of the Merchant Marine Act, 1920, as amended, the Secretary of the Treasury is authorized and directed to cause the gas screw vessel *Jenny*, official number 256330, now owned by Hal A. Marchant, of Coulee Dam., Wash., to be documented as a vessel of the United States with full coastwise privileges, upon compliance with the usual requirements for documentation, so long as the vessel is owned, and shall continue to be owned, by a citizen of the United States and the said vessel *Jenny* shall be deemed to be entitled to engage in such trade so long as it is so documented.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MIROSLAV SLOVAK

Mr. DIES. Mr. Speaker, I ask unanimous consent to return for immediate consideration to Private Calendar No. 1106, the bill (S. 3363) for the relief of Miroslav Slovak.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Federal Communications Commission is authorized to issue a license to Miroslav Slovak as an operator under subsection (L) of section 303 of the Communications Act of 1934 (48 Stat. 1082), notwithstanding the requirement of such subsection with respect to citizenship.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FRANK R. DAVIS

Mr. THOMSON of Wyoming. Mr. Speaker, I ask unanimous consent to return for immediate consideration to Private Calendar No. 1104, the bill (S. 1184) for the relief of Frank R. Davis.

The SPEAKER. Is there objection to the request of the gentleman from Wyoming?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Frank R. Davis, of Ten Sleep, Wyo., the sum of $1,229.52. The payment of such sum shall be in full satisfaction of his claim against the United States for reimbursement for losses sustained as a result of his failure to secure a contract from the Bureau of Land Management of the Department of the Interior for the building of certain fences in Big Horn and Washakie Counties, Wyo., because his bid on such contract, which was mailed and registered at the post office at Ten Sleep, Wyo., on March 15, 1954, was not dispatched from such post office until March 18, 1954, and was therefore not received by the Bureau of Land Management office in Billings, Mont., in time for consideration in awarding such contract, even though such bid was lower than the successful bid on such contract: *Provided*, That no part of the amount appropriated in this act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CALL OF THE HOUSE

Mr. HESELTON. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 121]

Adair	Eberharter	Patman
Bailey	Gamble	Powell
Bass, Tenn.	Gordon	Preston
Baumhart	Hébert	Priest
Bell	Hoffman, Ill.	Prouty
Blitch	Holt	Rhodes, Ariz.
Boykin	Hosmer	Richards
Brooks, La.	Jensen	Scudder
Brooks, Tex.	Johansen	Shelley
Burleson	Kelley, Pa.	Siler
Carnahan	Lane	Talle
Chatham	Long	Thompson, La.
Christopher	McDonough	Thornberry
Clevenger	Morrison	Vinson
Dawson, Ill.	Nelson	Vursell
Diggs	O'Hara, Minn.	Wickersham
Dowdy	O'Neill	Young

The SPEAKER. Three hundred and eighty-one Members are present, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

MUTUAL SECURITY APPROPRIATION BILL, 1957

Mr. PASSMAN. Mr. Speaker, I call up the conference report on the bill (H. R. 12130) making appropriations for mutual security for the fiscal year ending June 30, 1957, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

Mr. GROSS. Mr. Speaker, reserving the right to object, I presume the gentleman proposes to take some time to explain what happened in conference on this bill.

Mr. PASSMAN. The gentleman from Louisiana does not intend to take any time, but I will be very happy to answer any questions as to the actions of the conferees.

Mr. GROSS. I thank the gentleman and withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. No. 2931)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 12130) making appropriations for Mutual Security for the fiscal year ending June 30, 1957, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 1, 5, 12, 13, 15, 16, 24 and 26.

That the House recede from its disagreement to the amendments of the Senate numbered 4, 6, 11, 17, 22, 23, and 25, and agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$2,017,500,000"; and the Senate agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$67,500,000"; and the Senate agree to the same.

Amendment numbered 7: That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$68,700,000"; and the Senate agree to the same.

Amendment numbered 9: That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$167,500,000"; and the Senate agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$873,500,000"; and the Senate agree to the same.

Amendment numbered 14: That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment, as follows: In lieu of the matter stricken out and inserted by said amendment insert "$250,000,000"; and the Senate agree to the same.

Amendment numbered 19: That the House recede from its disagreement to the amendment of the Senate numbered 19, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$1,900,000"; and the Senate agree to the same.

Amendment numbered 20: That the House recede from its disagreement to the amendment of the Senate numbered 20, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$2,500,000"; and the Senate agree to the same.

Amendment numbered 21: That the House recede from its disagreement to the amendment of the Senate numbered 21, and agree

to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$33,595,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 8, 18, and 27.

OTTO E. PASSMAN,
J. VAUGHAN GARY,
JOHN J. ROONEY (except as to amendment No. 2),
CLARENCE CANNON,
A. M. FERNANDEZ,
HENDERSON LANHAM,
WILLIAM H. NATCHER,
WINFIELD K. DENTON,
JOHN TABER (except as to amendments Nos. 2 and 17),
R. B. WIGGLESWORTH (except as to amendment No. 2),
IVOR FENTON (except as to amendment No. 2),
GERALD R. FORD, JR. (except as to amendment No. 2),
T. MILLET HAND,
Managers on the Part of the House.

CARL HAYDEN,
RICHARD B. RUSSELL,
DENNIS CHAVEZ,
ALLEN J. ELLENDER,
LISTER HILL,
STYLES BRIDGES,
LEVERETT SALTONSTALL (except as to amendment No. 2),
WILLIAM KNOWLAND,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 12130) making appropriations for Mutual Security for the fiscal year ending June 30, 1957, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

MUTUAL SECURITY

Military assistance

Amendment No. 1: Deletes Senate language proposing that the appropriation remain available until June 30, 1958.

Amendment No. 2: Appropriates $2,017,500,000 instead of $1,735,000,000 as proposed by the House and $2,300,000,000 as proposed by the Senate.

Amendment No. 3: Authorizes $67,500,000 for infrastructure instead of $60,000,000 as proposed by the House and $75,000,000 as proposed by the Senate.

Amendment No. 4: Changes citation as proposed by the Senate.

Amendment No. 5: Provides that the reappropriated funds shall remain available until June 30, 1957, as proposed by the House, instead of June 30, 1958, as proposed by the Senate.

Amendment No. 6: Inserts Senate language restricting use of funds for Yugoslavia.

Defense support

Amendment No. 7: Appropriates $68,700,000 for Europe instead of $63,700,000 as proposed by the House and $71,200,000 as proposed by the Senate.

Amendment No. 8: Reported in disagreement.

Amendment No. 9: Appropriates $167,500,000 for Near East and Africa instead of $165,000,000 as proposed by the House and $170,000,000 as proposed by the Senate.

Amendment No. 10: Appropriates $873,500,000 for Asia instead of $865,000,000 as proposed by the House and $882,000,000 as proposed by the Senate.

Amendment No. 11: Appropriates $52,000,000 for Latin America as proposed by the Senate instead of $35,000,000 as proposed by the House.

Amendment No. 12: Deletes the proposal of the Senate making $15,000,000 available until June 30, 1958.

Amendment No. 13: Restores language of the House providing that not less than $15,000,000 shall be used for assistance to Guatemala.

Development assistance

Amendment No. 14: Appropriates $250,000,000 which includes funds for the special authorization for the Middle East and Africa and the President's Asian Fund.

Amendment No. 15: Deletes Senate language continuing funds available until June 30, 1958.

Technical cooperation

Amendment No. 16: Appropriates $135,000,000 for technical assistance under section 304 (b) as proposed by the House instead of $140,500,000 as proposed by the Senate.

Amendment No. 17: Appropriates $15,500,000 for United Nations Technical Assistance as proposed by the Senate instead of $10,000,000 as proposed by the House.

Amendment No. 18: Reported in disagreement.

Other programs

Amendment No. 19: Appropriates $1,900,000 for the United Nations Refugee Fund instead of $2,000,000 as proposed by the House and $1,800,000 as proposed by the Senate.

Amendment No. 20: Appropriates $2,500,000 for Ocean Freight Charges instead of $1,400,000 as proposed by the House and $3,000,000 as proposed by the Senate.

Amendment No. 21: Appropriates $33,595,000 for Administrative Expenses instead of $34,145,000 as proposed by the House and $33,045,000 as proposed by the Senate.

Amendment No. 22: Deletes House language appropriating $100,000,000 for the special authorization for the Middle East and Africa in view of inclusion of this item in the amount provided under Amendment No. 14.

Amendment No. 23: Changes citation as proposed by the Senate.

Amendment No. 24: Deletes Senate language providing that 25 per centum of certain funds remain available until September 30, 1957.

General provisions

Amendment No. 25: Inserts Senate language excepting the Special Presidential Fund from the provisions of section 105.

Amendment No. 26: Restores House language providing that none of the funds contained in this Act shall be used to carry out the purposes of section 13 of the Mutual Security Act of 1956.

Amendment No. 27: Reported in disagreement.

OTTO E. PASSMAN,
J. VAUGHAN GARY,
JOHN J. ROONEY (except as to amendment No. 2),
CLARENCE CANNON,
A. M. FERNANDEZ,
HENDERSON LANHAM,
WILLIAM H. NATCHER,
WINFIELD K. DENTON,
JOHN TABER (except as to amendments Nos. 2 and 17),
R. B. WIGGLESWORTH (except as to amendment No. 2),
IVOR D. FENTON (except as to amendment No. 2),
GERALD R. FORD, JR. (except as to amendment No. 2),
T. MILLET HAND,
Managers on the Part of the House.

Mr. PASSMAN. Mr. Speaker, I yield 2 minutes to the gentleman from Massachusetts [Mr. WIGGLESWORTH].

Mr. WIGGLESWORTH. Mr. Speaker, I simply want to state for the record that I have signed this conference report not because it meets with my personal views but because I believe it is the best conference report that apparently can be obtained under the circumstances.

I want to call attention to the fact that the gentleman from New York [Mr. ROONEY], the gentleman from New York [Mr. TABER], the gentleman from Massachusetts [Mr. WIGGLESWORTH], the gentleman from Pennsylvania [Mr. FENTON], and the gentleman from Michigan [Mr. FORD], have all signed this report as managers on the part of the House, specifically taking exception to the decision reached under Amendment No. 2.

Amendment No. 2 is the amendment which fixes the amount of military assistance to be made available to our military allies, and it fixes it at just about a billion dollars or 33⅓ percent below the amount originally requested by the President.

Mr. Speaker, Admiral Radford has stated that a cut of $1 billion would result in the reduction in the military program for Europe of $600 million; in the Korean military program of 23 percent; in the Formosa military program of 14 percent; in the Pakistan military program of 27 percent; in the Turkish military program of 24 percent; and in the Greek military program of 22 percent, as well as eliminating one-half of the sum requested for the advanced weapons program, considered vital at this time by the Joint Chiefs of Staff.

As far as I am concerned, Mr. Speaker, I do not want to share in the responsibility for that action. I think we are taking an unwarranted gamble in the field of national security. I regret the decision that has been made.

Mr. PASSMAN. Mr. Speaker, I yield 3 minutes to the gentleman from Michigan [Mr. FORD].

Mr. FORD. Mr. Speaker, as pointed out by the gentleman from Massachusetts, there were 5 members of the conference committee from the House who did not agree to amendment No. 2. It should be pointed out, in addition to what has been said by the gentleman from Massachusetts, that if this conference report is approved the President's original request for both economic and military aid will be cut approximately 20 percent. The reduction in the military figure itself will be approximately 33 percent. In my opinion, this reduction in the military aid portion of the program results in a very calculated risk, one which I think we are taking very unwisely. I wish to reemphasize my objection to the figure that was agreed to by the conferees. Every military leader who appeared before the mutual security subcommittee of the House Committee on Appropriations indicated that if a substantial reduction was made—and I repeat, a 33 percent cut was made—we would have to revise our own military plans and programs in all parts of the world.

It seems to me that we should reasonably abide by the recommendations of the military experts. In this case we are not. In my judgment, it is a very serious calculated risk. As I said, I wish to reemphasize my opposition to the amount which was agreed upon for military aid and assistance. In my judgment, the

figure that was included in the Senate version was far more preferable to what we finally agreed to in conference.

Mr. PASSMAN. Mr. Speaker, I yield 2 minutes to the gentleman from Iowa [Mr. GROSS].

Mr. GROSS. Mr. Speaker, I take this time to ask the gentleman to tell us specifically the increase over the amount authorized in the bill when it left the House?

Mr. PASSMAN. I may say the gentleman from Iowa that the total increase over the House authorization bill amounts to $11,595,000. The conference report is $344,355,000 below the amounts appropriated by the other body.

Mr. GROSS. How much new money is contained in this bill?

Mr. PASSMAN. The total amount of new money is $3,766,570,000.

Mr. GROSS. I thank the gentleman.

Mr. Speaker, I am opposed to this conference report and I am opposed to these continued increases in foreign aid spending. This Nation of ours has $768 billion of public and private debt. With the $6 billion to $7 billion already in the pipeline for foreign handouts there should not have been a single new dollar appropriated for this purpose.

In addition to the $768 billion of public and private debt in this country, we are in arrears, for instance, in our contribution to the Federal employees retirement fund to the extent of $13,800,000,000. To make the Federal employees retirement fund actuarially sound today would call for an appropriation of $6 billion.

This bill is one of the contributing factors to the inflation we have and if this Nation is forced into financial bankruptcy this kind of spending will be one of the reasons.

I am opposed to any further appropriations for foreign aid, this foreign WPA extravaganza, with the billions already in the pipeline.

Mr. PASSMAN. Mr. Speaker, I yield 1 minute to the gentleman from Pennsylvania [Mr. FLOOD]

Mr. FLOOD. Mr. Speaker, I was going to extend my remarks at some length on this bill, but the gentleman from Michigan [Mr. FORD] stated my position clearly and adequately, and at this point I wish to embrace and concur in the remarks on this report made by the gentleman from Michigan [Mr. FORD].

Mr. PASSMAN. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the conference report.

The conference report was agreed to.

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 8: Page 2, line 22, after the colon, insert the following: "*Provided*, That at least $50,000,000 on a grant basis shall be available for Spain, exclusive of interregional expenses: *Provided further*, That not less than one-half of the amount available for Spain shall be used for agricultural commodities."

Mr. PASSMAN. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. PASSMAN moves that the House recede from its disagreement to the amendment of the Senate No. 8, and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert ": *Provided*, That at least $50,000,000 on a grant basis shall be available for Spain, exclusive of interregional expenses: *Provided further*, That not less than $18,500,000 of the amount available for Spain shall be used for agricultural commodities."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 18: Page 3, line 19, insert ": *Provided*, That the United States contribution to the 1958 calendar year program shall not exceed 33.33 percent of the United Nations program."

Mr. PASSMAN. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 27: Page 8, line 11, insert:

"SEC. 107. The Congress hereby reiterates its opposition to the seating in the United Nations of the Communist China regime as the representative of China, and it is hereby declared to be the continuing sense of the Congress that the Communist regime in China has not demonstrated its willingness to fulfill the obligations contained in the Charter of the United Nations and should not be recognized to represent China in the United Nations. In the event of the seating of representatives of the Chinese Communist regime in the Security Council or General Assembly of the United Nations, the President is requested to inform the Congress insofar as is compatible with the requirements of national security, of the implications of this action upon the foreign policy of the United States and our foreign relationships, including that created by membership in the United Nations, together with any recommendations which he may have with respect to the matter."

Mr. PASSMAN. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the several motions was laid on the table.

SUSPEND THE APPLICATION OF CERTAIN FEDERAL LAWS WITH RESPECT TO PERSONNEL EMPLOYED BY THE HOUSE COMMITTEE ON WAYS AND MEANS

Mr. CELLER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the resolution (H. J. Res. 695) to suspend the application of certain Federal laws with respect to personnel employed by the House Committee on Ways and Means in connection with the investigations ordered by House Resolution 331 and House Resolution 606, 84th Congress.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the resolution, as follows:

Resolved, etc., That service or employment of any person as an attorney, accountant, expert, or professional staff member in assisting the Committee on Ways and Means of the House of Representatives, or any duly authorized subcommittee thereof, in the investigations authorized by House Resolution 331 and House Resolution 606, 84th Congress, shall not be considered as service or employment bringing such person within the provisions of section 281, 283, or 284 of title 18 of the United States Code, or of any other Federal law imposing restrictions, requirements, or penalties in relation to the employment of persons, the performance of services, or the payment or receipt of compensation in connection with any claim, proceeding, or matter involving the United States.

Mr. CELLER. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CELLER: On page 1, line 3, after "person", insert "not presently employed by the Federal Government."

The amendment was agreed to.

The House joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RETURN OF ENROLLED HOUSE JOINT RESOLUTION

Mr. WILLIS. Mr. Speaker, I offer a resolution (H. Con. Res. 271) and ask for its immediate consideration.

The Clerk read the concurrent resolution, as follows:

Resolved by the House of Representatives (the Senate concurring), That the President of the United States is requested to return to the House of Representatives the enrolled House joint resolution (H. J. Res. 511) granting the consent of Congress to the States of New York, New Jersey, and Connecticut to confer certain additional powers upon the Interstate Sanitation Commission, established by said States pursuant to Public Resolution 62, 74th Congress, August 27, 1935. If and when said resolution is returned by the President, the action of the presiding officers of the two Houses in signing said resolution shall be deemed rescinded, and the Clerk of the House is authorized and directed, in the enrollment of said resolution, to make the following correction: On the last line of the enrolled resolution strike out "waived" and insert "reserved."

The resolution was agreed to.

A motion to reconsider was laid on the table.

CERTIFICATIONS OF CERTAIN ACTIONS BY THE HOUSE OF REPRESENTATIVES

The SPEAKER. The Chair desires to announce that pursuant to sundry resolutions of the House he did, on Thursday, July 26, 1956, make certifications to the United States attorney, District of Columbia, the United States attorney, southern district of New York, the United States attorney, eastern district of Missouri, as follows:

To the United States attorney, District of Columbia:

House Resolution 637: The refusal of Otto Nathan to answer questions before

the Committee on Un-American Activities.

House Resolution 638: The refusal of Arthur Miller to answer questions before the Committee on Un-American Activities.

To the United States attorney, southern district of New York:

House Resolution 634: The refusal of George Tyne to answer questions before the Committee on Un-American Activities.

House Resolution 635: The refusal of Elliott Sullivan to answer questions before the Committee on Un-American Activities.

House Resolution 636: The refusal of Peter Seeger to answer questions before the Committee on Un-American Activities.

To the United States attorney, eastern district of Missouri:

House Resolution 631: The refusal of Anne Yasgur Kling to answer questions before the Committee on Un-American Activities.

House Resolution 632: The refusal of John W. Simpson to answer questions before the Committee on Un-American Activities.

House Resolution 633: The refusal of William E. Davis to answer questions before the Committee on Un-American Activities.

CONSENT CALENDAR

The SPEAKER. This is Consent Calendar day. The Clerk will call the first bill on the Consent Calendar.

AMENDING FEDERAL PROPERTY AND ADMINISTRATIVE SERVICES ACT

The Clerk called the bill (S. 2364) to amend the Federal Property and Administrative Services Act of 1949, as amended, and for other purposes.

Mr. CUNNINGHAM. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

AMENDING THE PUBLIC HEALTH SERVICE ACT

The Clerk called the bill (H. R. 9048) to amend the Public Health Service Act so as to improve the mental health of the Nation through grants for special projects to develop improved methods of care, treatment, and rehabilitation of the mentally ill.

Mr. FORD. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

FISH HATCHERY IN WESTERN OKLAHOMA

The Clerk called the bill (H. R. 221) to establish rearing ponds and a fish hatchery in western Oklahoma.

Mr. BYRNES of Wisconsin. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

INCREASING BENEFITS TO WIDOWS OF FORMER EMPLOYEES OF LIGHTHOUSE SERVICE

The Clerk called the bill (S. 2937) to increase from $50 to $75 per month the amount of benefits payable to widows of certain former employees of the Lighthouse Service.

Mr. BYRNES of Wisconsin. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

Mr. HALE. Mr. Speaker, reserving the right to object, may I ask the gentleman the grounds of his objection to the bill, to see if we cannot reach some agreement in regard to it? It has been passed over on the Consent Calendar on 4 or 5 successive calendar days.

Mr. BYRNES of Wisconsin. As far as the objectors are concerned, the basis of our request that it be passed over is the fact that there is an adverse report on the bill from the Civil Service Commission. Under those circumstances it certainly does not seem right that the bill be passed under unanimous consent.

Mr. HALE. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

ADMINISTRATOR OF VETERANS' AFFAIRS

The Clerk called the bill (H. R. 10238) to authorize and direct the Administrator of Veterans' Affairs to accept certain land in Buncombe County, N. C., for cemetery purposes.

Mr. FORD. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

MARITIME ADMINISTRATION, DEPARTMENT OF COMMERCE

The Clerk called the joint resolution (H. J. Res. 614) to authorize the construction of 2 prototype ships, and the conversion of 1 Liberty ship, by the Maritime Administration, Department of Commerce.

Mr. BONNER. Mr. Speaker, I ask unanimous consent that this joint resolution be stricken from the Consent Calendar. It has passed the House and should be stricken from the calendar.

The SPEAKER. Without objection, the joint resolution will be stricken from the calendar.

There was no objection.

House Resolution 614 was laid on the table.

SECRETARY OF THE ARMY

The Clerk called the bill (S. 2374) to authorize the Secretary of the Army to enter into contracts to furnish water for municipal water supplies from flood-control and river and harbor projects.

Mr. FORD. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

Mr. SMITH of Mississippi. Reserving the right to object, Mr. Speaker, may I ask what the objection is?

Mr. FORD. In my personal opinion, there is no objection, but 3 or 4 Members of this body have in the past asked that this bill be passed over. In deferance to their views, and since I am not certain that they are here now, I believe we ought to protect those Members who have so expressed themselves heretofore. On the basis of the previous action, I ask that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

ENCOURAGEMENT OF MAXIMUM DEVELOPMENT OF ATOMIC ENERGY REACTORS

The Clerk called the bill (H. R. 9743) to encourage maximum development of atomic-energy reactors for the generation of low-cost electric power and the production, utilization, and treatment of special nuclear and other materials, and for other purposes.

Mr. DEANE. Mr. Speaker, at the request of several Members, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

Mr. COLE. Reserving the right to object, Mr. Speaker, this bill is 1 of 2 bills of very great importance with respect to our atomic-energy program. A few days ago we spent a lot of time expressing ourselves as being anxious to move along with the peacetime development of reactors for producing atomic energy. This bill was reported unanimously by the joint committee. It is of great urgency. I was hopeful that the bill would pass at this time. Therefore, in order to bring it to a head, I must object to having the bill passed over.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. HAYS of Ohio, Mr. PRICE, and Mr. HOLIFIELD objected.

BELTON RESERVOIR PROJECT, TEXAS

The Clerk called the bill (H. R. 159) to provide for the reconveyance of certain lands in the Belton Reservoir project, Texas, to former owners of such lands.

Mr. SAYLOR. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

WHITNEY RESERVOIR PROJECT, TEXAS

The Clerk called the bill (H. R. 160) to provide for the reconveyance of certain lands in the Whitney Reservoir project, Texas, to former owners of such lands.

Mr. SAYLOR. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

FISH AND GAME LAWS

The Clerk called the bill (H. R. 8250) to require conformance with State and Territorial fish and game laws and licensing requirements on Federal lands not subject to such laws.

Mr. ASPINALL. Mr. Speaker, at the request of the sponsor of the bill, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

ALBENI FALLS RESERVOIR PROJECT, IDAHO

The Clerk called the bill (S. 598) to provide for adjustments in the lands or interests therein acquired for the Albeni Falls Reservoir project, Idaho, by the reconveyance of certain lands or interests therein to the former owners thereof.

Mr. SISK. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

AMENDMENT OF ADMINISTRATIVE EXPENSES ACT OF 1946

The Clerk called the bill (H. R. 11515) to amend section 7 of the Administrative Expenses Act of 1946, as amended, to provide for the payment of travel and transportation cost for persons selected for appointment to certain positions in the continental United States and Alaska, and for other purposes.

Mr. CUNNINGHAM. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

Mr. McCORMACK. Reserving the right to object, Mr. Speaker, will the gentleman state the reason for this request?

Mr. CUNNINGHAM. The bill involves the expenditure of $4,500,000.

Mr. McCORMACK. Is that the reason?

Mr. CUNNINGHAM. That is right.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

AMENDMENT OF BANKRUPTCY ACT

The Clerk called the bill (H. R. 9459) to amend section 77 (c) (6) of the Bankruptcy Act.

Mr. BOLAND. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

Mr. WALTER, Mr. PATTERSON, and Mr. SADLAK objected.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. SADLAK and Mr. PATTERSON objected.

BOULDER CITY, NEV.

The Clerk called the bill (S. 514) to provide for the disposal of certain Federal property in the Boulder City area, to provide assistance in the establishment of a municipality incorporated under the laws of Nevada, and for other purposes.

Mr. UTT. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

GLEN CANYON UNIT, COLORADO RIVER STORAGE PROJECT

The Clerk called the bill (H. R. 11685) to provide for the acquisition of Navaho Indian lands required in connection with the construction, operation, and maintenance of the Glen Canyon unit, Colorado River storage project.

The SPEAKER pro tempore (Mr. WALTER). Is there objection to the present consideration of the bill?

Mr. SHUFORD. Mr. Speaker, I object.

PROVIDING 230,000-VOLT LINE FROM FORT RANDALL DAM, S. DAK., TO GRAND ISLAND, NEBR.

The Clerk called the joint resolution (H. J. Res. 672) to provide for a 230,000-volt line from the Fort Randall Dam in South Dakota to Grand Island, Nebr.

The SPEAKER pro tempore. Is there objection to the present consideration of the joint resolution?

Mr. THOMPSON of New Jersey. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

Mr. MILLER of Nebraska. Mr. Speaker, reserving the right to object, I would like to know the reason for the gentleman's request. Apparently, this will be the last call of bills on the Consent Calendar. The money in this bill has already been made available by the Committee on Appropriations and the bill has the approval of the Budget Bureau, the Department of the Interior and the administrative officers. I wonder what the reason is for the gentleman asking that it go over again when this is probably the last call of the Consent Calendar.

Mr. THOMPSON of New Jersey. I am asking that it be passed over at the request of several Members, some of whom are not here and I am trying to protect their interest.

Mr. MILLER of Nebraska. The money has already been appropriated by the Committee on Appropriations.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

Mr. MILLER of Nebraska. I object, Mr. Speaker.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. THOMPSON of New Jersey. Mr. Speaker, I object.

SALE OF CERTAIN LANDS IN NATIONAL FORESTS

The Clerk called the bill (S. 1079) to provide for the sale of certain lands in the national forests.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Messrs HAYS of Ohio, MULTER, and FULTON objected.

AMENDING FEDERAL CROP INSURANCE ACT

The Clerk called the bill (H. R. 5275) to amend the Federal Crop Insurance Act, as amended.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 508 of the Federal Crop Insurance Act, as amended (7 U. S. C. 1508), is amended by adding a new subsection (f) to read as follows:

"(f) Notwithstanding any other provision of this title, the corporation is hereby authorized, under such terms and conditions as it deems consistent with sound reinsurance principles, to provide reinsurance on any crop or plantation insurance provided in Puerto Rico by a duly authorized agency of the Commonwealth of Puerto Rico.

With the following committee amendment:

Page 1, line 11, add the following: "*Provided*, That no application for reinsurance authorized herein shall be approved, unless the corporation shall have determined that the reinsurance deemed necessary is not available from recognized private sources at reasonable costs."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDING SOIL BANK ACT

The Clerk called the bill (H. R. 11958) to amend the acreage reserve provisions of the Soil Bank Act to permit inclusion of acreage up to 30 days prior to harvest.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Messrs. MASON, MARSHALL, and GROSS objected.

ALLOTMENT OF LANDS OF THE CROW TRIBE

The Clerk called the bill (S. 3698) to amend the act of June 4, 1920, as amended, providing for allotment of lands of the Crow Tribe, and for other purposes.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Messrs. MASON, HAYS of Ohio, and PHILLIPS objected.

CLAIMS OF NAVAHO AND HOPI INDIANS

The Clerk called the bill (S. 4086) to provide that the United States hold in trust for the Indians entitled to the use thereof the lands described in the Executive order of December 16, 1882, and for adjudicating the conflicting claims thereto of the Navaho and Hopi Indians, and for other purposes.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Messrs. HAYS of Ohio, SHUFORD, and ROGERS of Texas objected.

PROMOTING DEVELOPMENT OF IMPROVED TRANSPORT AIRCRAFT

The Clerk called the bill (S. 2074) to extend for an additional 5 years the provisions of the act of September 30, 1950, entitled "An act to promote the development of improved transport aircraft by providing for the operation, testing, and modification thereof."

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. CELLER. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

POST OFFICE DEPARTMENT

The Clerk called the bill (H. R. 8353) to further the economic and efficient operation of the business of the Post Office Department by the expansion of the existing research and development program of such Department and the establishment of a postal service automatic equipment program, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That this act may be cited as the "Postal Service Automatic Equipment Act."

SEC. 2. In order to expedite the policy and purpose of endeavoring to achieve greater economy and efficiency in the operation of the business of the Post Office Department through the establishment in such department of a research and development program under authority of the act, entitled "an act to provide for a research and development program in the Post Office Department", approved August 16, 1949 (63 Stat. 608; Public Law 231, 81st Congress; 39 U. S. C., secs. 847, 847a), the Postmaster General is authorized and directed—

(1) in general, to increase, expand, accelerate, and intensify the investigations, studies, and other activities of the Post Office Department authorized by such act of August 16, 1949, in connection with such research and development program; and

(2) specifically, to establish, administer, and maintain in the Post Office Department, on a continuing basis, in conformity with this act, such act of August 16, 1949, and other applicable law, a special program of research, development, improvement, experimental use and operation, and practical utilization, with respect to automatic machines, automatic equipment, and other automatic devices for the postal service and postal operations (hereinafter referred to as the "postal service automatic equipment program" and more particularly described and set forth in section 3 of this act).

SEC. 3. (a) The immediate purpose of the postal service automatic equipment program shall be to provide, to the greatest extent practicable within the limits of appropriations and other funds available for such purpose, new, improved, and up-to-date automatic machines, automatic equipment, and other automatic devices for United States post offices having appreciable need therefor in the light of (1) volume of mail, (2) conditions of operation, and (3) other conditions and factors pertaining to efficiency and economy with respect to the postal service and postal operations.

(b) In the administration and maintenance of the postal service automatic equipment program, the Postmaster General shall, among other actions, within 180 days after the date of enactment of this act, select and designate a representative number of United States post offices in which automatic machines, automatic equipment, and other automatic devices will be utilized. Within a period of not more than 2 years following each such selection and designation, there shall be installed in such post office so selected and designated, to the greatest extent practicable, such automatic machines, automatic equipment, and other automatic devices which, on the basis of comprehensive research and engineering studies, are suitable for the efficient and economical operation of such post office. The installation, operation, and maintenance of such automatic machines, automatic equipment, and other automatic devices may be on an experimental or permanent basis, according to applicable conditions and factors which accurately reflect the needs and problems of the postal service and postal operations in such post offices and elsewhere in the postal establishment.

(c) The Postmaster General shall keep accurate and comprehensive records of the utilization, under the postal service automatic equipment program, of automatic machines, automatic equipment, and other automatic devices in United States post offices, including—

(1) the costs thereof;

(2) the savings therefrom;

(3) the effect on the postal service and postal operations;

(4) appropriate comparisons of costs with costs of operation in United States post offices in which automatic machines, automatic equipment, and other automatic devices are not utilized;

(5) the extent to which the utilization of such machines, equipment, and devices is accomplishing the policies and purposes specified or referred to in this act; and

(6) such other information as may be necessary to ascertain with reasonable accuracy the results of postal operations from the standpoint of (A) public service, (B) revenues earned, (C) costs of operation, and (D) overall economy and efficiency in the postal service.

(d) The Postmaster General shall submit to the President, for transmittal to the Congress, an annual report of the operation of this act containing information provided by the records under subsection (c) of this section, together with such other information, and such recommendations, as he deems advisable or appropriate.

SEC. 4. There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions and accomplish the policies and purposes of this act.

Amend the title so as to read: "A bill to further the economic and efficient operation of the business of the Post Office Department by the establishment of a postal service automatic equipment program, and for other purposes."

With the following committee amendments:

On page 2, line 6, strike out line 6 to line 22 inclusive and insert: "General is specifically authorized and directed to establish, administer, and maintain in the Post Office Department, on a continuing basis, in conformity with this act, such act of August 16, 1949, and other applicable law, a special program of research, development, improvement, experimental use and operation, and practical utilization, with respect to automatic machines, automatic equipment, and other automatic devices for the postal service and postal operation (hereinafter referred to as the 'postal service automatic equipment program' and more particularly described and set forth in section 3 of this act)."

On page 3, line 14, after "United States", strike out "post offices" and insert "postal installations."

On page 3, line 15, after "therefor", strike out "in the light of (1) volume of mail, (2) conditions of operation, and (3 other conditions and factors pertaining to efficiency and economy with respect to the postal service and postal operations."

On page 3, line 25, after "such", strike out "post offices" and insert "postal installations."

Page 4, line 2, after "utilized", insert ", to the extent available."

On page 4, line 10, strike out "post office" and insert "postal installations."

On page 4, line 8, after "are", insert "available and."

On page 4, line 16, after "such", strike out "post offices" and insert "postal installation."

On page 4, line 22, after "United States", strike out "post offices" and insert "postal installations."

On page 5, line 4, strike out "post offices" and insert "postal installations."

On page 6, line 10, after "SEC.", strike out "4" and insert "5."

On page 5, line 22, insert the following:

"SEC. 4. Nothing contained in this act shall be construed as authorizing, requiring, or permitting—

"(1) the separation or furlough of any employee in the postal field service, in any part, division, or service thereof, or in any classification or category of such employees, or."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill to further the economic and efficient operation of the business of the Post Office Department by the establishment of a postal service automatic

equipment program, and for other purposes."

A motion to reconsider was laid on the table.

PRESIDENT'S ADVISORY COMMISSION ON PRESIDENTIAL OFFICE SPACE

The Clerk called the bill (H. R. 12025) to provide for a President's Advisory Commission on Presidential Office Space.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent to substitute the bill S. 4228, a similar bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Colorado?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That there is hereby established a commission to be known as the President's Advisory Commission on Presidential Office Space (hereinafter referred to as the "Commission"). It shall be the duty of the Commission (a) to study the problem of providing more adequate office space for the White House Office and the other agencies of the Executive Office of the President, and (b) within 6 months after the approval of this act to report to the President such findings and recommendations as it deems appropriate.

SEC. 2. (a) The Commission shall be composed of 7 members as follows:

(1) Two Senators appointed by the President of the Senate;

(2) Two Representatives appointed by the Speaker of the House of Representatives;

(3) Three persons appointed by the President of the United States from the executive branch or from private life.

(b) A vacancy in the Commission shall not affect its powers but shall be filled in the same manner as the original appointment was made.

(c) The Commission shall elect a Chairman and a Vice Chairman from among its members.

(d) Commission members appointed from the Congress and the executive branch shall serve without additional compensation. Commission members appointed from private life shall receive $50 per diem when engaged in the performance of Commission duties. All Commission members shall receive reimbursement for necessary traveling and subsistence expenses incurred by them in the performance of Commission duties.

(e) Within the limits of its appropriations, the Commission is authorized to appoint such personnel, without regard to the civil-service laws and the Classification Act of 1923, as amended, and to make such expenditures as, in its discretion, it deems necessary.

(f) The Commission is authorized to request and secure the advice or assistance of any Federal agency. Any Federal agency furnishing advice or assistance to the Commission may expend its own funds for this purpose, with or without reimbursement from the Commission, as may be agreed upon between the Commission and the agency.

(g) Thirty days after the submission of its final report the Commission shall cease to exist.

SEC. 3. Appropriations to the President for "Expenses of management improvement" shall be available for necessary expenses of the Commission, and there are hereby authorized to be appropriated such additional sums as may be necessary for such expenses.

Mr. JONES of Alabama. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JONES of Alabama: Page 3, line 1, strike out "1923" and insert "1949".

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

A similar House bill was laid on the table.

AUTHORIZING THE COAST AND GEODETIC SURVEY TO ACT AS NOTARIES

The Clerk called the bill (S. 3266) to authorize officers of the Coast and Geodetic Survey to act as notaries in places outside the United States.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, in places where the Coast and Geodetic Survey is serving which are not within the jurisdiction of any one of the several States, commanding officers of Coast and Geodetic Survey vessels, and such other officers of the Coast and Geodetic Survey as the Secretary of Commerce may designate, may exercise the general powers of the notary public in the administration of oaths for the execution, acknowledgment, and attestation of instruments and papers, and the performance of all other notarial acts. The powers hereby conferred shall be limited to acts performed in behalf of the personnel of the Coast and Geodetic Survey or in connection with the proper execution of the functions of that agency.

SEC. 2. No fee of any kind shall be paid to any officer for the performance of any notarial act herein authorized. The signature without seal together with indication of grade of any officer performing any notarial act shall be prima facie evidence of his authority.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

COAST GUARD SUPPLY FUND

The Clerk called the bill (S. 4011) to amend section 650 of title 14, United States Code, entitled "Coast Guard", relating to the Coast Guard Supply Fund.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. HAYS of Ohio. Mr. Speaker, I object.

Mr. BONNER. Will the gentleman reserve the right?

Mr. HAYS of Ohio. I reserve the right to object.

Mr. BONNER. This does not cost anything. It is an administrative matter in handling the affairs in the Coast Guard.

Mr. HAYS of Ohio. Mr. Speaker, I object.

SENATE OFFICE BUILDING COMMISSION

The Clerk called the bill (S. 4116) to increase the membership of the Senate Office Building Commission.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. HAYS of Ohio. Mr. Speaker, I object.

CONSTRUCTION OF DAM ON THE NORTH BRANCH OF THE POTOMAC RIVER

The Clerk called the bill (S. 4099) granting the consent of Congress to the Pittsburgh Plate Glass Co. for the construction of a dam on the North Branch of the Potomac River.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. SMITH of Virginia. Mr. Speaker, I ask unanimous consent that this bill go over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia?

Mr. HYDE. Mr. Speaker, reserving the right to object, will the gentleman state why he asks that the bill be passed over? This is absolutely necessary.

Mr. SMITH of Virginia. It is on the Potomac River in my district, and I do not know what it is all about. Nobody has spoken to me about it.

Mr. HYDE. This does not affect the gentleman's district at all. It is on the North Branch of the Potomac.

Mr. SMITH of Virginia. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice, and I will speak to the gentleman.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia?

There was no objection.

WITHDRAWALS OF RESERVATIONS OF PUBLIC LANDS

The Clerk called the bill (H. R. 12185) to provide that withdrawals or reservations of more than 5,000 acres of public lands of the United States for certain purposes shall not become effective until approved by act of Congress.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding any other provisions of law, except in time of war or national emergency declared by the President or the Congress, on and after the date of enactment of this act, the provisions hereof shall apply to the withdrawal and reservation for, restriction of, and utilization by, the Department of Defense for defense purposes of the public lands of the United States, including public lands in the Territory of Alaska: *Provided*, That for the purposes of this act, the term "public lands" shall be deemed to include, without limiting the meaning thereof, Federal lands and waters of the Outer Conti-

nental Shelf, as defined in section 2 of the Outer Continental Shelf Lands Act (67 Stat. 462), and Federal lands and waters off the coast of the Territory of Alaska.

SEC. 2. No public land, water, or land and water area shall, except by act of Congress, hereafter be (1) withdrawn from settlement, location, sale, or entry for the use of the Department of Defense for defense purposes or (2) reserved for such use if such withdrawal or reservation would result in the withdrawal or reservation of more than 5,000 acres in the aggregate for any one defense project or facility of the Department of Defense since the date of enactment of this act or since the last previous act of Congress which withdrew or reserved public land, water, or land and water area for that project or facility, whichever is later.

SEC. 3. Any application hereafter filed for a withdrawal or reservation, the approval of which will, under section 2 of this act, require an act of Congress, shall specify—

(1) the name of the requesting agency and intended using agency;

(2) location of the area involved, to include a detailed description of the exterior boundaries and excepted areas, if any, within such proposed withdrawal or reservation;

(3) gross land and water acreage within the exterior boundaries of the requested withdrawal or reservation, and net public lands, water, or public land and water acreage covered by the application;

(4) the purpose or purposes for which the area is proposed to be withdrawl or reserved, or, if the purpose or purposes are classified for national security reasons, a statement to that effect;

(5) whether the proposed use will result in contamination of any or all of the requested withdrawal or reservation area, and if so, whether such contamination will be permanent or temporary;

(6) the period during which the proposed withdrawal or reservation will continue in effect;

(7) whether, and if so to what extent, the proposed use will affect continuing full operation of the public land laws and Federal regulations relating to conservation, utilization, and development of mineral resources, timber and other material resources, grazing resources, fish and wildlife resources, water resources, and scenic, wilderness, and recreation and other values; and

(8) if effecting the purpose for which the area is proposed to be withdrawn or reserved will involve the use of water in any State lying wholly or in part west of the 98th meridian, whether, subject to existing rights under law, the intended using agency has acquired, or proposes to acquire, rights to the use thereof in conformity with State laws and procedures relating to the control, appropriations, use, and distribution of water.

SEC. 4. (a) The Secretary of each military department, under regulations prescribed by him, and approved by the Secretary of Defense, shall, with respect to each military installation or facility under the jurisdiction of his department—

(1) require that all hunting, trapping, and fishing at the installation or facility be in accordance with the fish and game laws of the State or Territory in which it is located;

(2) require that licenses for hunting, trapping, or fishing be obtained from the State or Territory in which such installation or facility is located. With respect to members of the Armed Forces, such license will be required if such State or Territory authorizes the issuance of a license to a member of the Armed Forces on bona fide military duty for not less than 30 days at any installation or facility therein, without regard to residence requirements, and upon terms no less favorable than those terms upon which such a license is issued to residence of such State or Territories; and

(3) develop, subject to any requirements of safety or military security, in cooperation with the Governor (or his designee) of the State or Territory in which the installation or facility is located, procedures under which designated fish and game or conservation officials of that State or Territory may, at such time and under such conditions as may be agreed upon, have full access to that installation or facility to effect measures for the management, conservation, and harvesting of fish and game resources.

(b) Whoever is guilty of an act or omission which violates a requirement prescribed by the Secretary of a military department under subsection (a) (1) or (2) of this section, which act or omission would be punishable if committed or omitted within the jurisdiction of the State or Territory in which the installation or facility is located by the laws thereof in force at the time of such act or omission, shall be guilty of a like offense and subject to a like punishment.

(c) This section does not modify any rights granted by treaty or otherwise to any Indian tribe or to the members thereof.

SEC. 5. The Federal Property and Administrative Services Act of 1949 (63 Stat. 377), as amended, is hereby further amended by revising section 3 (d) to read as follows:

"(d) The term 'property' means any interest in property except (1) the public domain; lands reserved or dedicated for national forest or national park purposes; minerals in lands or portions of lands withdrawn or reserved from the public domain which the Secretary of the Interior determines are suitable for disposition under the public land mining and mineral leasing laws; and lands withdrawn or reserved from the public domain except lands or portions of lands so withdrawn or reserved which the Secretary of the Interior, with the concurrence of the Administrator, determines are not suitable for return to the public domain for disposition under the general public-land laws because such lands are substantially changed in character by improvements; (2) naval vessels of the following categories: Battleships, cruisers, aircraft carriers, destroyers, and submarines; and (3) records of the Federal Government."

SEC. 6. All withdrawals and reservations of public land for the use of any agency of the Department of Defense, heretofore or hereafter made by the United States, shall be deemed to be subject to the condition that all minerals in the lands so withdrawn or reserved are under the jurisdiction of the Secretary of the Interior and no disposition shall be made of minerals in such lands except under the applicable public-land mining and mineral leasing laws: *Provided*, That nothing in this section shall apply to lands withdrawn or reserved specifically as naval petroleum, naval oil shale, or naval coal reserves.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. SAYLOR. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. SAYLOR. Mr. Speaker, I join my colleagues from the House Committee on Interior and Insular Affairs in urging enactment of H. R. 12185, a bill having the identical purpose as my bill, H. R. 10394, which was considered concurrently with the reported measure.

Pennsylvania—through its fish and game commissions, and through numerous conservation organizations and private citizens—was in the forefront of the 39 States which officially endorsed this legislation through their official agencies.

So that the record will be complete, I wish to point out, through a section-by-section analysis, a detailed explanation of the bill's provisions.

SECTION 1—BASIC PURPOSE

Section 1 of the reported measure deals with the withdrawal and reservation for, restriction of, and utilization by, the Department of Defense for defense purposes of the public lands of the United States.

This section declares that, notwithstanding any other provisions of law—except in time of war or national emergency declared by the President or the Congress—the provisions of the act will take effect upon enactment. Lands and waters included within the scope of the bill include: public lands of the United States; public lands of the Territory of Alaska; Federal lands and waters of the outer Continental Shelf, as defined in section 2 of the Outer Continental Shelf Lands Act—in 67th United States Statutes at Large, page 462—and Federal lands and waters off the coast of the Territory of Alaska.

The committee, in employing the term "public lands," intends it to apply in its technical or legal sense, as distinguished from "reserved public lands" or "withdrawn public lands," and "acquired public lands." It should be noted that section 1 makes clear the application of the provisions to all public lands—as defined therein, and in this report—but does not preclude application of some of the provisions of the bill to other real property owned or controlled by the United States.

It will presently be seen that all or parts of section 4, section 5, and section 6 apply not only to public lands, but to certain other Federal real property as well.

SECTION 2—ACREAGE LIMIT

Section 2 contains the basic provision of the bill, which establishes a requirement that withdrawals or reservations of more than 5,000 acres in the aggregate for defense purposes may hereafter be made only by act of Congress.

The section contains language which would preclude the making of a number of cumulative withdrawals, each for less than 5,000 acres, where all would be used for any one defense project or facility of the Department of Defense.

Testimony of witnesses for the Department of the Interior made it clear that the great majority of individual applications for any one project or facility in fact involve lands of less than 5,000 acres, and as may be noted below, the Department of Defense in its report does not object to this section of the act. In testimony given subsequent to the receipt of the Defense Department report, witnesses for the Department of Defense directly negatived a question as to whether the 5,000-acre breaking-point in the bill would unduly hamper or interfere with carrying out of the defense mission.

SECTION 3—APPLICATION

Section 3 would lay a more adequate base for fully determining at the local

level and for congressional consideration the resource impact of proposed withdrawals.

Defense agencies would continue to file applications for withdrawal or reservation of public lands with the appropriate local land office of the Bureau of Land Management, or with the Department of the Interior, just as is done under present procedure. Continuance of this procedure would accomplish the same dual effect achieved by existing practices: First, the recordation of the application in the appropriate office has the effect of segregating, temporarily, the lands requested from all forms of entry under the lands laws, thus serves as a sound antispeculation measure; second, continuance of existing procedure would provide notice at the local and State level—through requisite Federal Register publication and/or press releases issued by Bureau of Land Management State supervisors—that the application had been made.

Thereafter, if the aggregate acreage of public lands included within the proposed withdrawal or reservation falls within the requirements of H. R. 12185 as evidenced by the public lands records maintained by the Department of the Interior, the Department of the Interior would then develop, for transmission to the Congress, proposed legislation having as its purpose effecting the withdrawal requested, and containing such provisions for continued operation of the public lands laws within the area proposed to be withdrawn as may be determined to be compatible with the intended military use.

To achieve these objectives, section 3 would require applications to specify, in addition to the name of the requesting agency, using agency location and description of boundaries of the area, and gross acreage involved: the purpose or purposes—unless classified for national security reasons—for which the area is proposed to be withdrawn; whether contamination will result, and if so, whether such contamination will be permanent or temporary; the extent, if any, to which the proposed use will affect full operation of the public land laws and Federal regulations relating to conservation, utilization, and development of mineral resources, timber, and other material resources, grazing resources, fish and wildlife resources, water resources, scenic, wilderness, recreational and other values; and, if the area to be withdrawn involves the use of water in any State lying in whole or in part west of the 98th meridian—that is, the reclamation States—the agency would be required to state whether, subject to existing rights under law, it has acquired or intends to acquire rights to the use of the water in conformity with State laws and procedures relating to the control, appropriation, use, and distribution of water.

Relating to these requirements in the proposed bill to the findings of the committee, as set out hereinbefore, should make abundantly clear the reasons why they are included, and the results the committee believes will be achieved.

One observation needs to be made: the record made by the committee suggests that applicant defense agencies have tended to turn to the clause "if the purpose or purposes are classified for national security reasons" as a device to relieve them of the burden of making known the general purpose for which such areas are to be withdrawn. It does not appear that such generalized terms as "gunnery range," "bombing range," "missiles range," and the like would seriously threaten the national security, particularly when the areas involved may range from 1,500 to 3,000 square miles in area, an area of such size that it simply cannot be subtly and deftly removed from the operation of the public lands laws without generating substantial local interest, and interest of the State or Territory affected.

SECTION 4—FISH AND GAME LAWS

Section 4 has as its objective substantially reducing the areas of present and continuing conflict between State and Territorial officials and the commanding officers of military installations and facilities involving the management, conservation, and harvesting of fish and game recourse, and the enforcement of fish and game laws of the State or Territory within military installations or facilities.

This section, as was noted in the comments on section 1, applies not only to reserved public land reservations, but to acquired lands as well; its broad purpose is to make State hunting, fishing, and trapping laws applicable as Federal laws on all military installations.

Section 4 (a) (1) would require that all hunting, trapping, and fishing on all military installations and facilities—including those falling presently within the "exclusive Federal jurisdiction" status—be in accordance with the fish and game laws of the State or Territory in which such lands are located. It would require that State or Territorial licenses be obtained for hunting, trapping, and fishing on such areas if local law (i. e., State or Territorial law) authorizes license issuance to Armed Forces members on bona fide military duty for not less than 30 days at any installation within the State or Territory involved, without regard to residence requirements, and upon terms no less favorable than those upon which such a license is issued to residents.

This subsection anticipates affirmative action being taken by some States before hunting, trapping, or fishing within such reservations must be licensed by State law; it does not anticipate that for such activities outside such reservations the same preferred treatment must be afforded military personnel. Since subparagraph (1) of section 4 (a) requires that all hunting, trapping, and fishing at the installation or facility be in accordance with the fish and game laws of the State or Territory in which it is located, the clear intent is that such activities can be conducted if at all, only in accordance with State law relating to season and bag limits, methods of taking, etc., even though the military personnel are not required to comply with State licensing requirements within the reservation because of the State's failure to establish preferential treatment with respect to residence.

In other words, hunting within all such reservations—with or without State provisions establishing preferred military treatment—can only be conducted after the effective date of the act, if in compliance with State fish and game laws, excepting licensing. The State may or may not provide for preferred treatment outside such reservations to be assured State licensing within such reservations, if the State has met the residence waiver requirements of this subparagraph.

Possible dual construction of the clause "for not less than 30 days" deserves clarifying comment: if an individual is actually assigned on bona fide military duty by orders providing for duty status at the installation involved, so that his orders require his presence at the installation for a minimum of 30 days, he would then be eligible for a license under the preferred status provisions when first physically present for duty on such orders.

Subsection 4 (a) (3) mandates the Secretary of Defense, in cooperation with the appropriate governor or his designee, and subject to safety and military security requirements, to develop procedures whereby State or Territorial fish and game or conservation officials may have full access thereto "to effect measures for the management, conservation, and harvesting of fish and game resources."

The quoted language anticipates not only that the obvious results will be achieved, but the possibility that—in areas where insufficient military personnel are present to adequately enforce fish and game laws, such as the case at Camp McCoy, Wis., referred to above—State game officials may be deputized as Federal marshals to assure adequate enforcement.

Subsection 4 (b) provides that violations of the State and Territorial fish and game laws made applicable to military installations and facilities are violations of Federal law, and subject to like punishment as though committed or omitted within the State or Territorial jurisdiction.

Lastly, subsection 4 (c) specifically recites that rights granted by treaty or otherwise to any Indian tribe or members thereof are not modified by the provisos dealing with fishing, trapping, and hunting.

SECTION 5—MINERAL LANDS, SURPLUS PROPERTY DISPOSITION

Section 5 would amend in two particulars the Federal Property and Administrative Services Act of 1949 (63 Stat. 377), as amended.

First, it would except from the real property-disposition provisions of the 1949 act, minerals in withdrawn or reserved public domain lands which the Secretary of the Interior determines are suitable for disposition under the public land mining and mineral leasing laws.

Second, it amends the 1949 act to provide that only those withdrawn or reserved public domain lands surplus to the needs of Federal agencies found by the Secretary of the Interior—with the concurrence of the Administrator of General Services—not suitable for restoration to public land status by virtue of their having been substantially

changed in character by improvements, would hereafter be subject to the real property disposition provisions of the amended 1949 act.

Both of these amendments would clarify the operation of existing law; one would make it clear that only when determined by the Secretary to be not suitable for mining or mineral leasing purposes would the mineral estate pass with the title to the surface estate being disposed of under surplus property provisions; the other would reverse the roles of the Secretary and the Administrator so as to provide that the Secretary would make an initial judgment of the nature with which his Department is most familiar—suitability of lands for public land uses, a traditional Interior function—and if the Administrator concurs in a finding of nonsuitability, the lands would be disposed of as surplus.

SECTION 6—OIL, GAS, AND MINERALS DISPOSITION

Finally, the reported measure provides, in section 6, that all minerals in withdrawn or reserved public lands—except lands withdrawn or reserved specifically as naval petroleum, naval oil shale, or naval coal reserves—are under the jurisdiction of the Secretary of the Interior, and that no disposition thereof shall be made except under the applicable public land mining and mineral leasing laws.

Enactment of this section into law actually constitutes a restatement of the law as it is today, in the view of the committee and the Department of the Interior. In short, as declared above, the provisions of section 6 of the reported bill will serve to remove whatever doubts may exist, if any, as to the laws which govern the disposal of any and all minerals, including oil and gas, in public lands of the United States heretofore or hereafter withdrawn or reserved by the United States for the use of defense agencies.

Mr. ENGLE. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. ENGLE. Mr. Speaker, H. R. 12185, the reported measure, is a clean bill I introduced, after consideration by the committee of H. R. 10371, together with 12 other bills having an identical purpose. I believe reference to those bills and to their authors will suffice to indicate the widespread support for this legislation among Members of the House.

Bills having the same purpose as H. R. 12185, include H. R. 10362, by Rpresentative ASPINALL, of Colorado; H. R. 10366, by Delegate BARTLETT, of Alaska; H. R. 10367, by Representative BUDGE, of Idaho; H. R. 10372, by Representative FERNANDEZ, of New Mexico; H. R. 10377, by Representative METCALF, of Montana; H. R. 10380, by Representative PFOST, of Idaho; H. R. 10384, by Representative ROGERS of Texas; H. R. 10394, by Representative SAYLOR, of Pennsylvania; H. R. 10396, by Representative UDALL, of Arizona; H. R. 10548, by Representative YOUNG, of Nevada; H. R. 10725, by Represenative COON, of Oregon; and H. R. 11001, by Representative JOHNSON of Wisconsin.

PURPOSE OF H. R. 12185

Broadly stated, H. R. 12185 has as its purpose and objective returning to the Congress in one major respect—land use for defense purposes—the direct exercise of the responsibility fixed by the Federal Constitution in the legislative branch for effecting policies and procedures assuring maximum public benefit through multiple resource utilization of the public lands and other real property of the United States.

Specifically, the reported measure deals with the withdrawal and reservation for, restriction of, and utilization by, the Department of Defense for defense purposes of the public lands of the United States and Alaska, the outer Continental Shelf lands of the United States, and Federal lands and waters off the coast of Alaska. If the reported bill is enacted, such proposed uses by agencies of the Department of Defense involving more than 5,000 acres for any one project or facility could only be effectuated—notwithstanding any other provisions of law, except in time of war or national emergency declared by the President or the Congress—after compliance with its terms, and after approval of such proposals by specific act of Congress.

H. R. 12185, in addition, would set out clear-cut statutory requirements for the utilization and disposition of certain of the resources found within existing and future military installations and facilities so as to assure highest and best management, conservation, utilization, and development thereof on a continuing basis. To achieve these objectives, first, the bill would lay a more adequate base for fully determining at the local level and for congressional consideration the resource impact of proposed withdrawals; second, H. R. 12185, if enacted, would substantially reduce the areas of present and continuing conflict between State and Territorial officials and the commanding officers of military installations and facilities involving the management, conservation, and harvesting of fish and game resources, and the enforcement of fish and game laws within military installations and facilities; third, the bill would amend in two particulars the Federal Property and Administrative Services Act of 1949 (63 Stat. 377), as amended, so as to clarify operations thereunder involving the disposition of the mineral estate in withdrawn or reserved public domain lands, and to redefine the responsibility of the Secretary of the Interior with respect to disposition of public lands withdrawn or reserved and subsequently declared excess to the needs of Federal agencies; and, fourth, the bill's provisions would remove whatever doubts may exist, if any, as to the laws which govern the disposal of any and all minerals, including oil and gas, in public lands of the United States heretofor or hereafter withdrawn or reserved by the United States for the use of Defense agencies.

APPLICATION REQUIREMENTS

The first of these objectives would be accomplished by continuing in effect—but by redefining the requirements—the present procedure whereby the requesting defense agency files an application with the appropriate land office of the Bureau of Land Management, Department of the Interior, for withdrawal, restriction, or reservation of a specified area. Such applications for use of areas embraced within the terms of the bill will hereafter be required to specify: The name of the requesting and intended using agency; the location and gross and net acreage involved; purpose or purposes of the withdrawal, restriction, or reservation; whether contamination will result from the proposed use or uses; use period; effect of use on continuing full operation of the public land laws, and full resources utilization, management, and development; and the relationship of the proposed use to laws and procedures of the States of the reclamation west relating to the control, appropriation, use, and distribution of water.

HUNTING AND FISHING PROVISIONS

To accomplish the second objective, with respect to all military installations and facilities, the bill would require that hunting, trapping, and fishing thereon be in accordance with the fish and game laws of the State or Territory in which such areas are located; and that State or Territorial licenses be obtained for hunting, trapping, and fishing thereon if local law authorizes their issuance to Armed Forces members on bona fide military duty for not less than 30 days at any installation within the State or Territory involved, without regard to residence requirements, and upon terms no less favorable than those upon which such a license is issued to residents.

Further, the bill would mandate the Secretary of Defense, in cooperation with the appropriate governor or his designee and subject to safety and military-security requirements, to develop procedures whereby State or Territorial fish and game or conservation officials may have full access thereto to effect measures for the management, conservation, and harvesting of fish and game resources.

By the terms of the bill, violations of the State and Territorial fish and game laws made applicable to military installations and faciilties are made violations of Federal law, and subject to like punishment as though committed or omitted within the State or Territorial jurisdiction.

The bill specifically recites that rights granted by treaty or otherwise to any Indian tribe or members thereof are not modified by the provisions dealing with fishing, trapping, and hunting.

MINERAL LANDS AND SURPLUS REAL PROPERTY

The third objective would be accomplished by amending the amended Federal Property and Administrative Services Act of 1949 to: make it clear that minerals in withdrawn or reserved public domain lands which the Secretary of the Interior determines are suitable for disposition under the public land mining and mineral leasing laws are excepted from the real property disposition provisions of the amended 1949 act; similarly, only those withdrawn or reserved public domain lands excess to the needs of Federal agencies found by the Secretary—with the concurrence of the Administrator of General Services—not

suitable for restoration to public-land status, by virtue of their having been substantially changed in character by improvements, would hereafter be subject to the real property disposition provisions of the amended 1949 act.

OIL, GAS, AND MINERALS DISPOSITION

Finally, the reported bill would accomplish the fourth objective by declaring that all minerals in withdrawn or reserved public lands except lands withdrawn or reserved specifically as naval petroleum, naval oil shale, or naval coal reserves—are under the jurisdiction of the Secretary of the Interior, and that no disposition thereof shall be made except under "the applicable public land mining and mineral leasing laws."

Adoption of this provision, as indicated above, will set at rest any doubts as to congressional policy of long standing—as expressed in the mining laws of 1872, as amended, and the 1914 and 1920 Mineral Leasing Acts and related laws—with respect to orderly disposition of the mineral resources, including oil and gas, of the public lands.

COMMITTEE CONCLUSION, RECOMMENDATION

In recommending immediate favorable action on H. R. 12185, Mr. Speaker, I speak for the committee, for myself, and for thousands of our conservation-minded citizens when I reiterate what our committee has said before. The program for the defense of our Nation's human and natural resources should not—and must not—be so conducted as to destroy the very resources it is aimed at preserving.

H. R. 12185 is a bill for the recapture by the Congress of a degree of those powers which the executive branch of the Government has acquired over a long period of years with respect to utilization of this Nation's most valuable assets, the human and natural resources of the public lands.

Its early enactment will operate to return to the legislative branch the degree of control the committee believes necessary to assure that defense use of the public lands presently held will more nearly conform to long-established maximum public multiple resource use policy, and will make certain that future public lands acquisition by the military will be so conditioned as to assure conformance with the same policy.

The positions of the Departments of Defense and the Interior, as well as General Services Administration, as indicated on pages 42 and 43 of the committee report, House Report 2856, are generally without objection to the reported bill. With respect to the asserted objection of Defense to the committee amendment bringing outer Continental Shelf defense restrictions within the purview of the congressional review required by the bill, it should be noted that the Bureau of the Budget cleared a statement presented by Interior witnesses in support of that amendment; further, as we have observed in the report that any move to restrict petroleum exploration and development of shelf resources dictates a combined approach by the Congress and the executive branch, and not simply unilateral executive action.

This legislation is landmark legislation; it will have a far-reaching effect in the direction of wiser conservation, development, and utilization of invaluable resources belonging to the people of the United States.

The House Committee on Interior and Insular Affairs unanimously recommends enactment of H. R. 12185. I support it as a Californian, and as a matter of vital interest to the citizens of my State; I urge the support of the entire Congress, since it is legislation of paramount importance to the entire Nation, to today's citizens, and tomorrow's citizens.

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. ASPINALL. Mr. Speaker, the House Committee on Interior and Insular Affairs, during the past 6 months, conducted a series of exhaustive hearings into the policies and procedures affecting the withdrawal and utilization of the public lands of the United States. It became evident, very early, that the question of lands held and used by the Department of Defense alone would require all of the time we could devote to the subject during this Congress.

The reported legislation was developed and introduced at the midpoint in these proceedings, which consumed 18 days of hearings, hundreds of additional man-hours of committee member and staff research and work, and resulted in the 25,000-word report on H. R. 12185, House Report 2856.

I believe that the RECORD should contain a summary of the committee's findings with respect to matters so vital to the people of my own State of Colorado, and to the Nation.

SUMMARY OF COMMITTEE FINDINGS

On the record made, and on the testimony, statements, and departmental reports received, the following conclusions are indicated:

1. DEFENSE DEPARTMENT CONTROL PROCEDURES

That the matter of the Department of the Navy's requests in 1953 and 1955 for joint use with the Air Force of the 3.5-million acre Nellis-Tonopah range in southern Nevada, the Air Force turndown of that request on an asserted "Air Force saturation use" basis, the activities of the Navy in pumping funds into the Fallon Naval Auxiliary Air Station in northwest-central Nevada prior to reasonable assurance that public land range facilities would be available in proximity to Fallon NAAS, the Air Force decision to declare more than 2 million acres at Nellis-Tonopah range surplus to their needs when pressed by the committee to justify their further retention, and the Navy's immediate assertion that such Air Force action was "too late" if the $16 million Federal investment at Fallon was to be protected—all reflect what can only be labeled an inexcusable deficiency in the control procedures established by Defense to assure conformity with its directives relating to public-land acquisition and utilization.

The record strongly suggests that since post-World War II neither on an intra-military department basis, nor on a coordinated inter-Defense Department basis—at least insofar as public lands acquisition policy is involved—has there been sufficient long-range planning and detailed periodic review fundamental to any program aimed at economic real property utilization. The Defense Department directive of August 27, 1955, on paper, constitutes a salutary step in the direction bringing Defense utilization of public lands of the United States more nearly into line with the long-standing congressional policies involving public lands management and use.

Until reports from all military departments have been received by Defense purusant to the August 27, 1955, directive, fully evaluated, and related to present holdings, and to pending and proposed applications, the committee believes that no additional public land acquisitions for military purposes should be effected, except in cases of most urgent necessity, and then subject to findings thereafter made.

2. DEFENSE DEPARTMENT UTILIZATION REVIEW

The approval by the individual military departments, and subsequently by the Department of Defense, of applications now pending in the Department of the Interior for withdrawal of an additional 8 million acres of public lands—when neither the requesting agency nor the Defense Department had in hand any utilization records on more than 25 million acres of existing holdings necessary to approval or disapproval—is inexplicable, and cannot be viewed as justification of the need for additional lands.

The history of practices indulged in by the defense agencies with respect to public lands acquisition dictates early congressional action on legislation having as its purpose recapturing the power of Congress under the property clause.

3. REVIEW BY MILITARY DEPARTMENTS

The committee findings set out in the foregoing are, it appears, equally applicable to the Departments of the Army, Air Force, and Navy. In fact, no good reason presents itself for the Defense Department to consider a request for approval of proposed land acquisition in the absence of a showing that the requesting military department has instituted and enforced such control procedures as will fully justify continued retention of existing holdings, and thus relate existing holdings to proposed acquisitions.

4. DEFENSE HOLDINGS AND MULTIPLE-RESOURCE USE

The committee record makes it clear that the policy of defense agencies has been, almost without exception where public lands are involved, to insist on withdrawals of huge practice or training ranges from all forms of public use. Further, it is clear this is done notwithstanding the fact that in many instances substantial multiple-resource utilization and development would be entirely compatible with the proposed military use, with the result that vast mineral, grazing, timber and other materials, fish and wildlife, and water resources, together

with wilderness, scenic, and recreation values, are locked up—with consequent local impact and attendant diminution or destruction of valuable public resource assets.

The tentative agreement of the Navy to permit very substantial multiple-resource activity within the proposed 2.8-million-acre Black Rock-Sahwave gunnery range Nevada withdrawal—if the withdrawal order which may be written incorporates with precision the conditions and limitations of use—reflects, in the view of the committee, an immense stride in the right direction. That the original Navy intent, and desire, was to close the area to all forms of public use, however, would seem to very adequately point up the problem facing the Congress. That the Navy's "agreement" was arrived at only after hundreds of hearing man-hours and staff work had been devoted to its particulars, also suggests that the legislative branch can have no assurance that executive agencies will employ a maximum multiple resource use approach unless Congress, by statute, establishes clear-cut and mandatory conditions precedent to finalizing of any major withdrawals of public lands for defense, or other purposes.

5. FISH, GAME, AND WILDLIFE RESOURCES

We have stated in our report accompanying H. R. 12185 that the record made by the committee conclusively establishes these points: That the existence of huge Federal military reservations containing extensive fish, game, and wildlife resources and the activities of military personnel thereon has given rise to violate objections on the part of local officials with respect to activities countenanced therein; that on too many such areas the State fish and game laws and implementing regulations fixing seasons, bag limits, methods and times of capture, and similar limitations, have been totally or largely ignored; that State fish and game conservation officials have routinely been denied access to millions of acres of public lands within military reservations for the purpose of effecting measures for the conservation and management of fish, game, and wildlife resources; that the public at large has similarly been denied access to millions of acres of military reservations during established hunting seasons, notwithstanding the fact that many such areas are only intermittently used and cannot be seriously labeled "closed for security reasons"; that interpretation of the State laws governing taking and possession of these resources has largely been left by the Defense Department, and the Departments of the Air Force, Army, and Navy, to local commanders, with the not unnatural result that there are almost as many interpretations as there are local military commanders; that in too many instances such areas have taken on all the aspects of exclusive military hunting preserves, closed to the public at large, closed to the Federal and State officials charged with responsibility for fish and game law enforcement, and therefore islands of highly irregular fish and game management within what Congress and the States and Territories would like to believe is a sea of uniform policy governing the wise and orderly use of these valuable public resources; finally, that directives, regulations, and orders of the Defense Department promulgated with the declared intent of harmonizing the military-local situation appear to be largely matters of form, and of only limited substance.

With respect to the general findings set out above on this subject, it is submitted that such findings speak for themselves. The history of military-local relations—and, indeed, the history of the relationship between Defense agencies and the United States Fish and Wildlife Service—makes it clear that the military cannot, or will not, yield in its insistence on immunity from State and Territorial fish and game laws, within exclusive Federal jurisdiction areas.

It is equally clear that local officials will not recede from their insistenee that if military personnel are going to fish and hunt, then either as a matter of law or a matter of sound Federal-local policy they must conform to season and bag limits, methods of taking, and so forth, as prescribed by State law.

In light of the abuses of sound conservation practices that have unquestionably been permitted to prevail at a number of military reservations, and the inability or unwillingness of the respective military departments and the Department of Defense to remedy the situation, action by Congress is a must.

DEFENSE POSITION ON PETROLEUM RESOURCES

Mr. Speaker, in its report accompanying H. R. 12185, there is set out in detail the House Interior Committee's reaction to the Defense position—as articulated through the Department of the Navy—with respect to the Navy-claimed authority to conduct petroleum exploratory operations outside of areas set aside specifically as naval petroleum reserves. Put succinctly, the committee position is that there is no such authority in the Navy—absent further congressional action—with respect to public land areas withdrawn "for naval purposes" or on the outer continental shelf.

On the other hand, if the Navy, with the concurrence of the Department of Defense, is convinced that there is a deficiency in petroleum reserves for defense purposes, it should proceed forthwith to: First, request establishment, by Presidential Executive order, of additional naval petroleum reserves; or, second, request congressional legislation for establishment of such additional reserves. Similarly, if the Navy believes that lands withdrawn "for naval purposes" should be classified as "naval petroleum reserves," it should move expeditiously to secure their reclassification. Finally, if the Navy believes that the Outer Continental Shelf Act of 1953 constitutes a direction or mandate for the initiation of exploratory drilling there by the Navy—it is suggested, in light of the views of this committee and the House Appropriations Committee on the San Nicholas Island matter—that the Department of the Navy consider requesting legislation by the Congress clearly establishing such authority.

The committee has no judgment as to the need for creation of additional naval petroleum reserves, nor does it have a judgment as to the desirability of the Navy—or any other Federal agency—to conduct exploratory petroleum drilling operations. Such matters involve basic legislative policy, and should be so treated, particularly in light of the very substantial contribution made in dollars and petroleum resources by the development of Continental Shelf areas to date, and as anticipated in the near future.

Finally, if the proposed Air Force-Navy withdrawal in peacetime of airspace areas embracing millions of acres over the Gulf of Mexico would have the effect of precluding leasing activity by the Secretary of the Interior of the soil and seabed of the shelf, then it is clear that this, too, calls into question resource policies of such import as to warrant a joint executive-legislative assault on the matter, not unilateral executive action.

I urge my colleagues, Mr. Speaker, to join in support of this legislation. I submit that the committee findings speak for themselves, and speak loudly for immediate action by the Congress to bring control of these resources back to the Congress. H. R. 12185, Mr. Speaker, is must legislation.

SALE OF CERTAIN WARBUILT VESSELS

The Clerk called the resolution (H. J. Res. 685) to authorize the Secretary of Commerce to sell certain warbuilt vessels.

The Clerk read the title of the joint resolution.

The SPEAKER pro tempore. Is there objection to the present consideration of the resolution?

Mr. BLATNIK. Mr. Speaker, I have an amendment.

The SPEAKER pro tempore. We have not reached that point yet.

Is there objection to the present consideration of the resolution?

Mr. BOLAND. Mr. Speaker, reserving the right to object, I would like to ask whether or not the opponents of this proposal were allowed to come before the committee and present their views on this matter.

Mr. BONNER. I beg your pardon, but I was unable to hear the gentleman's inquiry.

Mr. BOLAND. Mr. Speaker, reserving the right to object, I would like to make an inquiry of the gentleman in charge of the bill as to whether or not the opponents of this legislation were given an opportunity to come before the committee and present their views.

Mr. BONNER. There were public hearings on the bill. I know of nobody that appeared in oppositon.

Mr. BOLAND. I know of some objection to it on this side.

Mr. BONNER. They never appeared before the committee.

Mr. BOLAND. I do not know whether anybody was given the opportunity to appear before the committee.

Mr. BONNER. We sent out a notice of hearing, notified the trade and industry. That is the only way we have of doing it.

Mr. BOLAND. I notice this bill was filed July 13, and I was just wondering

whether or not those segments of the industry that might be opposed to it, or individuals were given an opportunity to come before your committee and oppose the bill.

Mr. BONNER. I may say to the gentleman that there were witnesses before the committee from the Maritime Commission and various Government departments. There was no objection before the committee.

Mr. BOLAND. Does the Maritime Commission favor this legislation?

Mr. BONNER. They reported favorably on it; yes.

Mr. BOLAND. The report carries no indication of what the views of the Maritime Commission may be on this bill. The only view expressed is by the Comptroller General.

Mr. BONNER. Let me ask the gentleman from Washington, [Mr. TOLLEFSON] who is the ranking member of the comittee, and Mr. ALLEN of California, who were present at the hearing.

Mr. TOLLEFSON. What was the question?

Mr. BOLAND. Whether or not the Maritime Comission favors the legislation. I find no reference to the Maritime Commission's views on this proposal in the report.

Mr. TOLLEFSON. The Maritime Commission agreed to the sale of these ships.

Mr. BOLAND. Why was it not included in the report?

Mr. TOLLEFSON. I could not answer that.

Mr. BOLAND. With the assurance of the chairman and the ranking minority member of the committee that the Maritime Commission favors this proposal, and with the further assurance that the possible opponents to this legislation had the opportunity of appearing before the committee and presenting their views, I withdraw my reservation of objection.

Mr. WILLIAMS of Mississippi. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

ESTABLISHMENT OF FISH HATCHERY IN WEST VIRGINIA

The Clerk called the bill (H. R. 12303) to provide for the establishment of a fish hatchery in the State of West Virginia.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent that a similar Senate bill (S. 3831) may be considered in lieu of the House bill.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is authorized to establish, construct, equip, operate, and maintain a new fish hatchery in the State of West Virginia.

SEC. 2. There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this act.

The bill was ordered to be read a third time, was read the third time and passed.

A motion to reconsider and a similar House bill (H. R. 12303) were laid on the table.

EXTENSION OF EMERGENCY SHIP REPAIR ACT OF 1954

The Clerk called the resolution (S. J. Res. 187) to extend the operation of the Emergency Ship Repair Act of 1954.

The SPEAKER. Is there objection to the present consideration of the resolution?

Mr. HAYS of Ohio. Mr. Speaker, I object.

ST. FRANCISVILLE BRIDGE COMMISSION

The Clerk called the bill (H. R. 11720) creating the city of St. Francisville Bridge Commission, defining the authority, power, and duties of said commission; and authorizing the commission and its successors and assigns to construct, maintain, and operate a bridge across the Wabash River at or near St. Francisville, Ill., and Knox County, Ind., to purchase and operate a ferry at such location, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the city of St. Francisville Bridge Commission created by section 9 of this act (hereafter in this act referred to as the "commission"), and its successors and assigns, is authorized to construct, maintain, and operate a bridge and approaches thereto, across the Wabash River at or near the city of St. Francisville, Ill., and Knox County, Ind., in accordance with the General Bridge Act of 1946, at a point suitable to the interest of public navigation. The commission is also authorized to purchase from its owner, maintain and operate the existing ferry operating between St. Francisville, Ill., and Knox County, Ind., and in connection with the acquisition of such ferry, is authorized to purchase the vessels used in operating a ferry between St. Francisville, Ill., and Knox County, Ind., the franchise granted for operating such ferry, and all real estate, equipment, and other property reasonably necessary to operate such ferry, and owned on the date of enactment of this act by the owner of such ferry.

SEC. 2. The commission and its successors and assigns shall have the right and power to enter upon such lands and to acquire, condemn, occupy, possess, and use such real estate and other property in the State of Illinois and the State of Indiana, as may be needed for location, construction, operation, and maintenance of such bridge and its approaches, upon making just compensation therefor, to be ascertained and paid according to the laws of the State in which such real estate or other property is situated, and proceedings therefor shall be the same as proceedings for condemnation of private property for public purposes in such State. The commission, its successors and assigns, may enter into agreements with such States, and any political subdivisions thereof, for the acquisition, lease, or use of any real estate or other property owned by such State or political subdivision.

SEC. 3. The commission and its successors and assigns may fix and charge tolls for transit over such bridge in accordance with this act, subject to the approval of the Secretary of the Army under the General Bridge Act of 1946.

SEC. 4. The commission and its successors and assigns may provide for the payment of the cost of such bridge as may be constructed, and approaches (including any approach highways which, in the judgment of the commission, it is necessary or advisable to construct or cause to be constructed to provide suitable and adequate connection with existing and improved highways), and the necessary lands, easements, and appurtenances thereto, and the cost of the ferry and real estate, equipment, and other property reasonably necessary to operate such ferry, by an issue or issues of negotiable bonds of the commission, bearing interest at the rate of not more than 6 percent per annum. The principal and interest of such bonds, and any premium to be paid for retirement before maturity, shall be paid solely from the sinking fund provided in accordance with this act, and such payments may be further secured by a mortgage on the bridge or ferry or both. All such bonds may be registrable as to principal alone, or both principal and interest, shall be in such form not inconsistent with this act, shall mature at such time or times not exceeding 30 years from their respective dates, shall be in such denominations, shall be executed in such manner, and shall be payable in such medium and at such place or places, as the commission may determine. The commission may repurchase and reserve the right to redeem all or any of such bonds before maturity in such manner and at such prices, not exceeding 105 percent of the principal amount thereof and accrued interest, as may be fixed by the commission before issuance of the bonds. The commission, when it deems it to be to the best interest of the commission may issue refunding bonds to repurchase and redeem any outstanding bonds before their maturity. Such refunding bonds shall mature at such time or times, not exceeding 40 years from the date of enactment of this act, as the commission may determine. The commission may enter into an agreement with any bank or trust company in the United States as trustee having the power to make such agreement, setting forth the duties of the commission with respect to the purchase, construction, maintenance, operation, repair, and insurance of the bridge or ferry, or both, the conservation and application of all funds, the security for payment of the bonds, the safeguarding of money on hand or on deposit, and the rights and remedies of the trustee and the holders of the bonds, restricting the individual right of action of the bondholders as is customary in trust agreements respecting bonds of corporation. Such trust agreement may contain such provisions for protecting, and enforcing the rights and remedies of the trustees and the bondholders, as may be reasonable and proper and not inconsistent with law.

Such bonds shall be sold in such manner and at such time or times and at such price as the commission may determine, but no such sale shall be made at a price so low as to require the payment of interest at the rate of more than 6 percent per annum on the money received therefor, computed with relation to the absolute maturity of the bonds in accordance with standard tables of bond values. The face amount of the bonds shall be so calculated as to produce, at the price of their sale, amounts which, when added to any other funds available to the commission for the same purposes, will be not less than the cost of the bridge and approaches, and the lands, easements, and appurtenances, used in connection therewith and the cost of the ferry, franchise, and real estate, equipment, and other property reasonably necessary to operate such ferry. The cost of the bridge and approaches and

approach highways shall be considered to include interest during the construction of the bridge and for 12 months after construction has been completed, and to include all engineering, legal, architectural, traffic surveying, and other expenses incident to the construction of the bridge and the acquisition of the necessary real estate and other property, and incident to the financing thereof. If the proceeds of the bonds issued, when added to any other funds available to the commission for the same purpose, exceed the cost as finally determined under this section of the bridge and approaches, and the lands, easements, and appurtenances, used in connection therewith and the cost of ferry, franchise, and real estate, equipment, and other property reasonably necessary to operate such ferry, the excess shall be placed in the sinking fund provided for in this act. Before the preparation of definite bonds, the commission may, subject to the provisions of this act, issue temporary bonds or interim certificates, with or without coupons, of any denomination whatsoever, exchangeable for definite bonds when such bonds as have been executed are available for delivery.

SEC. 5. The rates of toll to be charged for the use of the bridge shall be so adjusted as to provide a fund sufficient to pay for the reasonable cost of maintaining, repairing, and operating the bridge and approaches under economical management, to provide a sinking fund sufficient to pay the principal and interest of such bonds as they fall due, and to pay for redemption or repurchase of all or any of such bonds redeemed or repurchased before maturity as provided in section 4. All tolls and other revenues from the bridge are hereby pledged to such use and to their application as required by this section. After payment or provision for payment from such tolls of all such cost of maintaining, repairing, and operating the bridge and approaches, and the reservation of an amount of money estimated by the commission to be sufficient for such purposes during an ensuing period of not more than 6 months, the remainder of the tolls collected shall be placed in the sinking fund, at intervals to be determined by the commission before the issuance of the bonds. An accurate record of the cost of the bridge and approaches, the expenditures for maintaining, repairing, and operating the bridge and approaches, and of the daily tolls collected, shall be kept and shall be available for the information of all persons interested. The commission shall classify in a reasonable way all traffic over the bridge so that the tolls shall be so fixed and adjusted by it as to be uniform in their application to all traffic falling within reasonable classes, regardless of the status or character of any person, firm, or corporation participating in such traffic, and shall prevent all use of such bridge except upon payment of tolls so fixed and adjusted. No toll shall be charged for officials or employees of the commission or the Government of the United States in discharge of their duties.

Within a reasonable time after the construction of the bridge has been completed, the commission shall file with the Secretary of Commerce a sworn itemized statement, showing the cost of constructing the bridge and its approaches, the cost of acquiring any interest in real estate or other property necessary therefor, and the amount of bonds, debentures, or other evidence of indebtedness issued in connection with the construction of the bridge and approaches, and acquisition of the ferry and other property associated therewith.

SEC. 6. (a) After payment of the bonds and interest, or after a sinking fund sufficient for such payment has been provided and is being held for such payments, the commission shall transfer by deeds or other suitable instruments of conveyance, an undivided one-half interest in the physical structure of the bridge and its approaches to the State of Illinois or any municipality or agency of such State authorized by or pursuant to law to accept such undivided one-half interest (hereafter in this act referred to as the "Illinois interest") and an undivided one-half interest in the physical structure of the bridge and its approaches to the State of Indiana or any municipality or agency of such State authorized by or pursuant to law to accept such undivided one-half interest (hereafter in this act referred to as the "Indiana interest"), under the conditions that the bridge shall thereafter be free of tolls and be properly maintained, operated, and repaired by the Illinois interest and the Indiana interest as may be agreed on. If no Illinois interest or Indiana interest is authorized to accept, or does accept, such one-half interest in the bridge and approaches under such conditions, then the bridge shall continue to be owned, maintained, operated, and repaired by the commission, and the rates of tolls shall be so adjusted as to provide a fund of not to exceed the amount necessary for the maintenance, repair, and operation of the bridge and approaches under economical management, until such time as an Illinois interest and the Indiana interest is authorized to accept, and does accept, such bridge and approaches under such conditions. Whenever the bridge and approaches are transferred under this section, the commission, its successors or assigns shall (if the ferry and other property have not already been disposed of) sell the ferry and franchise, and the real estate, equipment, and other property associated with the ferry, as soon as practicable at such price and upon such terms as the commission, its successors or assigns, may determine.

(b) The Administrator of the Housing and Home Finance Agency may make advances to the commission under the terms and subject to the conditions of section 702 of the Housing Act of 1954, and may purchase the securities and obligations of, or make loans to, the commission under the terms and subject to the conditions of title 11 of the Housing Amendments of 1955.

(c) If the State Highway Department of the State of Indiana consents, amounts apportioned to that State out of sums appropriated under the Federal-Aid Road Act of July 11, 1916, as amended and supplemented, may be allocated for the construction of such bridge and approaches, in the same manner and subject to the same terms and conditions as apply in the case on the Federal-aid primary highway system. If the Department of Public Works and Buildings of the State of Illinois consents, amounts apportioned to that State out of sums appropriated under the Federal-Aid Road Act of July 11, 1916, as amended and supplemented, may be allocated for the construction of such bridge and approaches, in the same manner and subject to the same terms and conditions as apply in the case of projects on the Federal-aid primary system.

SEC. 7. The commission and its successors and assigns are authorized to provide for the payment of the cost of the bridge and approaches (including the approach highways which, in the judgment of the commission, it is necessary or advisable to construct or cause to be constructed to provide suitable and adequate connection with existing improved highways) and the necessary lands, easements, and appurtenances thereto by negotiating and entering into a contract or contracts with the State Highway Department of Indiana, the Department of Public Works and Buildings of Illinois, Lawrence County, Ill., Knox County, Ind., the city of Vincennes, Ind., or any other county or municipality in the States of Illinois and Indiana, whereby the commission may receive financial aid in financing the construction of the bridge and approaches. The commission, in its discretion, may avail itself of all the facilities of the State Highway Department of Indiana, the Department of Public Works and Buildings of the State of Illinois, or any county or municipality in the State of Indiana or the State of Illinois, with regard to construction of said bridge, and the commission may make and enter into any contract or contracts which it deems expedient and proper with the State Highway Department of the State of Indiana, or the Department of Public Works and Buildings of the State of Illinois, or any county or municipality in the State of Indiana and the State of Illinois, whereby said highway departments, municipalities, or counties, or either of them may construct, operate, and maintain, or participate with the commission in the construction, operation, and maintenance of the bridge and its approaches.

It is hereby declared to be the purpose of Congress to facilitate the construction of a bridge and proper approaches across the Wabash River at or near the city of Saint Francisville, Ill., and to authorize the commission to promote said object and purpose, with full power to contract with either State Highway Department of Indiana, the Department of Public Works and Buildings of Illinois, or any municipality, or county, or cities in the States of Indiana and Illinois, or all of them, in relation to the construction, operation, and maintenance of said bridge and approaches.

SEC. 8. Nothing in this act shall require the commission to maintain or operate the ferry if it is purchased under this act, but in the discretion of the commission, its successors and assigns, the ferry, franchise, and all or any real estate, equipment, and other property acquired in connection with the ferry may be sold or otherwise disposed of, or may be abandoned or dismantled, or both, whenever in the judgment of the commission, its successors and assigns, it may seem expedient to do so. The commission, its successors and assigns, may fix such rates of toll for use of the ferry as it may deem proper, subject to the conditions prescribed in section 5 with respect to rates of toll for the use of the bridge. All tolls collected for the use of the ferry and the proceeds of any sale or disposition of the ferry or any other property connected therewith shall be used, so far as may be necessary, to pay the cost of maintaining, repairing, and operating such ferry and property, and any amounts not so used shall be paid into the sinking fund provided for bonds.

Within a reasonable time after the ferry has been acquired under this act, the commission shall file with the Secretary of Commerce a sworn itemized statement, showing the cost of acquisition of such ferry and the cost, if any, of acquisition of the franchise, and real estate, equipment, and other property associated with the ferry.

An accurate record of the cost of the ferry, franchise, real estate, equipment, and other property; the expenditures for maintaining and repairing them; and of the daily tolls collected, shall be kept and shall be available for the information of all persons interested.

SEC. 9. (a) For the purpose of carrying into effect the objects stated in this act, there is hereby created the city of St. Francisville Bridge Commission, and by that name, style, and title said body shall have perpetual succession, may contract, and be contracted with, sue and be sued, implead and be impleaded, complain and defend in all courts of law an equity; may make and have a common seal; may purchase or otherwise acquire and hold or dispose of real estate and other property; may accept and receive donations or gifts of money or property and apply same to the purpose of this act; and shall have and possess all powers necessary, convenient, or proper for carrying into effect the objects stated in this act.

(b) The commission shall consist of Roy Rucker, of Bridgeport, Ill.; Lawrence L. Bell, Dr. Carl McCammon, Clyde Leathers, and Virgal Deckard, of St. Francisville, Ill.; Oscar Laue, Oris Wright, Gilbert Shake, and William Steele, of Vincennes, Ind.; the mayor of the city of St. Francisville, Ill., shall serve as a member of the commission ex officio, without compensation; such commission shall be a public body corporate and politic. Each member of the commission shall qualify within 30 days of the date of enactment of this act by filing with the Commissioner of Public Roads of the United States an oath that he will faithfully perform the duties imposed upon him by this act. Each person appointed to fill a vacancy shall qualify in the same manner within 30 days after his appointment. Any vacancy occurring in the commission by reason of failure to qualify, death, or resignation shall be filled by appointment by the Commissioner of Public Roads.

(c) Before any bonds may be issued under this act each of the members of the commission must give bond as may be fixed by the Commissioner of Public Roads, conditioned upon his faithful performance of all duties required by this act. The cost of such surety before and during the construction of the bridge shall be paid, or reimbursement made, out of the proceeds from the sale of bonds; thereafter such cost shall be an operating expense of the commission, to be paid from tolls.

(d) The commission may establish rules and regulations for the government of its business not inconsistent with this act. The commission shall from time to time select a chairman and a vice chairman from among its members. A majority of the members of the commission shall constitute a quorum.

SEC. 10. The commission shall have no capital stock or shares of interest or participation, and all revenue and receipts thereof shall be applied to the purposes specified in this act. The members of the commission shall be entitled to a per diem compensation for their services of $10 for each day actually spent in the business of the commission but the maximum compensation of the chairman in any year shall not exceed $1,200 and of each other member shall not exceed $600 in any one year. The members of the commission shall be entitled to receive expense allowance of 10 cents a mile for each mile actually traveled on the business of the commission. The commission may employ a secretary, treasurer, engineers, attorneys, and such other experts, assistants, and employees as it may deem necessary, who shall be entitled to receive such compensation as the commission may determine. All salaries and expenses shall be paid solely from funds provided under authority of this act. After all bonds and interest thereon have been paid and all other obligations of the commission paid or discharged, or provision for all such payments shall have been made, and after the bridge has been conveyed to the Indiana interest and the Illinois interest, or otherwise disposed of as provided in this act, the commission shall be dissolved and shall cease to have further existence by an order of the Commissioner of Public Roads made upon his own initiative or upon application of the commission or any member or members thereof, but only after a pubic hearing in the city of St. Francisville, Ill., notice of the time and place of which hearing and the purpose thereof shall have been published once at least 30 days before the date thereof, in a newspaper published in Knox County, Ind., and in a newspaper published in Lawrence County, Ill. At the time of such dissolution all moneys in the hands of or to the credit of the commission shall be divided and distribution made between the "Indiana interest" and the "Illinois interest," as may be determined by the Commissioner of Public Roads of the United States.

SEC. 11. Nothing in this act shall be construed to authorize or permit the commission or any member thereof to create any obligation or incur any liability other than such obligations and liabilities as are dischargeable solely from funds provided under this act. No obligation created or liability incurred pursuant to this act shall be a personal obligation or liability of any member or members of the commission, nor shall any indebtedness created pursuant to this act be an indebtedness of the United States.

SEC. 12. The design and construction of any bridge which may be built pursuant to this act shall be in accordance with the standard specifications for highway bridges adopted by the American Association of State Highway Officials.

SEC. 13. The commission, and its income, property, and franchises shall be exempt from all Federal taxation.

SEC. 14. All provisions of this act may be enforced or the violation thereof prevented by mandamus, injunction, or other appropriate remedy brought by the Attorney General of the United States in any United States district court having competent jurisdiction of the subject matter and of the parties.

SEC. 15. (a) The financial transactions of the commission shall be audited annually by the General Accounting Office in accordance with the principles and procedures applicable to commercial corporate transactions and under such rules and regulations as may be prescribed by the Comptroller General of the United States. The audit shall be conducted at the places where the accounts of the commission are normally kept. The representatives of the General Accounting Office shall have access to all books, accounts, financial records, reports, files, and all other papers, things, or property belonging to or in use by the commission and necessary to facilitate the audit, and they shall be afforded full facilities for verifying transactions with the balances or securities held by depositaries, fiscal agents, and custodians.

(b) A report of each such audit shall be made by the Comptroller General to the Congress not later than January following the close of the fiscal year for which such audit is made. The report shall set forth the scope of the audit and shall include a statement of assets and liabilities, capital, and surplus or deficit; a statement of surplus or deficit analysis; a statement of income and expense; a statement of sources and application of funds; and such comments and information as may be deemed necessary to keep the Congress informed of the operation and financial condition of the commission, together with such recommendations with respect thereto as the Comptroller General may deem advisable. The report shall also show specifically any program, expenditures, or other financial transaction or undertaking observed in the course of the audit, which, in the opinion of the Comptroller General, has been carried on or made without authority of law. A copy of each report shall be furnished to the commission at the time submitted to the Congress.

SEC. 16. The right to alter, amend, or repeal this act is hereby expressly reserved.

With the following committee amendments:

Pages 9 and 10, strike out subsection (b).

Page 10, renumber subsection (c) "(b)."

Page 17, lines 13 and 14, strike out section 13.

Page 17, line 14, strike out "14" and insert "13."

Page 17, strike out all of lines 20 through 25 inclusive, and strike out all of page 18, and on page 19, strike out lines 1 to 3, inclusive.

Page 19, line 4, strike out "16" and insert "14."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

SALE OF ONE WAR-BUILT CARGO VESSEL

The Clerk called the resolution (H. J. Res. 666) to authorize the Secretary of Commerce to sell one war-built cargo vessel, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. BONNER. Mr. Speaker, I ask unanimous consent that the bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

CONVEYANCE OF MARITIME ADMINISTRATION RESERVE SHIPYARD AT WILMINGTON, N. C.

The Clerk called the bill (H. R. 12116) to provide for the conveyance of the Maritime Administration reserve shipyard at Wilmington, N. C., in exchange for certain lands to be conveyed by the North Carolina State Ports Authority to the United States, and for other purposes.

Mr. BONNER. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

AMENDING MERCHANT SHIP SALES ACT OF 1946

The Clerk called the bill (S. 3113) to amend section 9 (c) (2) of the Merchant Ship Sales Act of 1946, as amended.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. HAYS of Ohio. Mr. Speaker, I object.

Mr. FORD. Mr. Speaker, may I ask the gentleman from Ohio a question? In reference to 4 or 5 of these bills he has objected. In some cases I agree with him. May I ask whether or not he is going to maintain that position? Because the official objectors committee in several instances would have requested that the bill be put over. We want to be protected so that if the gentleman withdraws his objection it will not indicate that we have agreed that the bill should be approved. I am just asking the question.

Mr. HAYS of Ohio. The gentleman from Ohio is going to object to any bills from the other body and all bills.

Mr. FORD. In other words, the gentleman's position is firm, so that we can be assured that these bills will not come up

subsequently, though we may have our own views on them?

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. HAYS of Ohio. Mr. Speaker, I object.

AUTHORIZING DEMOLITION AND REMOVAL OF CERTAIN GREENHOUSES AND OTHER STRUCTURES ON SQUARE 576 WEST IN WASHINGTON, D. C., AND THE CONSTRUCTION OF OTHER FACILITIES IN PLACE THEREOF, AT THE BOTANIC GARDEN NURSERY

The Clerk called the bill (S. 3881) authorizing the demolition and removal of certain greenhouses and other structures on square 576 west in Washington, D. C., and the construction of other facilities in place thereof, at the Botanic Garden Nursery, and for other purposes.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. HAYS of Ohio. Mr. Speaker, I object.

AMENDING SECTION 2011 (C) OF THE INTERNAL REVENUE CODE OF 1954

The Clerk called the bill (H. R. 10622) to amend section 2011 (c) of the Internal Revenue Code of 1954.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. McCORMACK. Mr. Speaker, reserving the right to object, will the author of the bill or some member of the committee make a brief statement as to what this bill does?

Mr. KEAN. Mr. Speaker, this is a bill to prevent undue enrichment for the Federal Government.

Mr. McCORMACK. Undue enrichment by the Federal Government?

Mr. KEAN. No, for the Federal Government. Under the estate tax laws, an estate is allowed to deduct 80 percent of the tax that is paid to a State. Sometimes the amount cannot be determined.

Mr. McCORMACK. I know about that.

Mr. KEAN. This bill extends it a little longer than the original period.

Mr. McCORMACK. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 2011 (c) (relating to the period of limitations on the credit for State death taxes) is hereby amended by adding a new paragraph (3) as follows:

"(3) If a claim for refund or credit of an overpayment of tax imposed by this chapter has been filed within the time prescribed in section 6511 of this title or section 322 (b) of the Internal Revenue Code of 1939, then within such 4-year period, or before the expiration of 60 days after the final disposition by the Secretary or his delegate of the said claim for refund, or before the expiration of 60 days after a decision by any court of competent jurisdiction becomes final with respect to a timely suit instituted upon such claim."

and by adding after "section 6018" and before "except that" the following: "of this title, or of sections 821 or 864 of the Internal Revenue Code of 1949 in those cases where a timely claim for refund or credit for overpayment of taxes imposed by the said sections has not been finally disposed of at the date of enactment of this act;"

SEC. 2. That section 7851 (a) (2) is hereby amended by adding at the end thereof the following:

"(C) TAXES IMPOSED UNDER THE 1939 CODE: Notwithstanding any contrary provisions of the Internal Revenue Code of 1939 or the provisions of subparagraph (A), section 2011 (c) of this title, as amended, shall apply with respect to estates of decedents dying on or before the date of enactment of this title."

SEC. 3. This act shall be effective in all circumstances in which it would have been effective if it had been enacted as part of the Internal Revenue Code of 1954.

With the following committee amendment:

Strike out all after the enacting clause and insert the following: "That section 2011 (c) of the Internal Revenue Code of 1954 (relating to the period of limitations on credit for State death taxes) is hereby amended by adding at the end of paragraph (2) the following new paragraph:

"'(3) If a claim for refund or credit of an overpayment of tax imposed by this chapter has been filed within the time prescribed in section 6511, then within such 4-year period or before the expiration of 60 days from the date of mailing by registered mail by the Secretary or his delegate to the taxpayer of a notice of the disallowance of any part of such claim, or before the expiration of 60 days after a decision by any court of competent jurisdiction becomes final with respect to a timely suit instituted upon such claim, whichever is later.'

"SEC. 2. Section 813 (b) of the Internal Revenue Code of 1939 (relating to the period of limitations on the credit for State death taxes) is hereby amended by adding at the end of paragraph (2) the following new paragraph:

"'(3) If a claim for refund or credit of an overpayment of tax imposed by this chapter has been filed within the time prescribed in section 910, then within such 4-year period or before the expiration of 60 days from the date of mailing by registered mail by the Secretary or his delegate to the taxpayer of a notice of the disallowance of any part of such claim, or before the expiration of 60 days after a decision by any court of competent jurisdiction becomes final with respect to a timely suit instituted upon such claim, whichever is later.'

"SEC. 3. (a) The amendment made by section 1 to section 2011 of the Internal Revenue Code of 1954 shall be effective as if it were a part of such section on the date of enactment of the Internal Revenue Code of 1954.

"(b) The amendment made by section 2 to section 813 of the Internal Revenue Code of 1939 shall be effective as if it were a part of such section on the date of enactment of the Internal Revenue Code of 1939."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time and passed.

The title was amended to read as follows: "A bill to amend section 2011 (c) of the Internal Revenue Code of 1954 and section 813 (b) of the Internal Revenue Code of 1939."

A motion to reconsider was laid on the table.

OAHE, GAVINS POINT, AND FORT RANDALL DAMS AND RESERVOIR PROJECTS, MISSOURI RIVER

The Clerk called the bill (S. 2093) to authorize the Secretary of the Army, acting through the Corps of Engineers, to undertake certain public works and grant compensation for certain property damages as a result of the construction of the Oahe, Gavins Point, and Fort Randall Dams and Reservoir projects, Missouri River.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. HAYS of Ohio. Mr. Speaker, I object.

Mr. LOVRE. Mr. Speaker, I wonder if the gentleman will reserve his objection to the bill?

Mr. HAYS of Ohio. I will reserve the right to object.

Mr. LOVRE. Mr. Speaker, this bill is of vital importance. It so happens that the Corps of Engineers is destroying certain property in the development of the Missouri River program.

One portion of this bill authorizes the Corps of Engineers to reimburse property owners of property on tidal lands on which they have not the right now. There is no objection to this particular bill and I know of none.

The second portion of the bill is to authorize the Corps of Engineers to replace a schoolhouse that has been flooded out. If this bill does not go through it means there will be no school facilities for the schoolchildren in a certain town and this bill attempts to provide that facility.

Mr. HAYS of Ohio. Mr. Speaker, there are a lot of people who were not concerned about other schoolchildren. So I object.

SECOND SUPPLEMENTAL APPROPRIATION ACT, 1957

Mr. CANNON. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 12350) making supplemental appropriations for the fiscal year ending June 30, 1957, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Missouri? (After a pause.) The Chair hears none and appoints the following conferees: Messrs. CANNON, THOMAS, KIRWAN, WHITTEN, ROONEY, FOGARTY, TABER, PHILLIPS, HAND, and BOW.

DAM ON THE NORTH BRANCH OF THE POTOMAC RIVER

Mr. HYDE. Mr. Speaker, I ask unanimous consent to return for immediate consideration to Consent Calendar No. 794, the bill (S. 4099) granting the consent of Congress to the Pittsburgh Plate Glass Co. for the construction of a dam on the North Branch of the Potomac River.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

Mr. HAYS of Ohio. I object, Mr. Speaker.

Mr. HYDE. Will the gentleman reserve his objection for a moment so that I may ask a question?

Mr. HAYS of Ohio. I reserve it.

Mr. HYDE. I would like to point out to the gentleman from Ohio that the consent asked for in this bill is simply to build a dam, at no expense to the Government, by the Pittsburgh Plate Glass Co., which means employment in a distressed employment area for nearly 1,000 people. Now, I do not think the gentleman wants to arbitrarily take it upon himself to do away with jobs for 1,000 people in a distressed area.

Mr. HAYS of Ohio. If that dam is to employ 1,000 people, it will not be put on the North Branch, because I am familiar with it. I object, Mr. Speaker.

TRADING WITH THE ENEMY ACT

Mr. KLEIN. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 2226) to authorize the Attorney General to dispose of the remaining assets seized under the Trading With the Enemy Act prior to December 18, 1941.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. HAYS of Ohio. I object, Mr. Speaker.

CANNELTON BRIDGE COMMISSION

Mr. DENTON. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 10662) creating the City of Cannelton Bridge Commission, defining the authority, power, and duties of said Commission; and authorizing the Commission and its successors and assigns to construct, maintain, and operate a bridge across the Ohio River at or near Cannelton, Ohio, and Hawesville, Ky., to purchase and operate a ferry at such location, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

Mr. GROSS. Mr. Speaker, reserving the right to object, may I ask the gentleman a question or two? This simply authorizes the construction of an interstate bridge across a river.

Mr. DENTON. Across the Ohio River. It has been approved by the leadership of both sides. There was an objection, but amendments have been proposed to do away with the objection by the interested agencies.

Mr. GROSS. I wonder if the gentleman is getting the preferential treatment that the States of Maryland and Virginia are getting in the building of a bridge across the Potomac River at Alexandria, Va. Are the taxpayers of the entire country going to build the bridge, as in the case of the Potomac bridge, or are the States of Indiana and Ohio going to build it?

Mr. DENTON. It will be done by a bond issue.

Mr. GROSS. I want to commend the people of Indiana for building their own bridge with private money and through private enterprise.

Mr. HESELTON. Mr. Speaker, further reserving the right to object, I notice this bill was placed on the calendar yesterday sometime, possibly late in the afternoon.

Mr. DENTON. That is right.

Mr. HESELTON. I would like to inquire of the author of the bill or the gentleman who reported it whether the facts were known sufficiently early so this bill could have been brought to the floor under the normal procedure and handled with an understanding on the part of the entire membership rather than under this consent procedure in the next to last or third from last day of this session.

Mr. DENTON. They were not, because the report was shunted back and forth between the departments and we had a great deal of difficulty and trouble locating it, and they found it just the day before.

Mr. WILSON of Indiana. Mr. Speaker, if the gentleman will yield, this bill would have been out a long time ago except for the delay of the Army engineers in getting the report. We could not get the Army report over, but finally got a clear slate for the bill. Presently the people have to go several miles to get over from Indiana to Fort Knox. This sets up a bridge commission, which does not cost anything, and it is highly desired by the Governors of Ohio, Indiana, and Kentucky.

Mr. HESELTON. Further reserving the right to object, and I am deeply sympathetic with the gentleman, but I want to inquire whether there has been any public hearing, any notice to anybody, any action by the committee.

Mr. DENTON. There have been public hearings.

Mr. HESELTON. When?

Mr. DENTON. This week, just as soon as we got the report.

Mr. HESELTON. What day?

Mr. DENTON. I think it was Monday or Tuesday. All departments were notified.

Mr. HESELTON. Are there any printed hearings?

Mr. DENTON. I do not know whether the hearings were printed, but there are transcripts of the hearing.

Mr. HESELTON. Is the committee report available?

Mr. DENTON. It is available.

Mr. HESELTON. Printed?

Mr. DENTON. Yes.

Mr. HESELTON. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the City of Cannelton Bridge Commission created by section 9 of this act (hereafter in this act referred to as the "Commission"), and its successors and assigns, is authorized to construct, maintain, and operate a bridge and approaches thereto, across the Ohio River at or near the cities of Cannelton, Ind., and Hawesville, Ky., in accordance with the General Bridge Act of 1946, at a point suitable to the interest of public navigation.

The Commission is also authorized to purchase from its owner, maintain and operate the existing ferry operating between Cannelton, Ind., and Hawesville, Ky., and in connection with the acquisition of such ferry, is authorized to purchase the vessels used in operating a ferry between Cannelton, Ind., and Hawesville, Ky., the franchise granted for operating such ferry, and all real estate, equipment, and other property reasonably necessary to operate such ferry, and owned on the date of enactment of this act by the owner of such ferry.

SEC. 2. The Commission and its successors and assigns shall have the right and power to enter upon such lands and to acquire, condemn, occupy, possess, and use such real estate and other property in the State of Indiana and the State of Kentucky, as may be needed for the location, construction, operation, and maintenance of such bridge and its approaches, upon making just compensation therefor, to be ascertained and paid according to the laws of the State in which such real estate or other property is situated, and proceedings therefor shall be the same as proceedings for condemnation of private property for public purposes in such State. The Commission, its successors and assigns, may enter into agreements with such States, and any political subdivisions thereof, for the acquisition, lease, or use of any real estate or other property owned by such State or political subdivision.

SEC. 3. The Commission and its successors and assigns may fix and charge tolls for transit over such bridge and ferry in accordance with this act, subject to the approval of the Secretary of the Army under the General Bridge Act of 1946.

SEC. 4. The Commission and its successors and assigns may provide for the payment of the cost of such bridge as may be constructed, and approaches (including any approach highways which, in the judgment of the Commission, it is necessary or advisable to construct or cause to be constructed to provide suitable and adequate connection with existing and improved highways), and the necessary lands, easements, and appurtenances thereto, and the cost of the ferry, franchise, and real estate, equipment, and other property reasonably necessary to operate such ferry, by an issue or issues of negotiable bonds of the Commission, bearing interest at the rate or rates of not more than 6 percent per annum. The principal and interest of such bonds, and any premium to be paid for retirement thereof before maturity, shall be paid solely from the sinking fund provided in accordance with this act, and such payments may be further secured by a mortgage on the bridge or ferry, or both. All such bonds may be registrable as to principal alone, or both principal and interest, shall be in such form not inconsistent with this act, shall mature at such time or times not exceeding 30 years from the date of enactment of this act, shall be in such denominations, shall be executed in such manner, and shall be payable in such medium and at such place or places, as the Commission may determine. The Commission may repurchase and reserve the right to redeem all or any of such bonds before maturity in such manner and at such price or prices, not exceeding 105 percent of the principal amount thereof and accrued interest, as may be fixed by the Commission before issuance of the bonds. The Commission, when it deems it to be to the best interest of the Commission may issue refunding bonds to repurchase and redeem any outstanding bonds before their maturity. Such refunding bonds shall mature at such time or times, not exceeding 30 years from the date the construction of the bridge has been completed, as the Commission may determine. The Commission may enter into an agreement with any bank or trust company in the United States as trustee having the power to make such agreement, setting forth the duties of

the Commission with respect to the purchase, construction, maintenance, operation, repair, and insurance of the bridge or ferry, or both, the conservation and application of all funds, the security for payment of the bonds, the safeguarding of money on hand or on deposit, and the rights and remedies of the trustee and the holders of the bonds, restricting the individual right of action of the bondholders as is customary in trust agreements respecting bonds of corporation. Such trust agreement may contain such provisions for protecting, and enforcing the rights and remedies of the trustee and the bondholders, as may be reasonable and proper and not inconsistent with law.

Such bonds shall be sold in such manner and at such time or times and at such price as the Commission may determine, but no such sale shall be made at a price so low as to require the payment of interest at the rate of more than 6 percent per annum on the money received therefor, computed with relation to the absolute maturity of the bonds in accordance with standard tables of bond values. The face amount of the bonds shall be so calculated as to produce, at the price of their sale, amounts which, when added to any other funds available to the Commission for the same purposes, will be not less than the cost of the bridge and approaches, and the lands, easements, and appurtenances, used in connection therewith and the cost of the ferry, franchise, and real estate, equipment, and other property reasonably necessary to operate such ferry. The cost of the bridge and approaches and approach highways shall be considered to include interest during the construction of the bridge and for 12 months after construction has been completed, and to include all engineering, legal, architectural, traffic surveying, and other expenses incident to the construction of the bridge and the acquisition of the necessary real estate and other property, and incident to the financing thereof. If the proceeds of the bonds issued, when added to any other funds available to the Commission for the same purpose, exceed the cost as finally determined under this section of the bridge and approaches, and the lands, easements, and appurtenances, used in connection therewith, and the cost of the ferry, franchise, and real estate, equipment, and other property reasonably necessary to operate such ferry, the excess shall be placed in the sinking fund provided for in this act. Before the preparation of definite bonds, the Commission may, subject to the provisions of this act, issue temporary bonds or interim certificates, with or without coupons, of any denomination whatsoever, exchangeable for definite bonds when such bonds as have been executed are available for delivery.

SEC. 5. The rates of toll to be charged for the use of the bridge shall be so adjusted as to provide a fund sufficient to pay for the reasonable cost of maintaining, repairing, and operating the bridge and approaches under economical management, to provide a sinking fund sufficient to pay the principal and interest of such bonds as they fall due, and to pay for redemption or repurchase of all or any of such bonds redeemed or repurchased before maturity as provided in section 4. All tolls and other revenues from the bridge are hereby pledged to such use and to their application as required by this section. After payment or provision for payment from such tolls of all such cost of maintaining, repairing, and operating the bridge and approaches, and the reservation of an amount of money estimated by the Commission to be sufficient for such purposes during an ensuing period of not more than 6 months, the remainder of the tolls collected shall be placed in the sinking fund, at intervals to be determined by the Commission before the issuance of the bonds. An accurate record of the cost of the bridge and approaches, the expenditures for maintaining, repairing, and operating the bridge and approaches, and of the daily tolls collected, shall be kept and shall be available for the information of all persons interested. The Commission shall classify in a reasonable way all traffic over the bridge so that the tolls shall be so fixed and adjusted by it as to be uniform in their application to all traffic falling within reasonable classes, regardless of the status or character of any person, firm, or corporation participating in such traffic, and shall prevent all use of such bridge except upon payment of tolls so fixed and adjusted. No toll shall be charged officials or employees of the Commission or the Government of the United States or any State, county, or municipality in the United States while in the discharge of their duties, or municipal police or fire departments when engaged in the proper work of any such department.

Within a reasonable time after the construction of the bridge has been completed, the Commission shall file with the Secretary of Commerce a sworn itemized statement, showing the cost of constructing the bridge and its approaches, the cost of acquiring any interest in real estate or other property necessary therefor, and the amount of bonds, debentures, or other evidence of indebtedness issued in connection with the construction of the bridge and approaches and acquisition of the ferry and other property associated therewith.

SEC. 6. Nothing in this act shall require the Commission to maintain or operate the ferry if it is purchased under this act, but in the discretion of the Commission, its successors and assigns, the ferry, franchise, and all or any of the real estate, equipment, and other property acquired in connection with the ferry may be sold or otherwise disposed of, or may be abandoned or dismantled, or both, whenever in the judgment of the Commission, its successors and assigns, it may seem expedient to do so. The Commission, its successors and assigns, may fix such rates of toll for the use of the ferry as it may deem proper, subject to the conditions prescribed in section 5 with respect to rates of toll for the use of the bridge. All tolls collected for the use of the ferry and the proceeds of any sale or disposition of the ferry or any other property connected therewith shall be used, so far as may be necessary, to pay the cost of maintaining, repairing, and operating such ferry and property, and any amounts not so used shall be paid into the sinking fund provided for bonds.

Within a reasonable time after the ferry has been acquired under this act, the Commission shall file with the Secretary of Commerce a sworn itemized statement, showing the cost of acquisition of such ferry and the cost, if any, of acquisition of the franchise, and real estate, equipment, and other property associated with the ferry.

An accurate record of the cost of the ferry, franchise, real estate, equipment, and other property; the expenditures for maintaining and repairing them; and of the daily tolls collected, shall be kept and shall be available for the information of all persons interested.

SEC. 7. (a) (1) After payment of the bonds and interest, or after a sinking fund sufficient for such payment has been provided and is being held for such payment, the Commission shall transfer by deeds or other suitable instruments of conveyance, an undivided one-half interest in the physical structure of the bridge and its approaches to the State of Indiana or any municipality or agency of such State authorized by or pursuant to law to accept such undivided one-half interest (hereafter in this act referred to as the "Indiana interest") and an undivided one-half interest in the physical structure of the bridge and its approaches to the State of Kentucky or any municipality or agency of such State authorized by or pursuant to law to accept such undivided one-half interest (hereafter in this act referred to as the "Kentucky interest"), under the condition that the bridge shall thereafter be free of tolls and be properly maintained, operated, and repaired by the Indiana interest and the Kentucky interest as may be agreed on. If no Indiana interest or Kentucky interest is authorized to accept, or does accept, such one-half interest in the bridge and approaches under such conditions, then the bridge shall continue to be owned, maintained, operated, and repaired by the Commission, and the rates of tolls shall be so adjusted as to provide a fund of not to exceed the amount necessary for the maintenance, repair, and operation of the bridge and approaches under economical management, until such time as an Indiana interest and a Kentucky interest is authorized to accept, and does accept, such bridge and approaches under such conditions.

(2) The Commission is authorized to transfer, by deeds or other suitable instruments of conveyance, the bridge and its approaches and all other assets and property of the Commission to the Indiana Toll Bridge Commission, or to any similar agency of the State of Kentucky, or to both of them jointly, if the grantee agrees to assume the liabilities and obligations of the Commission with respect to such bridge and property. Tolls collected by the grantee shall be used only to pay (A) the bonds outstanding at the time of the transfer, plus accrued interest, (B) the reasonable cost of maintenance and operation of the bridge and approaches until such bonds and interest have been paid, and (C) the assumed liabilities and obligations. After a fund has been accumulated which the United States Commissioner of Public Roads determines is adequate to carry out the preceding sentence, such bridge shall thereafter be free of tolls, and shall be properly maintained, operated, and repaired by the grantee. The bridge and its approaches may not be transferred under this paragraph after payment of the bonds and interest, or after a sinking fund sufficient for such payment has been provided.

(3) Whenever the bridge and approaches are transferred under this subsection, the Commission, its successors or assigns, shall (if the ferry and other property have not already been disposed of) sell the ferry and franchise, and the real estate, equipment, and other property associated with the ferry, as soon as practicable at such price and upon such terms as the Commission, its successors or assigns, may determine.

(b) (1) The Administrator of the Housing and Home Finance Agency may make advances to the Commission under the terms and subject to the conditions of section 702 of the Housing Act of 1954, and may purchase the securities and obligations of, or make loans to, the Commission under the terms and subject to the conditions of title II of the Housing Amendments of 1955.

(2) If the State Highway Department of the State of Indiana consents, amounts apportioned to that State out of sums appropriated under the Federal-Aid Road Act of July 11, 1916, as amended and supplemented, may be allocated for the construction of such bridge and approaches, in the same manner and subject to the same terms and conditions as apply in the case of projects on the Federal-aid primary highway system. If the Department of Highways of the State of Kentucky consents, amounts apportioned to that State out of sums appropriated under the Federal-Aid Road Act of July 11, 1916, as amended and supplemented, may be allocated for the construction of such bridge and approaches, in the same manner and subject to the same terms

and conditions as apply in the case of projects on the Federal-aid primary highway system.

SEC. 8. The Commission and its successors and assigns are authorized to provide for the payment of the cost of the bridge and approaches (including the approach highways which, in the judgment of the Commission, it is necessary or advisable to construct or cause to be constructed to provide suitable and adequate connection with existing improved highways) and the necessary lands, easements, and appurtenances thereto by negotiating and entering into a contract or contracts with the State Highway Department of Indiana, the Department of Highways of Kentucky, Perry County, Ind., Hancock County, Ky., the city of Hawesville, Ky., the city of Cannelton, Ind., or any other county or municipality in the States of Indiana and Kentucky, whereby the Commission may receive financial aid in financing the construction of the bridge and approaches. The Commission, in its discretion, may avail itself of all the facilities of the State Highway Department of Indiana, the Department of Highways of the State of Kentucky, or any county or municipality in the State of Indiana or the State of Kentucky, with regard to construction of said birdge, and the Commission may make and enter into any contract or contracts which it deems expedient and proper with the State Highway Department of the State of Indiana, or the Department of Highways of the State of Kentucky, or any county or municipality in the State of Indiana and the State of Kentucky, whereby said highway departments, municipalities, or counties, or either of them may construct, operate, and maintain, or participate with the Commission in the construction, operation, and maintenance of the bridge and its approaches. It is hereby declared to be the purpose of Congress to facilitate the construction of a bridge and proper approaches across the Ohio River at or near Cannelton, Ind., and to authorize the Commission to promote said object and purpose, with full power to contract with either the State Highway Department of Indiana, the Department of Highways of Kentucky, or any municipality, or county, or cities in the States of Indiana and Kentucky, or all of them, in relation to the construction, operation, and maintenance of said bridge and approaches .

SEC. 9. (a) For the purpose of carrying into effect the objects stated in this act, there is hereby created the city of Cannelton Bridge Commission, and by that name, style, and title said body shall have perpetual succession, may contract, and be contracted with, sue and be sued, implead and be impleaded, complain and defend in all courts of law and equity; may make and have a common seal; may purchase or otherwise acquire and hold or dispose of real estate and other property; may accept and receive donations or gifts of money or property and apply the same to the purposes of this act; and shall have and possess all powers necessary, convenient, or proper for carrying into effect the objects stated in this act.

(b) The Commission shall consist of Edward F. Clemens, John Conway, and Robert Cummings, of Cannelton, Ind.; and Arnold Mulzer, of Tell City, Ind.; and C. D. Mayfield, of Hawesville, Ky.; such Commission shall be a public body corporate and politic. Each member of the Commission shall qualify within 30 days of the date of enactment of this act by filing with the Commissioner of Public Roads of the United States an oath that he will faithfully perform the duties imposed upon him by this act. Each person appointed to fill a vacancy shall qualify in the same manner within 30 days after his appointment. Any vacancy occurring in the Commission by reason of failure to qualify, death, or resignation, shall be filled by appointment by the Commissioner of Public Roads.

(c) The first five members of the Commission shall hold office for 4 years. At the end of that time, the members of the Commission shall be divided into three classes by drawing lots so that two members shall be in the first class, two in the second class, and one in the third class. The members of the Commission of the first class shall hold office for an additional 2 years, the members of the second class shall hold office for an additional 4 years, and the member of the third class shall hold office for an additional 6 years, after the first 4 years has expired. Upon the expiration of the term of any member of the Commission, his place on the Commission shall be filled by appointment for 6 years made by the Commissioner of Public Roads, who may reappoint the member whose term is expiring.

(d) Before any bonds may be issued under this act, each of the first five members of the Commission must give such bond as may be fixed by the Commissioner of Public Roads, conditioned upon his faithful performance of all duties required by this act. The cost of such surety before and during the construction of the bridge shall be paid, or reimbursement made, out of the proceeds from the sale of bonds; thereafter such cost shall be an operating expense of the Commission to be paid from tolls.

(e) The Commission may establish rules and regulations for the government of its business not inconsistent with this act. The Commission shall from time to time select a chairman and a vice chairman from among its members. Three members of the Commission shall constitute a quorum.

SEC. 10. The Commission shall have no capital stock or shares of interest or participation, and all revenues and receipts thereof shall be applied to the purposes specified in this act. The members of the Commission shall be entitled to a per diem compensation for their services of $10 for each day actually spent in the business of the Commission but the maximum compensation of the chairman in any year shall not exceed $1,200, and of each other member shall not exceed $600 in any 1 year. The members of the Commission shall be entitled to receive a traveling-expense allowance of 10 cents a mile for each mile actually traveled on the business of the Commission. The Commission may employ a secretary, treasurer, engineers, attorneys, and such other experts, assistants, and employees as it may deem necessary, who shall be entitled to receive such compensation as the Commission may determine. All salaries and expenses shall be paid solely from the funds provided under the authority of this act. After all bonds and interest thereon have been paid and all other obligations of the Commission paid or discharged, or provision for all such payments shall have been made, and after the bridge has been conveyed to the Indiana interest and the Kentucky interest, or otherwise disposed of as provided in this act, the Commission shall be dissolved and shall cease to have further existence by an order of the Commissioner of Public Roads made upon his own initiative or upon application of the Commission or any member or members thereof, but only after a public hearing in the city of Cannelton, Ind., notice of the time and place of which hearing and the purpose thereof shall have been published once at least 30 days before the date thereof, in a newspaper published in Perry County, Ind. At the time of such dissolution all moneys in the hands of or to the credit of the Commission shall be divided and distribution made between the Indiana interest, and the Kentucky interest, as may be determined by the Commissioner of Public Roads of the United States.

SEC. 11. Nothing in this act shall be construed to authorize or permit the Commission or any member thereof to create any obligation or incur any liability other than such obligations and liabilities as are dischargeable solely from funds provided under this act. No obligation created or liability incurred pursuant to this act shall be a personal obligation or liability of any member or members of the Commission, nor shall any indebtedness created pursuant to this act be an indebtedness of the United States.

SEC. 12. The design and construction of any bridge which may be built pursuant to this act shall be in accordance with the standard specifications for highway bridges adopted by the American Association of State Highway Officials.

SEC. 13. The Commission, and its income, property, and franchises shall be exempt from all Federal taxation.

SEC. 14. All provisions of this act may be enforced or the violation thereof prevented by mandamus, injunction, or other appropriate remedy brought by the Attorney General of the United States in any United States district court having competent jurisdiction of the subject matter and of the parties.

SEC. 15. (a) The financial transactions of the Commission shall be audited annually by the General Accounting Office in accordance with the principles and procedures applicable to commercial corporate transactions and under such rules and regulations as may be prescribed by the Comptroller General of the United States. The audit shall be conducted at the places where the accounts of the Commission are normally kept. The representatives of the General Accounting Office shall have access to all books, accounts, financial records, reports, files, and all other papers, things, or property belonging to or in use by the Commission and necessary to facilitate the audit, and they shall be afforded full facilities for verifying transactions with the balances or securities held by depositaries, fiscal agents, and custodians.

(b) A report of each such audit shall be made by the Comptroller General to the Congress not later than January 15 following the close of the fiscal year for which such audit is made. The report shall set forth the scope of the audit and shall include a statement of assets and liabilities, capital, and surplus or deficit; a statement of surplus or deficit analysis; a statement of income and expense; a statement of sources and application of funds; and such comments and information as may be deemed necessary to keep Congress informed of the operations and financial condition of the Commission, together with such recommendations with respect thereto as the Comptroller General may deem advisable. The report shall also show specifically any program, expenditures, or other financial transaction or undertaking observed in the course of the audit, which, in the opinion of the Comptroller General, has been carried on or made without authority of law. A copy of each report shall be furnished to the Commission at the time submitted to the Congress.

SEC. 16. The right to alter, amend, or repeal this act is hereby expressly reserved.

With the following committee amendments:

Page 12, strike out all of lines 8 to 14 inclusive.

Page 12, line 15, strike out "(2)" and insert "(b)."

Page 19, strike out lines 1 and 2.

Page 19, line 3, strike out "14" and insert "13."

Page 19, line 9, strike out all of section 15, from line 9 through line 16 on page 20.

Page 20, line 17, strike out "16" and insert "14."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CITY OF LAWRENCEBURG BRIDGE COMMISSION

Mr. WILSON of Indiana. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 10468) creating the City of Lawrenceburg Bridge Commission, defining the authority, power, and duties of said commission; and authorizing the commission and its successors and assigns to construct, maintain, and operate a bridge across the Ohio River at or near Lawrenceburg, Ind., and Boone County, Ky., and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

Mr. GROSS. Mr. Speaker, reserving the right to object, is this bridge to be built with Federal taxpayers' money or by a bond issue?

Mr. WILSON of Indiana. It will be built by private funds, through the sale of bonds.

Mr. GROSS. Mr. Speaker, I commend the gentleman and the people he represents for shouldering their own financial responsibilities. Recently I opposed a bill that ladled out $15 million for the building of a bridge across the Potomac River, between the States of Virginia and Maryland, with the taxpayers of the entire country paying the bill. That is why I want to commend the gentleman and his people.

Mr. WILSON of Indiana. I thank the gentleman.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the city of Lawrenceburg Bridge Commission created by section 8 of this act (hereinafter in this act referred to as the "Commission"), and its successors and assigns, is authorized to construct, maintain, and operate a bridge and approaches thereto, across the Ohio River at or near the city of Lawrenceburg, Ind., and Boone County, Ky, in accordance with the General Bridge Act of 1946, at a point suitable to the interest of public navigation.

SEC. 2. The Commission and its successors and assigns shall have the right and power to enter upon such lands and to acquire, condemn, occupy, possess, and use such real estate and other property in the State of Indiana and the State of Kentucky, as may be needed for the location, construction, operation, and maintenance of such bridge and its approaches, upon making just compensation therefor, to be ascertained and paid according to the laws of the State in which such real estate or other property is situated, and proceedings therefor shall be the same as proceedings for condemnation of private property for public purposes in such State. The Commission, its successors and assigns, may enter into agreements with such States, and any political subdivisions thereof, for the acquisition, lease, or use of any real estate or other property owned by such State or political subdivision.

SEC. 3. The Commission and its successors and assigns may fix and charge tolls for transit over such bridge in accordance with this act, subject to the approval of the Secretary of the Army under the General Bridge Act of 1946.

SEC. 4. The Commission and its successors and assigns may provide for the payment of the cost of such bridge as may be constructed, and approaches (including any approach highways which, in the judgment of the Commission, it is necessary or advisable to construct or cause to be constructed to provide suitable and adequate connection with existing and improved highways), and the necessary lands, easements, and appurtenances thereto, by an issue or issues of negotiable bonds of the Commission, bearing interest at the rate or rates of not more than 6 percent per annum. The principal and interest of such bonds, and any premium to be paid for retirement thereof before maturity, shall be paid solely from the sinking fund provided in accordance with this act, and such payments may be further secured by a mortgage on the bridge. All such bonds may be registrable as to principal alone, or both principal and interest, shall be in such form not inconsistent with this act, shall mature at such time or times not exceeding 30 years from their respective dates, shall be in such denominations, shall be executed in such manner, and shall be payable in such medium and at such place or places, as the Commission may determine. The Commission may repurchase and reserve the right to redeem all or any of such bonds before maturity in such manner and at such price or prices, not exceeding 105 percent of the principal amount thereof and accrued interest, as may be fixed by the Commission before issuance of the bonds. The Commission, when it deems it to be to the best interest of the Commission may issue refunding bonds to repurchase and redeem any outstanding bonds before their maturity. Such refunding bonds shall mature at such time or times, not exceeding 40 years from the date of enactment of this act, as the Commission may determine. The Commission may enter into an agreement with any bank or trust company in the United States as trustee having the power to make such agreement, setting forth the duties of the Commission with respect to the purchase, construction, maintenance, operation, repair, and insurance of the bridge, the conservation and application of all funds, the security for payment of the bonds, the safeguarding of money on hand or on deposit, and the rights and remedies of the trustee and the holders of the bonds, restricting the individual right of action of the bondholders as is customary in trust agreements respecting bonds of corporation. Such trust agreement may contain such provisions for protecting, and enforcing the rights and remedies of the trustee and the bondholders, as may be reasonable and proper and not inconsistent with law.

Such bonds shall be sold in such manner and at such time or times and at such price as the Commission may determine, but no such sale shall be made at a price so low as to require the payment of interest at the rate of more than 6 percent per annum on the money received therefor, computed with relation to the absolute maturity of the bonds in accordance with standard tables of bond values. The face amount of the bonds shall be so calculated as to produce, at the price of their sale, amounts which, when added to any other funds available to the Commission for the same purposes, will be not less than the cost of the bridge and approaches, and the lands, easements, and appurtenances, used in connection therewith. The cost of the bridge and approaches and approach highways shall be considered to include interest during the construction of the bridge and for 12 months after construction has been completed, and to include all engineering, legal, architectural, traffic surveying, and other expenses incident to the construction of the bridge and the acquisition of the necessary real estate and other property, and incident to the financing thereof. If the proceeds of the bonds issued, when added to any other funds available to the Commission for the same purpose, exceed the cost as finally determined under this section of the bridge and approaches, and the lands, easements, and appurtenances, used in connection therewith, the excess shall be placed in the sinking fund provided for in this act. Before the preparation of definite bonds, the Commission may, subject to the provisions of this act, issue temporary bonds or interim certificates, with or without coupons, of any denomination whatsoever, exchangeable for definite bonds when such bonds as have been executed are available for delivery.

SEC. 5. The rates of toll to be charged for the use of the bridge shall be so adjusted as to provide a fund sufficient to pay for the reasonable cost of maintaining, repairing, and operating the bridge and approaches under economical management, to provide a sinking fund sufficient to pay the principal and interest of such bonds as they fall due, and to pay for redemption or repurchase of all or any of such bonds redeemed or repurchased before maturity as provided in section 4. All tolls and other revenues from the bridge are hereby pledged to such use and to their application as required by this section. After payment or provision for payment from such tolls of all such cost of maintaining, repairing, and operating the bridge and approaches, and the reservation of an amount of money estimated by the Commission to be sufficient for such purposes during an ensuing period of not more than 6 months, the remainder of the tolls collected shall be placed in the sinking fund, at intervals to be determined by the Commission before the issuance of the bonds. An accurate record of the cost of the bridge and approaches, the expenditures for maintaining, repairing, and operating the bridge and approaches, and of the daily tolls collected, shall be kept and shall be available for the information of all persons interested. The Commission shall classify in a reasonable way all traffic over the bridge so that the tolls shall be so fixed and adjusted by it as to be uniform in the application to all traffic within reasonable classes, regardless of the status or character of any person, firm, or corporation participating in such traffic, and shall event all use of such bridge except upon payment of tolls so fixed and adjusted.

Within a reasonable time after the construction of the bridge has been completed, the Commission shall file with the Secretary of Commerce a sworn itemized statement, showing the cost of constructing the bridge and its approaches, the cost of acquiring any interest in real estate or other property necessary therefor, and the amount of bonds, debentures, or other evidence of indebtedness issued in connection with the construction of the bridge and approaches.

SEC. 6. (a) After payment of the bonds and interest, or after a sinking fund sufficient for such payment has been provided and is being held for such payment, the Commission shall transfer by deeds or other suitable instruments of conveyance, an undivided one-half interest in the physical structure of the bridge and its approaches to the State of Indiana or any municipality or agency of such State authorized by or pursuant to law to accept such undivided one-half interest (hereafter in this act referred to as the "Indiana interest") and an undivided one-half interest in the physical structure of the bridge and its approaches to the State of Kentucky or any municipality or agency of such State authorized by or pursuant to law to accept such undivided one-half interest (hereafter in this act referred to as the "Kentucky interest"), under the condition that the bridge shall thereafter be free of tolls and be properly maintained, operated, and repaired by the Indiana interest and the Kentucky interest as may be agreed on. If no Indiana interest or Kentucky interest is authorized to accept, or does accept, such one-half interest in the bridge and approaches under such conditions, then the bridge shall continue to be owned, maintained, operated,

and repaired by the Commission, and the rates of tolls shall be so adjusted as to provide a fund of not to exceed the amount necessary for the maintenance, repair, and operation of the bridge and approaches under economical management, until such time as an Indiana interest and a Kentucky interest is authorized to accept, and does accept, such bridge and approaches under such conditions.

(b) (1) The Administrator of the Housing and Home Finance Agency may make advances to the Commission under the terms and subject to the conditions of section 702 of the Housing Act of 1954, and may purchase the securities and obligations of, or make loans to, the Commission under the terms and subject to the conditions of title II of the Housing Amendments of 1955.

(2) If the State Highway Department of the State of Indiana consents, amounts apportioned to that State out of sums appropriated under the Federal-Aid Road Act of July 11, 1916, as amended and supplemented, may be allocated for the construction of such bridge and approaches, in the same manner and subject to the same terms and conditions as apply in the case of projects on the Federal-aid primary highway system. If the department of highways of the State of Kentucky consents, amounts apportioned to that State out of sums appropriated under the Federal-Aid Road Act of July 11, 1916, as amended and supplemented, may be allocated for the construction of such bridge and approaches, in the same manner and subject to the same terms and conditions as apply in the case of projects on the Federal-aid primary highway system.

SEC. 7. The Commission and its successors and assigns are authorized to provide for the payment of the cost of the bridge and approaches (including the approach highways which, in the judgment of the Commission, it is necessary or advisable to construct or cause to be constructed to provide suitable and adequate connection with existing improved highways) and the necessary lands, easements, and appurtenances thereto by negotiating and entering into a contract or contracts with the State Highway Department of Indiana, the Department of Highways of Kentucky, Dearborn County, Ind., Boone County, Ky., the city of Lawrenceburg, Ind., or any other county or municipality in the States of Indiana and Kentucky, whereby the Commission may receive financial aid in financing the construction of the bridge and approaches. The Commission, in its discretion, may avail itself of all the facilities of the State Highway Department of Indiana, the Department of Highways of the State of Kentucky, or any county or municipality in the State of Indiana or the State of Kentucky, with regard to construction of said bridge, and the Commission may make and enter into any contract or contracts which it deems expedient and proper with the State Highway Department of the States of Indiana, or the Department of Highways of the State of Kentucky, or any county or municipality in the State of Indiana and the State of Kentucky, whereby said highway departments, municipalities, or counties, or either of them may construct, operate, and maintain, or participate with the Commission in the construction, operation, and maintenance of the bridge and its approaches. It is hereby declared to be the purpose of Congress to facilitate the construction of a bridge and proper approaches across the Ohio River at or near the city of Lawrenceburg, Ind., and to authorize the Commission to promote said object and purpose, with full power to contract with either the State Highway Department of Indiana, the Department of Highways of Kentucky, or any municipality, or county, or cities in the States of Indiana and Kentucky, of all of them, in relation to the construction, operation, and maintenance of said bridge and approaches.

SEC. 8. (a) For the purpose of carrying into effect the objects stated in this act, there is hereby created the City of Lawrenceburg Bridge Commission, and by that name, style, and title said body shall have perpetual succession, may contract, and be contracted with, sue and be sued, implead and be impleaded, complain and defend in all courts of law and equity; may make and have a common seal; may purchase or otherwise acquire and hold or dispose of real estate and other property; may accept and receive donations or gifts of money or property and apply the same to the purposes of this act; and shall have and possess all powers necessary, convenient, or proper for carrying into effect the objects stated in this act.

(b) The Commission shall consist of O. M. Keller, Robert H. Nanz, Victor O'Shaughnessy, Walter G. Decker, Eugene M. Stallings, E. G. Harry, F. D. Dobar, E. P. Henderson, and Frank Hutchinson of Lawrenceburg, Ind., and Walter Ferguson of Union, Ky.; the mayor of the city of Lawrenceburg, Ind., shall serve as a member of the Commission ex officio, without compensation; such Commission shall be a public body corporate and politic. Each member of the Commission shall qualify within 30 days of the date of enactment of this act by filing with the Commissioner of Public Roads of the United States an oath that he will faithfully perform the duties imposed upon him by this act. Each person appointed to fill a vacancy shall qualify in the same manner within 30 days after his appointment. Any vacancy occurring in the Commission by reason of failure to qualify, death, or resignation, shall be filled by appointment by the Commissioner of Public Roads.

(c) Before any bonds may be issued under this act, each of the members of the Commission must give such bond as may be fixed by the Commissioner of Public Roads, conditioned upon his faithful performance of all duties required by this act. The cost of such surety before and during the construction of the bridge shall be paid, or reimbursement made, out of the proceeds from the sale of bonds; thereafter such cost shall be an operating expense of the Commission, to be paid from tolls.

(d) The Commission may establish rules and regulations for the government of its business not inconsistent with this act. The Commission shall from time to time select a chairman and a vice chairman from among its members. A majority of the members of the Commission shall constitute a quorum.

SEC. 9. The Commission shall have no capital stock or shares of interest or participation, and all revenues and receipts thereof shall be applied to the purposes specified in this act. The members of the Commission shall be entitled to a per diem compensation for their services of $10 for each day actually spent in the business of the Commission but the maximum compensation of the chairman in any year shall not exceed $1,200, and of each other member shall not exceed $600 in any 1 year. The members of the Commission shall be entitled to receive a traveling expense allowance of 10 cents a mile for each mile actually traveled on the business of the Commission. The Commission may employ a secretary, treasurer, engineers, attorneys, and such other experts, assistants, and employees as it may deem necessary, who shall be entitled to receive such compensation as the Commission may determine. All salaries and expenses shall be paid solely from the funds provided under the authority of this act. After all bonds and interest thereon have been paid and all other obligations of the Commission paid or discharged, or provision for all such payments shall have been made, and after the bridge has been conveyed to the Indiana interest and the Kentucky interest, or otherwise disposed of as provided in this act, the Commission shall be dissolved and shall cease to have further existence by an order of the Commissioner of Public Roads made upon his own initiative or upon application of the Commission or any member or members thereof, but only after a public hearing in the city of Lawrenceburg, Ind., notice of the time and place of which hearing and the purpose thereof shall have been published once at least 30 days before the date thereof, in a newspaper published in Boone County, Ky., and in a newspaper published in Dearborn County, Ind. At the time of such dissolution all moneys in the hands of or to the credit of the Commission shall be divided and distribution made between the Indiana interest and the Kentucky interest, as may be determined by the Commissioner of Public Roads of the United States.

SEC. 10. Nothing in this act may be construed to authorize or permit the Commission or any member thereof to create any obligation or incur any liability other than such obligations and liabilities as are dischargeable solely from funds provided under this act. No obligation created or liability incurred pursuant to this act shall be a personal obligation or liability of any member or members of the Commission, nor shall any indebtedness created pursuant to this act be an indebtedness of the United States.

SEC. 11. The design and construction of any bridge which may be built pursuant to this act shall be in accordance with the standard specifications for highway bridges adopted by the American Association of State Highway Officials.

SEC. 12. The right to alter, amend, or repeal this act is hereby expressly reserved.

With the following committee amendments:

Page 1, line 4, strike out "8" and insert "9".

Page 2, line 3, after "navigation" insert "The Commission is also authorized to purchase from its owner, maintain and operate existing ferry operating in the vicinity of Lawrenceburg, Ind., and in connection with the acquisition of such ferry, is authorized to purchase the vessels used in operating a ferry in the vicinity of Lawrenceburg, Ind., the franchise granted for operating such ferry, and all real estate, equipment, and other property reasonably necessary to operate such ferry, and owned on the date of enactment of this act by the owner of such ferry."

Page 3, line 5, after "bridge", insert "and ferry"; and in line 7 after "of", insert "bridge tolls".

Page 3, line 16, after "thereto", insert "and the cost of the ferry, franchise, and real estate, equipment, and other property reasonably necessary to operate such ferry,"

Page 3, line 25, after "bridge", insert "or ferry, or both."

Page 4, line 23, after "bridge", insert "or ferry, or both,".

Page 5, line 21, after "therewith", insert "and the cost of the ferry, franchise, and real estate, equipment, and other property reasonably necessary to operate such ferry."

Page 6, line 11, after "therewith", insert "and the cost of the ferry, franchise, and real estate, equipment, and other property reasonably necessary to operate such ferry,"

Page 8, line 7, after "approaches" insert "and acquisition of the ferry and other property associated therewith.

"SEC. 6. Nothing in this act shall require the Commission to maintain or operate the ferry if it is purchased under this act, but in the discretion of the Commission, its successors and assigns, the ferry, franchise, and all or any of the real estate, equipment, and other property acquired in connection with the ferry may be sold or otherwise disposed of, or may be abandoned or dismantled, or both, whenever in the judgment of the Commission, its successors and assigns, it may seem expedient to do so. The Commission, its successors and assigns, may fix such rates of toll for the use of the ferry as it may deem proper, subject to the conditions prescribed

in section 5 with respect to rates of toll for the use of the bridge. All tolls collected for the use of the ferry and the proceeds of any sale or disposition of the ferry or any other property connected therewith shall be used, so far as may be necessary, to pay the cost of maintaining, repairing, and operating such ferry and property, and any amounts not so used shall be paid into the sinking fund provided for bonds.

"Within a reasonable time after the ferry has been acquired under this act, the Commission shall file with the Secretary of Commerce a sworn itemized statement, showing the cost of acquisition of such ferry and the cost, if any, of the acquisition of the franchise, and real estate, equipment, and other property associated with the ferry.

"An accurate record of the cost of the ferry, franchise, real estate, equipment, and other property; the expenditures for maintaining and repairing them; and of the daily tolls collected, shall be kept and shall be available for the information of all persons interested."

Page 9, line 14, strike out "6. (a)" and insert "7. (a) (1)"

Page 10, after "conditions." in line 18, insert: "(2) Whenever the bridge and approaches are transferred under this subsection the Commission, its successors or assigns, shall (if the ferry and other property have not already been disposed of) sell the ferry and franchise, and the real estate, equipment, and other property associated with the ferry, as soon as practicable at such price and upon such terms as the Commission, its successors or assigns, may determine."

Page 11, strike out lines 3 through 9.

Page 11, line 10, strike out "(2)" and insert "(b)" and in line 11 strike out "Indian" and insert "Indiana".

Page 12, line 1, strike out "7" and insert "8."

Page 13, line 15, strike out "8" and insert "9."

Page 15, line 10, strike out "9" and insert "10."

Page 16, line 22, strike out "10" and insert "11."

Page 17, line 6, strike out "11" and insert "12."

Page 17, line 11, strike out "12" and insert "13."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time and passed.

The title was amended so as to read: "A bill creating the City of Lawrenceburg Bridge Commission, defining the authority, power, and duties of said Commission; and authorizing the Commission and its successors and assigns to construct, maintain, and operate a bridge across the Ohio River at or near Lawrenceburg, Ind., and Boone County, Ky., to purchase and operate a ferry at such location, and for other purposes."

A motion to reconsider was laid on the table.

CONFORMANCE WITH FISH AND GAME LAWS ON FEDERAL LANDS

Mr. BONNER. Mr. Speaker, I ask unanimous consent to return to Calendar No. 734, the bill (H. R. 8250) to require conformance with State and Territorial fish and game laws and licensing requirements on Federal lands not subject to such laws.

I do this with the purpose of asking the objectors why objection was made since every State in the Union is interested in this bill. The bill merely provides that uniform hunting regulations be required on all Government property, that the hunter comply with the State law. That is all the bill does.

Mr. ASPINALL. Mr. Speaker, if the gentleman will yield to me, the reason the request was made is that the sponsor of the bill wished the right to make such a request.

Mr. BONNER. Mr. Speaker, I talked to the gentleman from New Mexico [Mr. DEMPSEY], and I understand that the gentleman from New Mexico [Mr. DEMPSEY] is now agreeable to permitting the bill to pass, and under the amendment it could be corrected in the next session of Congress if it were found that it did not work.

Mr. DEMPSEY. Mr. Speaker, if the gentleman will yield, with the amendment, I would not care for the bill.

Mr. BONNER. Mr. Speaker, I withdraw my request.

DEMOLITION AND REMOVAL OF CERTAIN STRUCTURES IN WASHINGTON, D. C.

Mr. HOEVEN. Mr. Speaker, I ask unanimous consent to return to Calendar No. 803, the bill S. 3881.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

Mr. HAYS of Ohio. Mr. Speaker, I object.

Mr. HOEVEN. Mr. Speaker, would the gentleman withhold his objection for a moment? May I say this? I am not a member of the Committee on Public Works. My only interest in this proposed legislation is that it is a part of beautifying the capital of the United States. Everyone knows about these temporaries near the Botanical Gardens. They are a sore spot. I do not see any reason why we could not proceed with beautifying the city of Washington, especially the removal of these temporary structures. I do hope the gentleman will permit this bill to be considered.

Mr. HAYS of Ohio. Mr. Speaker, notwithstanding the gentleman's very fine argument, I object.

The SPEAKER. Objection is heard.

FRYINGPAN-ARKANSAS PROJECT, COLORADO

Mr. SMITH of Virginia. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 641 and ask for its present consideration. May I say that up to a few minutes ago the printed copies had not arrived.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution, it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 412) to authorize the construction, operation, and maintenance by the Secretary of the Interior of the Fryingpan-Arkansas project, Colorado. After general debate, which shall be confined to the bill, and shall continue not to exceed two hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interior and Insular Affairs, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit, with or without instructions.

Mr. SMITH of Virginia. Mr. Speaker, I yield 30 minutes to the gentleman from Illinois [Mr. ALLEN].

Mr. Speaker, I yield 1 minute to the gentleman from Florida [Mr. SIKES], and ask unanimous consent that he be permitted to speak out of order.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. SIKES. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. SIKES. Mr. Speaker, I have asked for this time to call to the attention of the House the report of a special committee appointed by the Governor and cabinet of the State of Florida to recommend legislative action relating to public-school education and other internal affairs of our State deemed expedient after consideration of recent decisions of the Supreme Court of the United States.

The committee which has drafted this report is a very distinguished committee, headed by a very able former circuit judge of my district, the Honorable L. L. Fabisinski. Among its members are a former chief justice of the Florida supreme court, the Honorable Rivers Buford, a former president of the American Bar Association, Mr. Cody Fowler, and other outstanding Floridians.

I call this report to the attention of the House because of its sound findings and because of the high plane on which it is couched. I consider it a monumental work; one of the best I have seen on this subject.

I expect under permission to revise and extend my remarks to include the language of the report in the CONGRESSIONAL RECORD. I respectfully recommend its careful reading.

The report follows:

A REPORT OF THE SPECIAL COMMITTEE APPOINTED BY THE GOVERNOR AND CABINET OF THE STATE OF FLORIDA TO RECOMMEND LEGISLATIVE ACTION RELATING TO PUBLIC SCHOOL EDUCATION AND OTHER INTERNAL AFFAIRS OF SUCH STATE DEEMED EXPEDIENT AFTER CONSIDERATION OF RECENT DECISIONS OF THE SUPREME COURT OF THE UNITED STATES, JULY 16, 1956

TALLAHASSEE, FLA., *July 16, 1956.*

HIS EXCELLENCY, THE HONORABLE LEROY COLLINS, GOVERNOR, AND MEMBERS OF THE CABINET OF THE STATE OF FLORIDA.

HONORED SIRS: Your committee which was appointed to study the laws of the State of Florida and to recommend any changes, amendments, or additions thereto deemed expedient after consideration of certain recent decisions of the Supreme Court of the United States, respectfully submits herewith its report.

In order that interested persons may know and understand the reasons for the creation of the committee and the purposes for which

it was formed, we submit a declaration adopted by the committee as follows:

It is the considered opinion of this committee that at the outset of its deliberations and in order that its members and other interested persons may better understand the reasons for its creation, a formal declaration of purpose should be made.

These are admittedly difficult times, when many ideas and suggestions are being expressed hurriedly and without due study. The carrying out of many of these ideas and suggestions would be harmful to our constitution, would increase tension and feeling between the various groups of our citizenry, and would seek to challenge the authority of the United States of America. After careful consideration and deliberation this committee has determined that its purposes and obligations are:

First: To maintain the public school system of the State of Florida.

Second: To endeavor to determine the best interests, from an educational standpoint, of all of the children of our State, to further such interests in every manner and to do all that is possible to achieve and maintain the highest possible intellectual, moral, and cultural standards of our school system.

Third: To eliminate or to mitigate as much as possible any hostile feeling which might arise between any class or group of our citizens.

Fourth: To comply at all times and under all conditions with the provisions of the Constitution of the United States of America and the constitution of the State of Florida.

Fifth: To determine, as thoughful and responsible citizens of the State of Florida and the United States, legislative measures to be considered by the Legislature of the State of Florida in keeping with the above-avowed purposes of this committee; to recommend such action to the representatives of our State and its various subdivisions and to the people of the State as a whole; and to call upon all of the citizens of our State to keep these purposes in mind and to strive in their own conduct to effectuate these goals.

In accordance with our understanding of the purposes of the committee as above set forth we respectfully recommend:

1. Enactment of a law vesting in County boards of public instruction full power to assign pupils to public schools on the basis of individual needs and abilities, providing for appeals from such assignments to the State board of education and for judicial review of such assignments, copy of such proposed law being filed herewith.

2. Enactment of a law regulating assignment of teachers, copy of such proposed law being filed herewith.

3. Enactment of a law vesting power in the governor to promulgate and enforce rules and regulations relating to the use of any State, county, or municipal park, building, or facility that may be necessary or expedient to preserve the peace and tranquility of the State and prevent domestic violence, copy of such proposed law being filed herewith.

4. Enactment of an act clarifying and codifying the law relating to the powers of the Governor by proclamation to declare the existence of an emergency in the State or any portion thereof and to use all law enforcement officers and departments, including the military forces of the State, to prevent or suppress disorder, copy of such proposed law being filed herewith.

In the performance of our assigned duty we were and are confronted with recent decisions of the Supreme Court of the United States which violate accepted standards of judicial power, disrupt previous concepts of the relation between the Federal Government and the several States, disregard former decisions of the Court as to the rights of the States and the people, and destroy constitutional government as conceived by our forefathers.

These recent decisions of the Supreme Court transgress upon the rights of the people, encroach upon the powers of the executive department of the Federal Government, infringe upon the vested powers of Congress, ignore the rights of the States, violate the intent of those who wrote, proposed, and adopted our Constitution and the amendments thereto and in the aggregate constitute a usurpation of authority and a threat to constitutional government unparalleled in American history.

We, as members of your committee recommend, most emphatically, that the invasion by the Supreme Court of the rights of the States, of the legislative and executive departments of the United States and of the people be denounced in clear and unmistakable language and every lawful means be adopted to restore these rights, and curb this threat to our liberties.

The rights of a free people to protest against usurpation of power, to petition for redress of grievances, to demand that their public officers act within their assigned jurisdiction, are inalienable and inherent rights, which, as yet, have not been taken from us and we respectfully recommend that in the exercise of these rights that the legislature, in the name and in behalf of the State of Florida and its people, denounce the usurpation of power by the Supreme Court and demand, as is the right of a free people, that their just and inherent powers be held inviolate.

Candor demands the immediate statement that the preparation of the following statement was begun with a view of demonstrating the gravity of the tragic impact of the "desegregation decisions" of the Supreme Court of the United States upon the institutions and peoples of the several States and the complete lack of constitutional justification of the decisions reached in those cases. However, a study of many other recent decisions of the Court obviously stemming from the same concepts of constitutional government that, in the minds of the members of the Court, justified the desegregation decisions leads unavoidably to the conclusion that the problem under consideration is not one which concerns the State of Florida alone, but every State and every citizen of the United States.

Nor does the problem arise out of a mere mistake in the pronouncement of the law upon one isolated subject, important as that may be. The entire American system of government is at stake.

In view of the gravity of the situation, the question of segregation or desegregation in public schools, the seriousness of which cannot be overemphasized, actually becomes one of secondary importance.

The candid reader is requested to ask himself whether the opinions herein referred to, when properly analyzed, do not impel the conclusion that the Supreme Court of the United States has assumed the power, by judicial decree, to change the meaning of the Constitution of the United States, and thus to amend the fundamental law of the land by the act of nine men, or a majority of them, rather than by the orderly processes set forth in the Constitution.

No matter how strongly the people of Florida may feel on the question of segregation, they recognize that citizens of other States have the right to entertain a different view. If the views of others attain that unanimity of popular support that is required to amend the Constitution of the United States, and such amendment be adopted, it is the duty of every American ctizen to yield gracefully to the will of the people of the country as a whole. On the other hand, every thinking American knows that surrender to the Supreme Court of power to change the Constitution in order to effect reforms which members of the Court may deem beneficient, will vest in that Court power to make changes inimicable to the public welfare, and will eventually lead to a complete loss of control of the Government by the people.

It is not the purpose of the present statement to attack or defend any of the decisions herein discussed insofar as the conclusions reached may or may not be sound or wise as abstract statements of what the law should be, or what the Constitution should, by amendment, be made to mean. Its sole purpose is to demonstrate the extent to which the Supreme Court has exceeded its jurisdiction, has attempted to change the Constitution and has usurped powers belonging to other Departments of the Federal Government, the States, and the people.

Before going further we ask the reader to reflect upon, and to read this statement in the light of, the following words of George Washington taken from his Farewell Address:

"If, in the opinion of the people, the distribution or modification of the constitutional powers be in any particular wrong, let it be corrected by an amendment in the way which the Constitution designates. But let there be no change by usurpation; for though this, in one instance, may be the instrument of good, it is the customary weapon by which free governments are destroyed."

As we have candidly stated above, the preparation of the following declaration was begun as a protest against the decisions of the Supreme Court of the United States in the year 1954, abrogating the powers of the States to control their systems of education, but as we have studied the pronouncements of the Court in the recent past few months, we have come to the inevitable conclusion that the present membership of the Supreme Court of the United States has embarked upon a course of action designed to destroy the system of dual sovereignty, which is the unique feature and fundamental basis of our Union, to destroy the system of division of the powers of Government between the executive, legislative, and judicial departments, which is the greatest safeguard of the people against tyranny, and in complete disregard of the Constitution of the United States and the inherent rights of the sovereign States determined to arrogate to themselves final, complete, supreme, and exclusive power over the States, the Federal Government, and the people.

Your committee has set forth the basis of this conclusion in the following statement and respectfully recommends that the substance thereof be embodied in a resolution of the Legislature of the State of Florida as a protest of the people of this State against this threat to our rights, as a demand for return to constitutional government, and as a call to our fellow Americans to join with us in preserving our inherent rights as a free people for all future time.

A DENOUNCEMENT OF USURPATION OF POWER AND DEMAND FOR PRESERVATION OF OUR INHERENT RIGHTS

In the life of a democratic nation when it becomes necessary for the people to take notice of and enter a solemn protest against any usurpation of power by those who have been entrusted with high public office, and to demand, as of right, that public officers remain subservient to the people and that they desist from assuming powers which have not, by the people, been placed in their hands, the opinions of their fellow men require that the people set forth in clear and unmistakable language the causes which impel them to such action.

To the end that the declarations now about to be made may be thoroughly understood, and the motives which impel them may be fully appreciated, we first pronounce the following principles, each of which we hold to be an integral part of our American system of government:

1. All political power is inherent in the people and all government derives all its powers from the consent of the governed.

2. When the people form a government by the adoption of a written constitution the words of that constitution are but the instrumentalities by which ideas, principles, and plans present in the minds of those who adopt the constitution are recorded for accuracy and for preservation to posterity.

3. Those who are temporarily invested with power over their fellow countrymen, by being chosen to occupy public offices provided for in a constitution, are charged with a solemn responsibility to exercise only such powers as, under such constitution, have been entrusted to them.

4. A division of the powers of Government into three departments, executive, legislative, and judicial is expressed or implied in every constitution of the American Union, including the Constitution of the United States.

5. The Constitution of the United States is a grant of powers to the central Federal Government, and all powers not delegated to the Federal Government by the Constitution, nor prohibited by it to the States, are reserved to the States, or to the people.

6. The judicial powers delegated to the Federal Government are vested by the Constitution in the Federal judiciary and include the power to interpret, construe and apply the Constitution of the United States.

7. The power to interpret, construe, and apply the Constitution is limited to an ascertainment of the ideas, principles, and thoughts that were in the minds of those who drafted and adopted the Constitution, including amendments thereto, and the application of those ideas, principles, and thoughts to particular factual situations from time to time presented to the courts. The application of constitutional principles may differ with changing conditions, but the principles themselves are unchanging and unchangeable except by the people and then only by the method provided in the Constitution.

8. A judicial construction of the Constitution enunciated by the Supreme Court of the United States and understood and acquiesced in by the executive department, the Congress, and the people over a long period of time becomes as much a part of the fundamental law of the land as that which has been written in the Constitution itself, and is binding equally upon the people, the States of the Union, and the Supreme Court of the United States.

9. The Constitution of the United States may be amended only in the manner provided in that Constitution. In the course of history since the adoption of the Constitution the people have 21 times found it expedient to amend the Constitution, and when that unanimity of public opinion which justifies a change in the Constitution has developed among the people they have found no difficulty in effecting the changes they found desirable.

10. The assumption by any public official, or group of public officials, of power to change the meaning of the Constitution of the United States, other than by the method provided by article V of the Constitution, is an abuse of public trust and a tyrannical usurpation of power.

Under the Constitution of the United States when evidences of the assumption of tyrannical powers appear in the Executive or in the Congress the people may, by means of the ballot, protect and preserve their liberties by the repudiation of those in office. But when the Federal judiciary, which is insulated from the heat of political differences by the life tenure of its membership, enters upon a course of action inimicable to the rights of the people, this method of reform is unavailable. Under such circumstances those restraints which characterize men capable of self-government require that by orderly and peaceable means the inherent and unalienable rights and powers of the people shall be utilized to restore those rights of which they have unjustly and unlawfully been deprived.

We call to the attention of all thinking Americans the following unwarranted and unauthorized acts of invasion of the powers reserved to the States and to the people:

By decisions rendered May 17, 1954, in *Brown* v. *Board of Education of Topeka; Harry Briggs, Jr., et al.*, v. *R. W. Elliott, et al.; Dorothy E. Davis, et al.*, v. *County School Board of Prince Edward County, Va.; Frances B. Gebhart, et al.*, v. *Ethel Louise Belton, et al.* (347 U. S. 483, 98 L. Ed. 873) the Supreme Court of the United States denied to the sovereign States of the American Union the power to regulate public education by the use of practices first declared constitutional by the State of Massachusetts, adopted by the Congress, approved by the Executive, affirmed and reaffirmed by the Supreme Court of the United States and practiced by States for more than a century.

It has based these decisions upon matters of fact as to which the parties affected were not given an opportunity to offer evidence or cross examine the witnesses against them.

It has cited as authority for the assumed and asserted facts the unsworn writings of men, one of whom was the hireling of an active participant in the litigation. Others were affiliated with organizations declared by the Attorney General of the United States to be subversive, and one of whom, in the same writing which the Court cited as authority for its decision stated that the Constitution of the United States is "impractical and unsuited to modern conditions."

In reaching its conclusion the Supreme Court has disregarded its former pronouncements and attempted to justify such actions by the expedient of imputing ignorance of psychology to men whose knowledge of the law and understanding of the Constitution could not be impugned, and has expressly predicated its determination of the rights of the people of the several sovereign States of the American Union upon the psychological conclusions of Kotinsky, Brameld, and Myrdal, and their ilk, rather than the legal conclusions of Taft, Holmes, Van Devanter, Brandeis, and their contemporaries upon the bench.

In reaching its conclusion the Court, professing itself to be unable to ascertain the intent of those who adopted the 14th amendment to the Constitution, arbitrarily chose to repudiate the solemn declaration of its meaning rendered under the sanctity of their oath of office by the Justices of the Supreme Court of the United States at a time when all of its members were contemporaries of those who proposed, discussed, debated, submitted and adopted the amendment.

However much as citizens of other States may approve and applaud these decisions, they dare not embrace the theory upon which they are based nor the fallacies therein contained lest they themselves by the application of the same theory and fallacies bring destruction to their institutions and to their liberties.

In a decision rendered May 21, 1956, in *Railway Employees Department, American Federation of Labor, International Association of Machinists, et al.*, v. *Robert L. Hanson, et al.*, (— U. S. —, 100 L. Ed. (advance), p. 633), the Supreme Court of the United States held that a union shop agreement negotiated between certain railroads and certain organizations of employees of such railroads which had been authorized by an act of the Congress superseded the right-to-work provisions of the Constitution of the State of Nebraska and the State statutes enacted pursuant thereto.

The effect of this decision, made in a case instituted by free American citizens to enforce their rights under the Constitution of the United States, was to deny these American citizens the right to work at their chosen trade unless they became members of and contributed to the funds of organizations to which they did not wish to belong and to which they did not wish to contribute of their substance.

The effect of this decision was to advise these free American citizens that their right to be immune from any deprivation of liberty or property without due process of law, supposedly guaranteed to them by their Federal Constitution, did not extend to their right to work, supposedly guaranteed by the constitution of their State, as against the demands of a nonofficial labor organization that they pay to it money to be expended in the negotiation of labor contracts, the terms of which these citizens might or might not seek or desire.

The effect of this decision is to vest in the Congress the power to prohibit, permit, or require, closed shops, union shops or open shops or to outlaw unions in each and every industry in America whose activities come within the present expanded concept of interstate commerce.

The effect of this decision is to abrogate, with respect to all employment in interstate business, the constitutions and laws of those 17 sovereign American States which have sought to protect the rights of their citizens to a free and open labor market, making union membership optional with each worker, protecting him on the one hand from an employer who might desire the destruction of the union, and on the other hand from the union which might desire to exploit him or advocate policies which he did not endorse.

By a decision rendered January 16, 1956, *Dantan George Rea* v. *United States of America* (— U. S. —, 100 L. Ed. (advance), p. 213), the Supreme Court of the United States held that it was within the power of the Federal courts to enjoin an officer of the executive department of the Federal Government from testifying in the courts of the State of New Mexico in a criminal prosecution of one charged with a violation of a statute of that State prohibiting the possession of marihuana.

In so doing the Court assumed power to direct the activities of executive officers of the Federal Government to the extent of forbidding them from testifying voluntarily, or under the process of a State court, as to matters within their knowledge in a case in which no question of privilege or national security was involved.

In so doing the Court assumed power to control the administration of local justice in State courts by the indirect method of forbidding witnesses to testify in such State courts while giving lipservice to the letter of the rule which denies to the Federal courts any power to control the acts or proceedings of State courts.

In so doing the Court assumed power to fix the rules of evidence which should control the administration of justice in State courts.

In so doing the Supreme Court refused to follow the law as established by former decisions of that Court, which were followed and adhered to for many years.

By a decision rendered April 2, 1956, in *Commonwealth of Pennsylvania* v. *Steve Nelson* (— U. S. —, 100 L. Ed. (advance), p. 415), the Supreme Court of the United States has declared that, so long as the present Federal law providing punishment for sedition exists, the sovereign State of Pennsylvania and those 41 of her sister States who have enacted laws against sedition, are without power to enforce their statutes enacted for the purpose of preserving the lives and safety of their citizens from those who would by force and violence overthrow the Government of the United States, the States themselves, or any of their political subdivisions.

This decision was rendered in the case of an acknowledged member of the Communist

Party who had been duly convicted in the constitutional trial courts of Pennsylvania of violating the sedition laws of that Commonwealth.

In reaching the conclusion announced, the Supreme Court refused to follow the previously accepted construction and interpretation of the Constitution of the United States as stated in unmistakable language in prior decisions of that Court.

In reaching the announced conclusion, the Court decried, and seemed to find obnoxious the fact that under the Pennsylvania law a private citizen could set in motion the legal processes by which those charged with conspiracy against the Government of the Commonwealth of Pennsylvania could be brought to trial and, if found guilty, be punished by due course of Pennsylvania law.

In reaching the announced conclusion the Court dismissed with a casual comment in a footnote to its decision the solemn declaration of the Congress that "Nothing in this title shall be held to take away or impair the jurisdiction of the courts of the several States under the laws thereof."

In reaching the announced conclusion the Court did not limit the impact of its judgment to statutes involving sedition against the Government of the United States, but expressly pointed out that a State has no power to enact laws for its own protection, but must rely upon the Federal authorities for the suppression of sedition against the State itself or its political subdivisions.

In a decision rendered April 23, 1956, in *Judson Griffin, et al.* v. *People of the State of Illinois* (— U. S. —, 100 L. Ed. (advance), p. 483), the Supreme Court of the United States held that the due process and equal protection clauses of the Constitution of the United States rendered illegal the imprisonment of one charged with armed robbery and duly convicted in the trial court of Illinois, unless the State of Illinois provided the defendant, free of charge, with a transcript of the proceedings to be used in an appeal of his conviction.

The basis of this decision was that, since the law of Illinois authorized appeals in criminal cases, and the particular defendant in question was insolvent, the 14th amendment required the State to pay the costs of his appeal.

The effect of this decision is to place upon each of the States the duty of guaranteeing the financial ability of every citizen to exercise constitutional rights.

By a decision rendered April 9, 1956, in *Harry Slochower* v. *Board of Higher Education of the City of New York* (— U. S. —, 100 L. Ed. (advance), p. 449), the Supreme Court of the United States held that the city of New York had violated the Constitution of the United States by the summary discharge of a public employee who had refused to answer questions relative to his communistic activities and claimed the benefit of the fifth amendment to the Constitution in so doing.

In so holding the Court held invalid a charter provision of the city of New York designed to provide for the removal, as quickly as possible, of those public employees who were deemed by the people of that great city to be unfit to be entrusted with any part in the administration of the public affairs of the city.

In so holding the Court revoked the prompt removal from a State school of a teacher whose influence was deemed by the school authorities to be inimicable to the best interests of the students in such school.

In so holding the Court construed the due process clause of the Constitution to give to the Federal courts the power to examine into minute details of all administrative State action and to apply arbitrarily to such State action the personal concepts of the Justices of the Supreme Court rather than fixed principles of constitutional law.

These, and other decisions of the Supreme Court of the United States, can lead the student of law, of government, or of history to but one unavoidable conclusion:

As presently constituted, the Supreme Court of the United States has embraced the philosophy that the Constitution of the United States is not a declaration of fixed or definite principles, unchanging in their meaning, although varying in their application to different factual situations. On the contrary, recent decisions are obviously the result of a theory that changing conditions and variations in social and economic practices justify the Court in changing, by judicial fiat, the meaning of the Constitution in order that it may serve what the members of the Court deem to be the best interests of the people.

Unless the application of this concept of the powers of the Supreme Court of the United States in regard to the rights of the people, the powers of the different departments of government, and the separate and distinct powers of the States and of the Federal Government be stopped, the inevitable result will be to end the American system of constitutional government, and to substitute therefor government by a judicial oligarchy under which the States, and the executive and legislative departments of the Federal Government may exercise only such powers as the Federal judiciary deems fit to permit them to exercise.

Now, therefore, we the people of the State of Florida, speaking by and through our duly elected representatives in the Senate and the House of Representatives of the State of Florida, do hereby solemnly declare:

That the Supreme Court of the United States of America as presently constituted knowingly, willfully, and over the most respectful protest of litigants before the Court, including many of the sovereign States of the Union, has determined to, and has entered upon a policy of substituting the personal and individual ideas of the members of the Court as to what the Constitution of the United States should be for the letter of the Constitution as it was written by our forefathers, the meaning of the Constitution as it was understood by those who drafted it and voted for its adoption, and the intent of the Constitution as it has been declared by the Highest Court of the Nation over many years and in many able decisions.

That the personal, social, economic, and political ideas of the members of the Supreme Court of the United States do not constitute the proper criterion for the admeasurement of States rights or the powers of the several departments of the Federal Government or the rights of individual citizens.

That acts of the Federal judiciary in willfully asserting a meaning of the Constitution unsupported by the written document, the history of the times in which it was adopted, the construction placed upon it by contemporary courts and the meaning ascribed to it by the people for generations constitutes usurpation of power which, if condoned by the people and allowed to continue, will destroy the American system of Government.

If wise and beneficient men may make changes in the Constitution that are beneficial in the light of changing conditions, others may, with equal propriety make changes which will destroy the rights of the people. It was to guard against conferring the power upon public officials to make mistakes that the people reserved unto themselves the power to amend the Constitution when changing conditions demand a change in the basic law.

That while disobedience to constituted authority is the mother of anarchy, it is the history of free men that they will not supinely permit Government to become the master of the people, and will never yield unrestrained authority to any group of public officers.

That is the duty of every public official sworn to support the Constitution of the United States, and of every citizen who would maintain the principles of Government under which this Nation has grown to its present greatness, regardless of their views as to the abstract justice of the result of any of the acts of usurpation herein enumerated to insist, and we do hereby insist and demand that the Supreme Court of the United States recede from its arbitrary assertion of power to change the fundamental law of the land to meet the personal views of its members as to the present needs of the people, leaving to the people themselves the responsibility of determining when, and to what extent, their Constitution should be amended.

And to this end we respectfully and earnestly urge the executive officers of the Nation, the Congress of the United States, the governor and the attorney general of each of our sister States, and the bar of America, the traditional defender of constitutional government, and all who love and revere the Constitution of the United States, to join us in this declaration, and to do everything within the scope of their personal and official authority to initiate and effect an amendment to Article X of the Constitution of the United States defining the powers reserved to the respective sovereign States, enumerating and defining the powers so reserved to include, among others, the power to regulate the fields of activity mentioned in this report.

We attach to this report an appendix of notes on decisions referred to in the above proposed resolution.

We hope that our labors have provided some suggestions for the legislative and executive departments of our State that will be helpful in preserving the rights of our State and of our people.

Respectfully submitted,

Judge L. L. FABISINSKI,
Chairman.
Judge RIVERS BUFORD,
Vice Chairman.
Judge MILLARD SMITH.
CODY FOWLER.
LUTHER MERSHON.
J. LEWIS HALL.
JOHN T. WIGGINTON.

APPENDIX—A DENOUNCEMENT OF USURPATION OF POWER

Notes

Brown v. *Board of Education of Topeka* (347 U. S. 483, 98 L. Ed. 873): In this case the Supreme Court of the United States held that the maintenance of separate but equal educational facilities for white and colored citizens was, as to the colored citizens, a violation of the 14th amendment to the Constitution of the United States because it denied to such citizens the equal protection of the law.

An analysis of the opinion of the Court discloses the following elementary fallacies:

(a) The Court first asserts its inability to determine the meaning ascribed to the amendment by those who drafted it and those who voted for its adoption. This conclusion is wholly unjustified. Before, contemporaneously with, and for nearly a century since the adoption of the amendment segregated schools were maintained, and the constitutional legality of the practice was affirmed by every court in which it was questioned.

The Supreme Court of the United States in *Plessy* v. *Ferguson* (163 U. S. 537, 41 L. Ed. 256), firmly established the rule that State action providing "separate but equal" facilities to citizens of different races complied with the amendment. This decision, while dealing with transportation, referred specifically to schools. This decision was rendered by a Court composed of men, all of

whom were adult contemporaries of those who proposed, discussed, debated and adopted the amendment. One was a member of the Supreme Court during that time. One was a justice of the Supreme Court of Massachusetts. One had been a member of the Constitutional Convention of the State of Illinois, one the Attorney General of his State, one an officer in the Union Army, one a District Attorney in his State, and others were active practitioners of law, at or before the time of the ratification of the 14th amendment. If doubt existed as to the meaning of the amendment, the solemn pronouncement of these men rendered under the sanctity of their oaths of office as to matters necessarily within their knowledge—the intent of the people in amending the Constitution—should, by all legal precedent, be conclusive.

If doubt still persisted, the answer to the specific question is made apparent by the application of elementary rules of constitutional construction. It is never presumed that the Constitution is redundant, or that any part of it was inserted idly or that any amendment to it does not in some respect change its meaning. Applying this rule and considering the 14th amendment in connection with the 15th amendment and assuming that the 15th amendment has and serves a purpose we have a guide to the construction, intent, and purpose of the 14th amendment. The 15th amendment guarantees the right to vote. It does nothing more. If the 14th amendment guarantees the right to vote, the 15th amendment adds nothing to, takes nothing from, and does not alter the meaning of the Constitution. The 15th amendment was not proposed until after the 14th amendment had been declared to be a part of the Constitution. It was obviously the thinking of the Congress which proposed, and of the legislatures of States which adopted it, that the 14th amendment did not guarantee the right to vote or they would not have proposed and adopted the 15th amendment. This is also demonstrated by the fact that the 14th amendment, in section 2, provides for the reduction of a State's representation in the House of Representatives in proportion to the number of adult male citizens disfranchised by State law, except for crime.

If the equal protection clause of the 14th amendment did not guarantee the intangible right of a citizen to vote, it was not the intent, the thinking, or the purpose of those who adopted the 14th amendment that it should extend to and guarantee the equally intangible and less fundamental right to identify, as distinguished from equality, of educational opportunities.

If all these things were not convincing to open, legal minds, the reconsideration of the problem by the Supreme Court of the United States in the case of *Gong Lum* v. *Rice* (275 U. S. 78, 72 L. Ed. 172), wherein the Court said:

"The case then reduces itself to the question whether a State can be said to afford to a child of Chinese ancestry born in this country, and a citizen of the United States, the equal protection of the laws by giving her the opportunity for a common school education in a school which receives only colored children of the brown, yellow, or black races. The right and power of the State to regulate the method of providing for the education of its youth at public expense is clear.

* * * * *

"The question here is whether a Chinese citizen of the United States is denied equal protection of the laws when he is classed among the colored races and furnished facilities for education equal to that offered to all, whether white, brown, yellow, or black. Were this a new question, it would call for very full argument and consideration, but we think that it is the same question which has been many times decided to be within the constitutional power of the State legislature to settle without intervention of the Federal courts under the Federal Constitution."

This reaffirmance of the State's right to maintain segregated schools in an opinion by Mr. Justice Taft, speaking for a unanimous court, should be conclusive.

(b) The Court says in the Brown case:

"Whatever may have been the extent of psychological knowledge at the time of *Plessy* v. *Ferguson* this (a contrary) finding is amply supported by modern authority. Any language in *Plessy* v. *Ferguson* contrary to this finding is rejected."

The socialistic, communistic, un-American writings, associations and activities of the "modern authority" cited by the Court have been so often detailed they will not be recited here. One of these "authorities," however, demands further consideration. Dr. Gunnar Myrdal, a self-styled social engineer, wrote a book entitled "The American Dilemma" which is cited by the Supreme Court as one of the modern authorities whose psychological knowledge justifies the substitution by the Supreme Court of his conclusions for the solemn legal judgment of William Howard Taft, Oliver Wendell Holmes, Louis Dembritz Brandeis, Willis Van Devanter, James Clark McReynolds, George Sutherland, Pierce Butler, Edward Terry Sanford, and Harlan Fiske Stone. It is Dr. Myrdal's writing that the Supreme Court accepts as sound and conclusive on legal questions. It is his thinking that the Supreme Court adopts as their thinking. It is his assertions that the Supreme Court accepts as verity. Rejecting the opinions and decisions of their great predecessors on the bench, it is to him the Supreme Court goes for guidance in deciding cases. What else does Dr. Myrdal say? He says that the Constitution of the United States is "impractical and unsuited to modern conditions."

Reluctantly, sadly, we reach the conclusion that the Supreme Court has determined that Dr. Myrdal is correct in this assertion and has resolved to correct the situation by a process of judicial amendment of the Constitution that will entirely change our form and system of government.

(c) In the Brown case, the Court says:

"Segregation of white and colored children in public schools has a detrimental effect upon the colored children. The impact is greater when it has the sanction of law; for the policy of separating the races is usually interpreted as denoting the inferiority of the Negro group. A sense of inferiority affects the motivation of a child to learn. Segregation with the sanction of law, therefore, has a tendency to [retard] the education and mental development of the Negro children."

If this be accepted as true there is a corollary that must inevitably follow. If white children, particularly in those areas where the colored population exceeds the white, are required by compulsory school attendance laws to attend nonsegregated schools and are thus required by law to come into close daily contact with a group which (the Supreme Court says) is regarded as being inferior, there will be an effect upon the development of the white children at least equal to the assumed effect of segregation upon the colored children. This effect will be particularly acute in those areas, the existence of which cannot be denied, in which parents financially able to do so will send their children to private segregated schools, leaving in the integrated schools only those white children who cannot afford private schools. The equal protection of the law is guaranteed to the white race as well as to the colored. Equal protection is not attained, and cannot be attained, by substituting one undesirable situation for another. The premise stated by the Court does not, therefore, justify or logically support the conclusion drawn.

In its decision the Court lays stress upon what it terms the "intangible considerations," which from the Brown case, the Sweatt case and the McLaurin case, may be said to include the following: "those qualities which are incapable of objective measurement but which make for greatness in a law school," "to engage in discussions and exchange of views with other students," "the intellectual commingling of students," "position and influence of the alumni," "traditions and prestige (of the school)." The court blithely ignores the fact that these "intangibles," and truly they are intangible, represent the culture, learning, industry, intellectual attainments, personalities and characters of the individuals who make up the student bodies and alumni of the educational institutions to which they appertain. These intangibles are not, have never been, and cannot be made the property of the State to sell, barter, or give to others.

The 14th amendment does not mention race or creed or color. It relates to the rights of individual citizens, and, as to matters within its scope, guarantees to each citizen of the United States the equal protection of laws. If identity of educational opportunity, as distinguished from equality of opportunity, is guaranteed to each individual by the amendment a student, or the parents of a student, assigned to a particular classroom presided over by a particular teacher who fully meets the requirements fixed by the State as to moral, cultural, and educational requirements, prefers another classroom presided over by another teacher because such other teacher has a more desirable family background, or some of the students assigned to the other classroom move in a more desirable social circle, or because the students assigned to the other classroom have a superior average intellectual quotient and the existence of such intangibles gives such student, or his parents the right to demand that the student be taught in the classroom and by the teacher of his, or his parents' choice, our entire educational system might well be disrupted. Under the 14th amendment there can be found no legal distinction between the hypotheses here stated and the statement of constitutional (?) law pronounced in Brown versus Topeka.

(d) Many of our citizens prefer that, at certain levels, male and female students be taught in separate institutions. The 14th amendment does not permit that either male or female citizens be denied the equal protection of the laws. The rationale of *Brown* v. *Topeka* makes it a violation of the Constitution for a State to maintain segregation of the sexes at any level in public education because the intangibles of separate institutions of learning cannot possibly be made to be identical.

(e) Perhaps the most remarkable pronouncement found in the opinion of the Court in *Brown* v. *Topeka* is the statement that:

"Whatever may have been the extent of psychological knowledge at the time of *Plessy* v. *Ferguson*, this finding (that that decision was wrong) is amply supported by modern authority. Any language in *Plessy* v. *Ferguson* contrary to this finding is rejected."

This statement can only mean that the Supreme Court of the United States, as presently constituted, now declares that the subconscious genius of the American people of the 1860's was such that they wrote into the Constitution principles which were beyond the educational attainments of even the members of the Highest Court in the land to perceive, understand, and appreciate until the present personnel came to the bench.

Railway Employers Department, American Federation of Labor, International Association of Machinists, et al. v. *Robert L. Hanson, et al.* (— U. S. —, 100 L. Ed. (advance)

p. 633): To those who may regard this decision as a victory for organized labor, we would point out the reason stated by the Court as the foundation upon which its conclusion is based:

"Industrial peace along the arteries of commerce is a legitimate objective; and Congress has great latitude in choosing the methods by which it is to be obtained. The choice by the Congress of the union shop as a stabilizing force seems to us to be an allowable one."

Industrial peace becomes more important under this decision, than the rights of American citizens to join or refuse to join a union and supersedes the guaranty of liberty contained in the 5th and 14th amendments in this respect. To the ardent unionist who sincerely believes that strong unions are essential to the welfare of labor, this may seem a wise and beneficent conclusion. But the Congress is not always composed of men sympathetic to the labor movement. It is by no means inconceivable that a Congress might be elected which would actually be hostile to labor. Should such a Congress enact a statute forbidding the employment by the railroads of any person who did not relinquish his union membership because the Congress believed that industrial peace along the arteries of commerce would be best served thereby, the decision in this case would, if followed, require that such a statute be upheld by the courts. If it is allowable under the Constitution for Congress to require union membership of any class of persons engaged in interstate commerce, it is equally allowable for Congress to forbid such membership.

The acceptance of this decision by trade unions is to surrender constitutional guaranties and grant to Congress the power of life and death over the labor movement in America. The temporary benefits to be attained by this holding represent a dear price for the freedom of American labor that will be surrendered.

Judson Griffin v. *People of the State of Illinois* (— U. S. —, 100 L. Ed. (advance), p. 483); Florida and many other States provide free transcripts of record for insolvent defendants in criminal cases, but it is the voluntary act of such States in the exercise of their inherent powers of Government.

The most significant feature of this decision is the shockingly frank admission by one of the Justices who writes into the records of the Court the following: "Candor compels acknowledgment that the decision rendered today is a new ruling. * * * The judicial choice is not limited to a new ruling necessarily retrospective, or to rejection of what the requirements of equal protection of the laws, as now perceived, require. For sound reasons law generally speaks prospectively.* * * We should not indulge in the fiction that the law now announced has always been the law. * * * it is much more conducive to law's self-respect to recognize candidly the considerations that give prospective content to a new pronouncement."

This is a bald assertion of power in the judiciary to amend the Constitution. To give to language having a clear and definite meaning to those who wrote it a new and different meaning is just as clearly an amendment to the Constitution as changing the language of the document itself. To assert that meaning can be "perceived" in the Constitution today which was not perceived by those who adopted it, and which could not be found by Taft, Holmes, McReynolds, Van Devanter, and their contemporaries, is to ascribe to those who now view it the powers of supermen. If the Constitution requires each State to furnish transcripts of record to each insolvent defendant in criminal cases, then such requirement was a part of such constitutional provision from the time of its adoption. If, on the other hand, such requirement was not a part of such constitutional provision at the time of its adoption, then it can lawfully be made a part thereof only by the constitutional processes of amendment. To substitute the "perception" of the members of the Supreme Court as to the meaning of the Constitution for the intent of the people in adopting it is to completely destroy the power of the people to fix in the Constitution the principles of the government under which they are to live.

States plan the government of their citizens, businessmen arrange their industrial and economic affairs, and individuals chart the course of their lives in reliance upon the stability of the Constitution, the correctness of its repeated construction and the integrity of the courts to protect them in their constitutional rights as those rights have been fixed, understood, and applied over long periods of history. If this may no longer be done the stability of our political, economic, industrial, and social orders has passed away and that which we know as the American way of life has been replaced by a system in which the rights of men are measured only by the vicissitudes of the sociological thinking of nine men.

Without attempting in any way to be facetious, we ask this question: Under this decision does not a citizen, who has the constitutional right to exercise his franchise, but who is unable to pay his transportation to the polls, have the right to demand that the State provide such transportation? If the State does not do so, his constitutional right to vote has been placed beyond his reach by the act of the State in locating the voting place in his precinct at a place not immediately adjacent to his home.

Commonwealth of Pennsylvania v. *Steve Nelson* (— U. S. —, 100 L. Ed. (advance), p. 415): The rationale of this decision is that Congress has power to "provide for the common defense, to preserve the sovereignty of the United States as an independent nation and to guarantee to each State a republican form of government," and, consequently, when Congress enacted a statute against sedition the States are rendered impotent to enforce any State law on this subject because the Congress has occupied the field. It is perfectly proper for the State to punish the possessor of a 6-gallon still for illegally manufacturing moonshine whiskey, and for the Federal authorities to punish the same man for the same act, because each sovereignty has forbidden the same act. It is also proper of the State to prosecute a man for operating a numbers racket and for the Federal authorities to prosecute the same man for a violation of the Federal statutes licensing gambling, when the operation in each case was the same, but such same act constituted a violation of the criminal laws of different sovereigns. But under this decision the same rule does not apply to an act designed to effect the destruction of each and both these sovereigns.

Obviously when the Congress has exercised its powers of regulation of legitimate activities within the scope of Federal regulation, and has adopted a comprehensive scheme designed to cover the subject, further State regulation may necessarily be an infringement upon the powers of the Congress. But that does not mean that an act forbidden by Federal statute may not also be forbidden by State law. Nor does the power given to the Congress to protect the Nation, however exercised, render a sovereign State of the Union impotent to protect itself from those who would plot and conspire to overthrow its government and enslave its people.

Harry Slochower v. *Board of Higher Education of the City of New York* (— U. S. —, 100 L. Ed. (Advance), p. 449): The significance of this decision is two-fold:

First: The Court either disregards the reasons assigned for the decision in *Brown* v. *Topeka*, or it regards the dangers of communistic influences upon students as being of insufficient importance to justify the removal of instructors.

In the Brown case great emphasis is laid upon the so-called "intangibles" connected with education in public schools. Most Americans consider an atmosphere of patriotism, of love of American institutions, of democracy and of respect for those leaders of the past who have contributed to the building of the Nation as the most universal and valuable intangibe in the atmosphere of American schools. Certainly a Communist or ex-Communist, or one who is unwilling to answer questions as to his communistic affiliations is incapable of contributing to the maintenance of that atmosphere in his classroom.

The New York statute held invalid by this decision was designed to remove such persons from a position of trust in the New York school system at the earliest possible moment. The return of Professor Slochower to his classroom denies to the students, who are assigned to his classes, the most valuable intangible of the traditionally American institution of learning.

Second: But more important: This decision disregards the fact that a State, in its relationship with individuals, occupies two capacities—it is a sovereign and, as such, acts in the capacity of a sovereign, but it is also an employer of the services of men and women, and in this phase of its activities it is governed by the same rules of law that govern other employers of labor and services. It was never the intention of those who proposed and adopted the 14th amendment to regulate the acts of the States except in their sovereign capacity. Under the 14th amendment the State, in the making, construction and execution of laws, in the administration of justice, may not deny any person the equal protection of the laws or due process of law. The effect of the present decision is to hold that in its relationship with its employee, in performing its obligations arising out of its contract with that employee, the State has denied the employee due process of law. As a matter of fact, if there was any wrong committed by New York, it was in the breach of a private contract, a simple contract of employment. By the precedent of this ruling, any State employee who has been discharged for dishonesty, immorality, neglect of duty, or any other cause, has the right to appeal to the Federal courts for a determination of the propriety of grounds for such discharge, or the methods used by the State in determining the existence of such grounds. The basic misconception of the Court in the application of the 14th amendment to contractual and proprietary acts of the State as distinguished from governmental acts, or acts of sovereignty.

To demonstrate that this is not a fanciful criticism, it is only necessary to turn to the decision of the decision of the Supreme Court of the United States in the case of *Black* v. *Cutter Laboratories* (100 L. Ed. (advance), p. 681). In that case a majority of the Court sustained a decision of the highest court of California which affirmed the right of a private employer to discharge an employee because such employee was a member of the Communist Party. Three members of the Court, however, dissented, declaring that it was a violation of the Constitution for the State to recognize the right of contract under which the employer acted. The fact that the Court even entertained a case in which the question presented was whether the State violated the Federal Constitution in declining to require the employer to reinstate the employee is indicative of an entirely new approach to the scope of the Federal Constitution and the power of Federal courts.

Danlan George Rea v. *United States of America* (— U. S. —) 100 L. Ed. (advance), p. 213): In this case the facts were: A Federal officer had served an invalid search war-

rant issued out of a Federal court and found evidence of the illegal possession of marihuana. The evidence so obtained was suppressed in the Federal court. The officer, then, acting as a private citizen, swore out a warrant in the State court charging a violation of the statute of the State. The Supreme Court held that this officer should be enjoined from testifying in the State court to facts within his knowledge.

It is settled law that the Federal courts will not receive evidence illegally obtained by Federal officers. It is equally well settled that Federal courts will, and do, receive evidence illegally obtained by State officers, even when such evidence has been rejected by the State courts.

It is also settled law that States have the right to receive, and a majority of them do receive, evidence illegally obtained by State officers.

It is debatable question, with which we are not here concerned, whether the best interests of society will be served by receiving evidence obtained by an illegal search and thus bring the guilty to justice, and use other means to punish the officer who violates the rights of citizens, or, on the other hand, rejecting this evidence, freeing the guilty offender, and by this means discouraging illegal searches by public officers. But this is a matter clearly within the right of each of the sovereign States to decide. The Federal Government and each State may fit its decisions to its own determination of public policy.

The effect of the decision cited is to vest in the Federal courts the power of fixing the rules of evidence in the State court. When the Federal officer testifies in the State court he does so as a private citizen. If the Supreme Court may properly arrest the proceedings in the State court and determine—in advance of the trial—what evidence the State court may properly receive at the trial, every attribute of State sovereignty in the administration of State law has been destroyed.

It is significant also that the Court here assumes supervisory powers over executive officers of the United States, thus invading the functioning of another department of the Federal Government.

CONCLUSION

This history of mankind, and particularly the history of the 20th century, clearly indicates that those who would assume dictatorial powers over nations of men find it expedient to begin by offering the people transitory benefits in consideration for the surrender of the powers of government.

The destruction of the local powers of government, the centralization of the administration of measures designed to maintain national security into one or a few individuals, and the control of labor are three of the most potent tools of the dictator. Couple these with an acknowledgment of the authorty of any agancy of government to abrogate or modify constitutional safeguards, and the foundation of a dictatorship has been laid.

Constitutions are prepared in an atmosphere of calm deliberation and are designed to insure the liberties of the people not only in times of social, economic, and political quietude, but during periods of stress and crisis as well, when men may be tempted to meet temporary exigencies by following the leadership of anyone who promises relief from immediate and pressing problems.

The United States is currently experiencing an era of unprecedented prosperity, but we should not forget the panics and depressions of the past, or blindly assume that they will not reoccur.

Only by a return to, and a strict observance of, the fundamental principles of government, now being destroyed by the Supreme Court can we provide the most reliable assurance that under such conditions government of the people, by the people, and for the people will not perish.

Mr. SMITH of Virginia. Mr. Speaker, I yield 5 minutes to the gentleman from Colorado [Mr. ROGERS].

Mr. ROGERS of Colorado. Mr. Speaker, this rule would authorize 2 hours of debate on the well-known Fryingpan-Arkansas project which affects the State of Colorado. I am not a member of the Committee on Interior and Insular Affairs, but I have been familiar with this project. For a number of years I lived in the southern part of the State that will be affected by this project. I hope you will give proper consideration to the merits of this legislation. I want to point out that the Arkansas River has its beginning on the continental divide near the well-known town of Leadville which was made famous by silver production. Most of you know that the Arkansas River from that high point down until it joins the Mississippi River in lower Arkansas is a river that means much to the people of the State of Colorado. This project intends to utilize and develop the water and apply it at a place where it can be used by the people of the State. The project is estimated to cost approximately $160 million and contemplates the construction of reservoirs and a dam and, in turn, the water will be used for municipal flood control, irrigation, and other valuable uses to which water can be put in this area. It has been studied by the Bureau of Reclamation for a number of years and it is upon the recommendation of the Bureau and the recommendation of the administration that this bill comes to you for consideration.

Mr. ASPINALL. Mr. Speaker, will the gentleman yield?

Mr. ROGERS of Colorado. I yield.

Mr. ASPINALL. Would the gentleman state the official position of the chief executive of the State of Colorado and the agencies handling this matter and also the agencies in western Colorado that are affected by this bill and this project? As I remember, at the beginning of the gentleman's remarks, the gentleman said that it affected only the southeastern part of the State. The gentleman knows this bill is important to the western part of Colorado.

Mr. ROGERS of Colorado. That is true. We have a policy committee headed by the Governor of the State of Colorado. This committee has thoroughly examined this project and recommends the enactment of this legislation. I might point out that this will help us in the State of Colorado as it relates to our interstate agreement and will bring about a development that has long been needed throughout the years. Most of you recognize that the reclamation project has to do with the taking of water and storing it and using it for multiple purposes. The main use in this instance is for city and irrigation purposes. I hope, when you have fully evaluated what it means as it relates to conservation of water and its proper use, that you will vote for and adopt this rule. The details of the plan, as I have indicated before, have been thoroughly examined by the Bureau of Reclamation and they have recommended it as being feasible and all of the money will be repaid except that part which is allocated to flood control, which is the usual arrangement. It is a project which authorizes and directs repayment under the reclamation laws of the United States.

I trust you will grant the rule in this case so that we can go into the merits of this matter and provide for the proper development of water in this area.

The SPEAKER. The time of the gentleman from Colorado has expired.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 4 minutes to the gentleman from Colorado [Mr. HILL].

Mr. HILL. Mr. Speaker, this is a very interesting piece of legislation. You might say that this is probably one of the finest types and kinds of transmountain water projects that we can fully support. I think I should remind you of some history. The reason I mention history is that in my district we have a typical example of what we mean by transcontinental water. Transcontinental water from one side of a mountain range to the other. It is not a difficult task with the amount of information and experience we have developed from the standpoint of engineering. Only a few miles from home, the backbone of the Continental Divide extends from the boundary of Canada to Mexico. Running through the center of Colorado is the top of that Continental Divide.

In working out the Colorado-Big Thompson project, the engineers drilled a tunnel over 13 miles long, through the heart of the Rocky Mountains, a very interesting project. They began on each side, on the east side and the west side. The engineers worked out the tunnel starting from opposite sides, and when they met somewhere in the center of the backbone of the Rocky Mountains, they were less than a quarter of an inch off on their calculations. So we have a tunnel of 13 miles through the Rocky Mountains that brings water from a watershed on the west side of the Rocky Mountains over to the east side. This was the very first project that brought water into an area and did not extend the project to more acres of land. It is strictly 100 percent supplemental supply of water. I hope you understand those words "supplemental water". The water comes through a tunnel in the Rocky Mountains and runs to the east side where the irrigation section is already in existence; the irrigation ditches and the watergates are there, all organized carefully, and owned locally for about 50 or 60 years of farming. The area will receive this supplementary water.

Now to the Fryingpan project, and it is exactly the same proposition. We bring this water from a watershed on the west side of the mountains through a tunnel for use on the east side. Actually what we will do is to bring a new river into the southeast section of Colorado that will be distributed to the farmlands, already parched by many seasons of drought. This will also supply extra water to municipalities.

Let me say the greatest natural resource in the United States today and the most precious of all is not gold or

silver or uranium. It is water. Our water is our most precious resource. You cannot put a dollars-and-cents value on it; you cannot say it is worth so much. It is invaluable and cannot be measured by any measuring stick, as far as dollars and cents are concerned.

I now yield to the gentleman from Colorado [Mr. CHENOWETH].

Mr. CHENOWETH. Mr. Speaker, will the gentleman yield?

Mr. HILL. I yield.

Mr. CHENOWETH. Mr. Speaker, I want to compliment my colleague on his fine statement. I am glad he is stressing the fact that no new land is to be brought under cultivation in this process. This is merely to provide supplemental water for land that is already under irrigation.

Mr. ALLEN of Illinois. Mr. Speaker, I yield to the gentleman from Iowa [Mr. GROSS] for a consent request.

Mr. GROSS. Mr. Speaker, I ask unanimous consent to extend the remarks I made prior to the conference report on the foreign giveaway bill.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 4 minutes to the gentleman from Nebraska [Mr. MILLER].

Mr. MILLER of Nebraska. Mr. Speaker, the rule before us is one which makes the Fryingpan-Arkansas project in order. Let me say just a few words about the project. I am not going into the technical details. The bill making the project possible was introduced in the 82d, 83d, and 84th Congresses. It has been approved by former administrations and former Budget Directors and former officials of the Department of the Interior. It is approved this year by the President of the United States. The President in his message on the state of the Union again reiterated his support of the Fryingpan-Arkansas project.

Money has been provided in the budget for the start of this project recommended by the administration and the Bureau of the Budget. We have had long hearings before our committee on this subject.

I recognize that there are some Members of the House who are not happy about irrigation projects of any kind, but I just hope you will adopt this rule and permit the membership of the House to hear in detail what the Fryingpan-Arkansas project really does. They ought to listen to the arguments pro and con and not hastily kill the rule so that the merits of the bill cannot be discussed. I seldom vote against the rule even though I may be against the proposal in the bill. Even on foreign aid I have voted for the rules but I have never voted for foreign aid. But I take this position, and I think the membership of the House should take this position, and the gentleman from Virginia, [Mr. SMITH], chairman of the Committee on Rules, is a magnanimous gentleman and I hope he will take the same position, that the House ought to have the opportunity to listen to the arguments and then come to a decison. Some of us have already prejudged it and our decisions are already made. I know there are some of us, and I am included, who maybe like to believe what we want to believe and that is as far as we go; but there are arguments pro and con on this bill. The Fryingpan-Arkansas project has been under study since 1936 by the Interior Department. In 1951 legislation was brought before the Congress for this project. So it is nothing new.

Remember, this provides supplemental water for a project that is already established, a going irrigation project. This project will supply only 6 or 7 inches of additional water on land already irrigated, but it does supply a large lot of electrical energy and it supplies water for municipal purposes which is needed badly in this area. The committee's conclusion on that is this:

> The committee concludes that the Fryingpan-Arkansas project is sound from an engineering, economic, and financial standpoint, and that the project is urgently needed to supplement the water supply for existing acreage now under cultivation and for municipal use in the Arkansas Valley.

I urge my colleagues that you keep an open mind, that you adopt the rule, even though you intend to vote against the bill. Let us have the opportunity of having the bill discussed and if you are able to go along with the decision of the administration, it would please many Members of this House.

Mr. ASPINALL. Mr. Speaker, will the gentleman yield?

Mr. MILLER of Nebraska. I yield to the gentleman from Colorado.

Mr. ASPINALL. The gentleman has made a long study of this matter. It has been before the committee for 4 years. The gentleman understands the amendments that were placed in the bill by the House committee. Is he satisfied after his diligent study that the users in western Colorado where there will be a small amount of water transported to the eastern part of the State are protected thoroughly in their present use and in their potential use necessary to that economy?

Mr. MILLER of Nebraska. It is my considered judgment that they are thoroughly protected. I urge a favorable vote on this rule and then the bill.

Mr. SMITH of Virginia. Mr. Speaker, I yield 6 minutes to the gentleman from Pennsylvania [Mr. SAYLOR].

Mr. SAYLOR. Mr. Speaker, the bill upon which a rule has been presented, and which we are now considering, is with minor exceptions the identical bill which the House of Representatives in the 84th Congress refused to consider. The House refused to consider the bill at that time because that rule asked you to consider a bill that was economically unsound and unfeasible. The bill that you are now being asked to consider is economically unsound and unfeasible.

Mr. Speaker, let me tell you just what we are being asked to do. A few years ago some of the bright schemers in the Bureau of Reclamation dreamed up a project called the Gunnison-Arkansas project. When they finally published the book calling for the Gunnison-Arkansas project they found out that trans-mountain diversions of that project were so preposterous and so impossible that even the Bureau of Reclamation would not attempt to come before the Congress and ask to have it passed.

I call your attention to the fact that the Bureau of Reclamation has tried to get their hands on every copy of this report.

CALL OF THE HOUSE

Mr. HAYS of Ohio. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER pro tempore. The Chair will count. [After counting.] One hundred and eighty-one Members are present, not a quorum.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 122]

Adair	Diggs	Morrison
Bailey	Eberharter	Nelson
Bass, Tenn.	Forrester	O'Hara, Minn.
Baumhart	Gamble	Patman
Bell	Gordon	Powell
Blitch	Hébert	Preston
Boykin	Hillings	Priest
Brooks, La.	Hoffman, Ill.	Rhodes, Ariz.
Brooks, Tex.	Holt	Richards
Brownson	Hosmer	Scudder
Burleson	Jensen	Shelley
Carnahan	Johansen	Siler
Chatham	Kelley, Pa.	Smith, Kans.
Christopher	Kelly, N. Y.	Thompson, La.
Clevenger	Lane	Thornberry
Davis, Tenn.	Long	Vinson
Davis, Wis.	McConnell	Vursell
Dawson, Ill.	McDowell	Wickersham
Deane	Mollohan	Willis

The SPEAKER pro tempore. On this rollcall 374 Members have answered to their names; a quorum is present.

By unanimous consent, further proceedings under the call were dispensed with.

FRYINGPAN - ARKANSAS PROJECT, COLORADO

The SPEAKER pro tempore. The gentleman from Pennsylvania [Mr. SAYLOR] has 4 minutes remaining.

Mr. SMITH of Virginia. Mr. Speaker, I yield the gentleman 5 additional minutes.

Mr. SAYLOR. Mr. Speaker, I would like to point out the salient features of this bill to which I think the Members should pay particular attention at this late hour of the session.

This bill calls for the expenditure of approximately $155 million—$55 million of this will be used for the redevelopment and reregulation of the Arkansas River. You have heard that this will provide supplemental water, and that is true. There will be no new land brought under irrigation under this bill, but if this bill is passed it will provide only 6 inches of water for the land now under cultivation. If the Arkansas River were reregulated, it would provide approximately 5 of the 6 inches of water that is called for in this bill.

Where do you get this tremendous figure then of $155 million? Therein lies the secret of this entire project, because this is the opening gun for the Gunnison-Arkansas project. This bill calls for the transmountain diversion of 60,000 acre-feet of water at an expenditure of $100 million. Maybe $100 million in this day and age, in the manner in which

we throw money around here, does not mean much to the Members, but to the folks back home in my district that is a lot of money. If we spend that amount of money we want to know what we are going to get with it.

Let me show you some of the things that will be involved. You are going to put in a dam over on the west side of the Rocky Mountains at an elevation of approximately 9,000 feet. Then you are going to run water in an open ditch to a tunnel which will be driven through the Rocky Mountains, and then dropped down in a series of dams on the east side until that water gets into the Arkansas River.

In the first place, if you would read the testimony that was heard before our committee, you would be astounded, because you would find that the people who came up from the Bureau of Reclamation testified first that they were going to run this water in an open ditch and that they did not expect they would be able to get the full flow of water because it might freeze. I asked the Bureau witnesses, "How much would it cost if you had to cover this ditch or put it in a pipe?" And they said, "It would increase the cost by $75 million."

Then the second time they came up they rechecked, and they decided they could now operate this project with the ice frozen over. It would not freeze so much that they could not operate their project during the winter.

Then the third time they came up—and I hope you will listen to this, and I hope that sometime you will go to the Rocky Mountains in the dead of winter, because there you will find that even the fastrunning mountain streams are all frozen over. But the men from the Bureau of Reclamation had the effrontery to come up and tell our committee that they had suddenly made a discovery that the water which would be put in the reservoir would pick up enough heat in the summertime that as they ran it into this open ditch it would not freeze in the winter.

If there was ever anything more preposterous than that advanced by supposedly reputable engineers I would like to know what it is.

Let us look at what happens when you drive this tunnel through the mountain and put the water over on the other side.

The first attempt they are going to make, they tell you, will be to put the water into what is called the Twin Lakes development. The Twin Lakes Development Co. was a corporation which was started during the depression by a group of people who then lived in Colorado. They made a loan from the Reconstruction Finance Corporation of several million dollars. The project was so bad they could not pay their interest; they fell behind in their loan, and it became necessary for the Twin Lakes Development Co. to go to the Reconstruction Finance Corporation and ask for more money and the renegotiation of that loan.

Mr. CHENOWETH. Mr. Speaker, will the gentleman yield?

Mr. SAYLOR. No; I will not yield.

Mr. CHENOWETH. I want to correct the gentleman.

Mr. SAYLOR. I will not yield.

When they went to the RFC they had to have the Reconstruction Finance Corporation write off a half million dollars and then to give security for the increased loan which they got they put up 35,000 shares of stock, and the loan was to be repaid on the basis of 4 percent interest. When that loan, as one of the assets of the Reconstruction Finance Corporation, had to be liquidated, the RFC advertised bids, and among other places where they advertised was the city of Denver. The people in Denver, the people in Colorado who are before Congress and begging you to pass this bill, did not have enough faith in the investment paying 4 percent interest that they would even pay the amount of money the Reconstruction Finance Corporation had in it. The best offer they would make was this: That if they would throw in the 35,000 shares of stock for nothing and knock off $100,000 of the loan then they would buy it.

The 35,000 shares of stock have disappeared, and there has not been one person who appeared before any committee of the House or the Senate in behalf of the Twin Lakes Development Co. who says they are willing to sell to the United States or to the Bureau of Reclamation this dam. The fact of the matter is I have in my files letters from officers telling me they do not want to sell, but want to keep it. I understand the stock is now owned somewhere in the East.

The next dam they propose to take over is one belonging to the Colorado Fuel & Iron Co., which has a dam on the west slope. They have some water rights, but there has not been any official before any committee or any member representing the board of directors of the Colorado Fuel & Iron Co. saying that they will sell this property to the United States for any price agreed on.

They next propose to drop the water down farther.

For $100 million you are going to be asked to put an inch of water over on some of this farmland.

Now, in the name of good business, in the name of commonsense, and in the name of trying to keep this Government somewhere near being economically sound, I urge this House that when the vote is taken on this rule the Members stand up to their convictions which they had 2 years ago.

Just this morning word came to me that certain groups downtown—they asked that notice be sent out that certain people in the executive branch are very much in favor of this project.

Let me tell you that this particular project was also presented when our President belonged to another political party, and I opposed it then not because of the political affiliation of the President but because I thought he was wrong then. The political affiliation of the President has not changed my position. The House of Representatives refused to go along with it then and I urge you to refuse to go along with it now. This bill is the most fantastic thing I have ever seen. The Colorado River project which this House has voted upon by comparison is an excellent project and there was a great deal of discussion on that matter.

Mr. DONOVAN. Mr. Speaker, will the gentleman yield?

Mr. SAYLOR. I yield to the gentleman from New York.

Mr. DONOVAN. I have before me the committee report presented at the time the rule on this bill was considered and defeated 2 years ago. I notice in that old report there was a wishy-washy letter from the Director of the Budget.

The SPEAKER pro tempore. The time of the gentleman from Pennsylvania has expired.

Mr. SMITH of Virginia. Mr. Speaker, I yield the gentleman 1 additional minute.

Mr. DONOVAN. I notice the report that was submitted at the time the rule was defeated in the last Congress contained a communication from the Budget Director which withheld the Budget Director's approval of this bill.

Mr. SAYLOR. That is correct.

Mr. DONOVAN. I notice in this report there is nothing from the Budget Director whatsoever.

Mr. SAYLOR. That is correct and as near as I can understand, the Bureau of the Budget has not approved this project.

Mr. DONOVAN. Would the gentleman care to speculate for the benefit of Members of the House as to why there is no mention of the Budget Bureau's recommendation in this report?

Mr. SAYLOR. My own speculation is, and it is purely speculation, as to why there is no report is that the thing is so financially infeasible that even the Bureau of the Budget cannot go along with it.

Mr. DONOVAN. Has the gentleman been able to identify the ownership of the stock of the Twin Lakes Corp.?

Mr. SAYLOR. I have not been able to, nor has anybody been able to come before our committee and tell us who owns that 35,000 shares of stock.

Mr. DONOVAN. If this bill passes, will the Twin Lakes Corp.'s financial embarrassment be straightened out?

Mr. SAYLOR. It will be to the advantage of certain people, yes.

The SPEAKER pro tempore. The time of the gentleman from Pennsylvania has again expired.

Mr. SMITH of Virginia. Mr. Speaker, I yield 4 minutes to the gentleman from California [Mr. ENGLE].

Mr. ENGLE. Mr. Speaker, it is difficult to argue the merits of a bill on the question whether or not a rule should be adopted. Unless the project is so bad or the legislation so out of order that it should not conceivably be considered by the House, or unless it does not rise to importance or significance in the legislative program to warrant its consideration, then in the normal course of events the rule should be adopted and the merits of the project, whatever they are, decided under the terms of debate established in the rule.

Let me give you a little history of this project in order to indicate to you whether or not it does rise to sufficient importance to be considered by this body

on its merits. The Fryingpan-Arkansas project was first taken up in 1936 by a Democratic administration and those studies went forward until 1951 when the project was favorably reported by a Democratic administration and approved by a Democratic Secretary of the Interior. That is not unusual. The same thing happened with the upper Colorado Basin project. Democrats have engineered and planned these projects; then the Republicans come along and take them over as they have in this instance. I am glad this administration recognizes worthwhile projects.

This program has been scheduled as one of the key items of the present administration's legislative program. This bill has been before the Senate of the United States twice and on both occasions passed the United States Senate without any opposition whatever. Now, if it is such a sour project and so wholly infeasible, why on earth can its sponsors get the United States Senate to pass it on what amounts to unanimous consent? The Senate passed it in the 83d Congress and just recently passed it again without a single dissenting vote.

In his budget message for fiscal 1956, the President recommended enactment of legislation authorizing the construction of this project, and in addition to that, the budget message which he sent up contained money to initiate the project even prior to the time that it was authorized. The President's state of the Union message urged that the project be authorized in order that the money could be spent.

Now, I say to you, does that kind of history lay the basis for refusing to grant a rule upon this project where we can get into a clear discussion of what is involved in it and what is not involved in it?

It seems to me plain, with the legislative history of this bill, having twice passed the United States Senate without any opposition, having been engineered by a Democratic administration and approved by a Democratic Secretary of the Interior; approved, by all of the executive agencies of both administrations that have ever looked at it, and then to say that this project does not even warrant the dignity of a rule and consideration on this floor seems to me to be an argument that should not carry very much weight. For that reason I want to express the hope that the House will adopt the rule and hear the bill on its merits.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 6 minutes to the gentleman from Colorado [Mr. CHENOWETH].

Mr. CHENOWETH. Mr. Speaker, I realize that a very heavy obligation rests upon me today because I have been the sponsor of this project since its inception. I have been in the House now for some 14 years, and I cherish above everything else the confidence and good will of my colleagues. I think you will recognize that I am not going to mislead you or misrepresent this project to you. This project is of great importance to the people of my district because of the desperate need for this water.

Now, there are some who are opposed to this project. I have great affection for the distinguished gentleman from Pennsylvania [Mr. SAYLOR]. However, he is wrong in his conclusions on this project. The gentleman from Pennsylvania is setting his engineering ability up against the skill and experience of the engineers of the Bureau of Reclamation and other independent engineers, all of whom have approved this project, and stated it is feasible from an economic and engineering standpoint.

Mr. ASPINALL. Mr. Speaker, will the gentleman yield?

Mr. CHENOWETH. I yield to my distinguished colleague from Colorado.

Mr. ASPINALL. The gentleman brings up the bugaboo of a larger project. Is it not a fact that this is a single project within itself and does not need a larger project; in fact, the report from the committee states that it is disassociated entirely with the project, the Gunnison-Arkansas project, to which the gentleman from Pennsylvania made reference.

Mr. CHENOWETH. The gentleman is absolutely right. This is an independent project, and is not dependent on any other project. There is no other project contemplated so far as this project is concerned. This project stands by itself; it is self-liquidating, and any talk about any other project is entirely without foundation.

The gentleman from Pennsylvania said that the project is not feasible. The feasibility ratio is 1.47 to 1, which I submit speaks well for the economic value of the project.

Mr. AYRES. Mr. Speaker, will the gentleman yield?

Mr. CHENOWETH. I yield to the gentleman from Ohio.

Mr. AYRES. Many of us in the House realize how hard and diligent the gentleman from Colorado has worked in behalf of this project. I think he made a very significant statement a moment ago when he said that those of us who had the opportunity to know him had confidence in his judgment. I hope that the House will take the recommendation of the gentleman from Colorado and cast a vote in favor of the rule and, as the gentleman from California [Mr. ENGLE], said, give the House an opportunity to hear this bill debated on its merits and not on any preconceived notion.

Mr. CHENOWETH. I thank the gentleman from Ohio and I greatly appreciate his support of this project.

Mr. DAWSON of Utah. Mr. Speaker, will the gentleman yield?

Mr. CHENOWETH. I yield to the gentleman from Utah.

Mr. DAWSON of Utah. The gentleman from Pennsylvania called attention to the fact that the Bureau of the Budget had not approved this project. Has the President given his approval to this project?

Mr. CHENOWETH. Five million dollars are in the budget for this fiscal year to start construction of this project. If that does not constitute approval of a project, I do not know what other proof can be submitted.

Mr. DAWSON of Utah. There is a report of the Interior Department and attention should be called to the fact that the Bureau of the Budget has no objection to that report.

Mr. CHENOWETH. The gentleman is absolutely right. I regret that this bill is here in the closing days of the session. It is not my fault. This bill was reported by the House Interior Committee in February of this year. This bill went to the Committee on Rules on April 9, and it has been there since that time until it was reported yesterday. This bill has been twice favorably reported by the House Interior Committee, the first time in the 83d Congress, and again in this Congress.

This bill has been twice passed by the United States Senate, first in the 83d Congress and again on July 12, just 2 weeks ago. Senator MILLIKIN and Senator ALLOTT have been sponsoring the project in the Senate during this Congress. Governor Johnson, of Colorado, also sponsored this legislation during the time he was a Member of the United States Senate. There has been no partisanship so far as this legislation is concerned. Democrats and Republicans join in requesting passage of this bill.

This project has been approved by 2 administrations, 1 Democratic and the other Republican. Mr. Oscar Chapman approved the project when he was Secretary of the Interior on May 4, 1951. Mr. Douglas McKay later approved the project under the present administration on April 28, 1953.

The project has the personal endorsement of President Eisenhower.

In his state of the Union message to Congress on January 5, 1956, the President recommended the construction of this project, and said:

> The development of our water resources cannot be accomplished overnight. The need is such that we must make faster progress and without delay. Therefore, I strongly recommend that action be taken at this session on such wholly Federal projects as the Colorado River storage project and the Fryingpan-Arkansas project.

I submit, therefore, that this is a feasible project. It has the approval of the budget, and has been twice reported by overwhelming votes by the House Interior Committee, and twice approved by the United States Senate.

As I understand in the closing days of the session it is the intention of the House leadership to consider only those bills which have a chance of passage. I want to remind the Members of the fact that a companion bill, S. 300, has passed the Senate, I might state without opposition, without any objection being raised. So here is a bill that has a chance of becoming law at this session.

Mr. MORANO. Mr. Speaker, will the gentleman yield?

Mr. CHENOWETH. I yield to the gentleman from Connecticut.

Mr. MORANO. Can the gentleman tell us whether or not private enterprise can do this job out there?

Mr. CHENOWETH. This project is too large for private enterprise to construct. Otherwise it would have been constructed long ago. Except for the fact that this is too large a project for local and private capital to construct, we would not be here today asking for this legislation. The President, in his recommendation of this project, has called attention to the fact that we should

build only those projects which are beyond the capacity of local initiative, public or private, but which are needed for irrigation, flood control, power, as well as municipal and industrial water supply.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. CHENOWETH. I yield to the distinguished gentleman from Indiana.

Mr. HALLECK. Mr. Speaker, I want to commend the gentleman for the statement he is making and to remind him and the membership generally that, as majority leader in the 83d Congress, I attempted then to obtain a rule for the consideration of this measure; and, when the vote came on that rule, the people on our side by an overwhelming majority supported the rule. I trust it will be that way again. On that vote in the 83d Congress, 138 Republicans voted for the rule, with only 61 against; while only 50 Democrats voted for the rule and 134 voted against.

Mr. CHENOWETH. I appreciate the fine support which the gentleman from Indiana has given this project.

Mr. PRICE. Mr. Speaker, will the gentleman yield?

Mr. CHENOWETH. I yield to the gentleman from Illinois.

Mr. PRICE. Of course, the gentleman knows that I have been a consistent supporter of this measure.

Mr. CHENOWETH. And I greatly appreciate his support.

Mr. PRICE. And I shall continue to support it. I am very glad to have the expression of the gentleman from Indiana [Mr. HALLECK] that he has just made. I am sorry that he did not feel the same way about our atomic reactor program.

Mr. CHENOWETH. I do not have time in this debate on the rule to discuss that legislation, but I do sincerely appreciate the support of the gentleman from Illinois.

Mr. PRICE. I agree with the gentleman that there are some things that the Government must assist in. I felt that one of the most important things was keeping the United States ahead of the rest of the world in the development of atomic energy for peaceful purposes and for the development of industrial power.

Mr. CHENOWETH. I appreciate the gentleman's contribution.

Mr. MORANO. Mr. Speaker, will the gentleman yield?

Mr. CHENOWETH. I yield to the gentleman from Connecticut.

Mr. MORANO. I want to say that I voted for the rule the last time and I intend to vote for the rule again.

Mr. CHENOWETH. I thank the gentleman very much and appreciate his support.

Mr. Speaker, I wish to say that I hope the rule will be adopted so that we may present the details of this project. I am sure that after you hear just what this project does, and learn of the great benefits which will be derived therefrom, you will support this bill, which I am proud to sponsor.

This is not a giveaway proposition. This money will be repaid to the United States Government with interest, except that part allocated to irrigation which, under our reclamation laws, is interest free.

I want to again stress the fact that no new land is being brought into cultivation by this project. Supplemental water will be made available to land which is now under irrigation. The project also provides for domestic water and for the development of hydroelectric power, the revenues from which will be used to assist in the payment of the allocation to irrigation, which is beyond the ability of the irrigators to pay.

Mr. Speaker, I submit that this is a meritorious project and deserves the consideration of the House. I urge my friends in this House, on both sides of the aisle, to support this rule so that we may present to you the details of this project. I feel we are entitled to this rule, and I hope this resolution will have your support.

Mr. Speaker, I want again to refer to the fact that the Senate has passed this measure. The Senator from Colorado [Mr. MILLIKIN] yesterday announced his retirement from the Senate, because of ill health. I think I need not remind you of the high esteem in which he is held in the United States Senate. Senator MILLIKIN has sponsored this project in the Senate over the years. I would like to refer my colleagues to the RECORD of yesterday to the tributes paid Senator MILLIKIN on the floor of the Senate by both Democrats and Republicans. Members on both sides of the aisle joined in these tributes to a great American. I mention this so that you may reflect whether or not a man of the stature of Senator MILLIKIN would sponsor a project which is unworthy of consideration. The Senate thought enough of this project to pass this legislation without a dissenting vote.

I am anxious to impress upon the House that this is not a new project, hastily conceived and lacking necessary engineering data and support. This project has been under consideration for many years, and has had the exhaustive study of the Bureau of Reclamation. Many years ago we had men in Colorado with vision who conceived the idea of bringing surplus water from the western slope of Colorado to the Arkansas Valley, in eastern Colorado, in order to provide water that is badly needed, both for supplemental irrigation and for domestic purposes. This project is the culmination of their dreams. Many of these pioneers in water development have passed on to their reward, but others are living and will see their hopes realized if this project is constructed.

The intense interest in this project, and the desperate need for this water, resulted in the organization of the Southeastern Colorado Water Development Association. Membership in this association is distributed over the entire Arkansas Valley. I wish to take this opportunity to commend the officers and directors of this association, who have given so unselfishly of their time and energy in order that this project might become a reality.

The REA cooperatives in this area are very much interested in this project and have given the same their enthusiastic support. Three cooperatives will purchase this power, being the Southeast Colorado Power Association, at La Junta; the San Isabel Electric Association, at Pueblo; and the Sangre de Cristo Electric Association, at Salida. These REA associations serve more than 35,000 rural people living in 17 counties in southeastern Colorado, comprising approximately one-fourth of the State's total area.

Mr. HALEY. Mr. Speaker, will the gentleman yield?

Mr. CHENOWETH. I yield to the gentleman from Florida.

Mr. HALEY. I wonder if the gentleman would tell the House if water rights have been cleared up out there. Is there not still some controversy about the water rights?

Mr. CHENOWETH. No; there is no controversy. I will say to my distinguished friend from Florida, we have pretty well settled our water problems in Colorado. This project has the approval of the Colorado Water Conservation Board which speaks officially on all water matters affecting the State. No other State is involved. We are dealing with water that has been allocated to the State of Colorado under the upper Colorado River compact.

Mr. HALEY. I am glad to hear the gentleman say it has been adjudicated. I understood there was still some controversy out there.

Mr. CHENOWETH. The gentleman from Colorado [Mr. ASPINALL] has inserted in this bill an amendment which I am sure fully protects the water users on the western slope. The gentleman heard the colloquy a moment ago between my colleague, Mr. ASPINALL, and the gentleman from Nebraska [Mr. MILLER], where Mr. MILLER stated it was his opinion that these rights are fully protected in this bill. This is a project over which there is no serious controversy in the State of Colorado. I do not say everyone approves the project. I do not think the gentleman will find any project anywhere that has unanimous endorsement.

Mr. DONOVAN. Will the gentleman tell the members of the committee if he knows who owns the controlling interest in the Twin Lakes Reservoir and Canal Co.?

Mr. CHENOWETH. I am glad the gentleman brought up the matter of the Twin Lakes Reservoir and Canal Co. My friend [Mr. SAYLOR] is seeking to bring in a collateral issue which does not belong here. I know the officers of the Twin Lakes Co. I know the history of this company. I should like to correct the gentleman from Pennsylvania in a statement he made. I know he did not intend to mislead you.

At the time the Reconstruction Finance Corporation was liquidated by direction of Congress, I think the gentleman will find that the affairs of the Twin Lakes Reservoir and Canal Co. were in pretty good shape. The Reconstruction Finance Corporation was well satisfied with that loan. The interest and the principal were paid up to date. I do not think there was any dissatisfaction over the loan made by the Reconstruction Finance Corporation to the Twin

Lakes Reservoir and Canal Co. A conservancy district will be formed under Colorado laws which will enter into contract for the repayment of this money.

All of the property in the district will be pledged for the repayment of this money to the Government.

Mr. SAYLOR. Mr. Speaker, will the gentleman yield?

Mr. CHENOWETH. I yield to the gentleman from Pennsylvania.

Mr. SAYLOR. I should like to call the gentleman's attention to the letter which is in the files and the report from the Reconstruction Finance Corporation that says that on the initial renegotiation they had to write off a half million dollars, and when they sold the bonds on liquidation they had to lose another $100,000, plus the 35,000 shares of stock.

Mr. CHENOWETH. I think the gentleman recognizes the fact that in the liquidation of the Reconstruction Finance Corporation a good many loans were not paid in full. There was no question that this was a good loan. There was no trouble in finding a purchaser for this loan. The affairs of the Twin Lakes Co. were in good shape. I think everyone was pretty well satisfied with the deal that was made. However, the Twin Lakes Co. is not involved in this legislation except their reservoir is to be enlarged and becomes a part of the project. The Twin Lakes Reservoir and Canal Co. is a separate and independent enterprise. I think the gentleman will find that the Twin Lakes Reservoir and Canal Co. endorses this project. The gentleman referred to the fact that they opposed this project, which is not the case.

Mr. PILLION. Mr. Speaker, will the gentleman yield?

Mr. CHENOWETH. I yield to the gentleman from New York.

Mr. PILLION. Is it a fact that this bill contains approximately $2 million of nonreimbursable moneys for the preservation of fish?

Mr. CHENOWETH. That is right. I think that is not uncommon in legislation of this kind, because this area is recognized as one of the finest fishing areas in the whole country. I think it has been the practice of Congress in projects of this kind to allocate nonreimbursable funds for the development of fish and wildlife resources.

Mr. PILLION. Can the gentleman tell us how many fish will be propagated and saved by this project? I do not mean to be facetious.

Mr. CHENOWETH. I am sure the gentleman does not expect me to answer a question like that, but I can assure him this money is going to be well spent and that the sportsmen of this country are going to receive many benefits from this project. I would like the gentleman to come out to Colorado and see for himself just what we have.

Mr. PILLION. Does the gentleman recall any testimony taken before our committee on the subject of the preservation of fish life?

Mr. CHENOWETH. I do not know what the gentleman is leading up to here. I am very fond of the gentleman. He is one of my very close personal friends. I think he is trying to divert attention from the merits of the project. I do not know what he is referring to. Whatever we spend for this purpose will be a good investment, I will say to my friend from New York.

Mr. Speaker, in closing, I want to again urge the adoption of this rule, so that H. R. 412, a bill authorizing the Fryingpan-Arkansas water diversion project, can be considered. Many of you have spoken to me concerning this project, and have expressed your interest. I do appreciate your support. This project means much to Colorado and I hope you will vote for this rule.

Mr. SMITH of Virginia. Mr. Speaker, I yield 1 minute to the gentleman from Texas [Mr. DIES].

Mr. DIES. Mr. Speaker, this is a highly controversial bill. When it came before the House a year or so ago we defeated it decisively. I think it would be a mistake to grant a rule. All we will accomplish is to spend the rest of the afternoon fighting over this bill. In the closing hours of the session we can devote our time to bills that have some hope of passage.

It seems to me the thing to do is to end this promptly and to defeat the rule and proceed with the business of closing this session of the Congress. I have sat here for months when the House did not meet but 2 or 3 days a week and we had very little business. Many of us who live a long way from here were compelled to stay here and, now in the last hours of the session, they bring up controversial bills and we do not have an opportunity to devote sufficient consideration to them. I think this is a bad way to legislate and we should dispose of it by defeating this rule here and now.

Mr. ALLEN of Illinois. Mr. Speaker, I yield the balance of the time to our distinguished minority leader, the gentleman from Massachusetts [Mr. MARTIN].

Mr. MARTIN. Mr. Speaker, the gentleman from Texas is laboring under a mistake if he thinks this rule was overwhelmingly defeated when it was last before the House. As a matter of fact, and this can be verified from the CONGRESSIONAL RECORD, it was defeated by one vote. If there had been one vote more in favor of the rule it would have permitted the Speaker, and I was Speaker at that time, to cast a vote in favor of the rule which would have determined the vote.

Mr. SMITH of Virginia. Mr. Speaker, will the gentleman yield for a correction?

Mr. MARTIN. If the gentleman will give me a couple of extra minutes I would gladly yield, I have only 4 minutes.

Mr. SMITH of Virginia. I have the rollcall before me.

Mr. MARTIN. Will the gentleman give me 2 minutes?

Mr. SMITH of Virginia. I am sorry.

Mr. MARTIN. I cannot yield then. You have plenty of time.

Mr. SMITH of Virginia. I will tell you about it.

Mr. MARTIN. You put it in on your own time.

Mr. SMITH of Virginia. I will do so.

Mr. MARTIN. Mr. Speaker, let us look at this bill as it really is. There is no public power, associated with this legislation. It is an irrigation bill. It answers the needs of the people of Colorado for water. Those of us who live in the East may not realize what water means to the people in these arid regions. Water means to them their very lives and existence. These irrigation projects have not worked out too badly. They have been under heavy burdens of costs; they have held out fairly well; and they have contributed to the building up of the Nation.

Mr. Speaker, what do we find confronting us today? We find a great section of our country asking for an opportunity to be heard through legislation in this House of Representatives. The people of Colorado are asking that they have their day in court. Are we going to deny that? I cannot believe we are. Here is legislation recommended by President Eisenhower after a personal inspection. He recommends this bill. Only this morning he called me on the telephone and said he hoped this legislation would pass. It was a part of his program for the building of the West. The bill comes with the endorsement of the Bureau of the Budget and they have even made an allowance for the initial plant. The bill comes here with the support of the other body; the Senate having already given its overwhelming approval.

The legislation comes with the approval of the committee on the Interior. Should not all these endorsements warrant our giving the bill a chance to be considered? I repeat, are we going to say that we will deny the gentleman from Colorado, who has served here for 14 years, an opportunity to have his bill considered in the House? I do not think we are. I hope when the roll is called we will adopt this rule and then give consideration of the bill on its merits.

Mr. SMITH of Virginia. Mr. Speaker, I yield myself such of the remaining time as I may need.

Mr. Speaker, it seems to me that every year or two we have "Fryingpan." So in bringing before you a rule for consideration of this matter I feel very much like the old saying, "Here is where we came in"; because just 2 years ago a similar rule was under consideration right at the close of the session. I know the gentleman from Massachusetts [Mr. MARTIN] is usually very accurate. I know he always wants to be accurate. So first I wish to correct his statement as to the rollcall on that rule, because I have it before me. It was defeated by 7 votes, 188 yeas and 195 noes.

Mr. MARTIN. Mr. Speaker, will the gentleman yield on a question of the record.

Mr. SMITH of Virginia. I will have to yield to the gentleman.

Mr. MARTIN. The gentleman also will notice by looking over the RECORD that a number of Members changed their votes. At one time it was only 1 vote difference.

Mr. SMITH of Virginia. Well, this is the final record.

Mr. MARTIN. If anyone wants to know what the real record is, I call their

attention to CONGRESSIONAL RECORD, volume 100, part 9, page 12453.

Mr. SMITH of Virginia. And I call attention to page 11786 of the daily RECORD, which was the final rollcall on the rule. The vote as recorded in the permanent RECORD was yeas 188, noes 195.

However that may be, here we are again in the same situation that we were 2 years ago when this bill came in 3 days before the adjournment of Congress and was fully discussed on the merits, and the Congress decided they did not want to waste any time on it at that late date. That is what I hope the Congress will do at this time.

Mr. CHENOWETH. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. Very briefly, please.

Mr. CHENOWETH. The gentleman knows the great esteem and affection I have for him.

Mr. SMITH of Virginia. Yes, but let us not take time on that right now.

Mr. CHENOWETH. The gentleman does not attach any blame to me for bringing this bill up at this late date, does he?

Mr. SMITH of Virginia. This is a good time for me to pay my respects to the gentleman from Colorado, to whom I am greatly devoted. The gentleman has tried as assiduously as anybody could do get this matter up. I do not think he has missed a day of either calling the committee or me to know when I was going to get a rule out for him on Frying Pan. Now there is talk around here that if we do not pass this thing the gentleman would not return here. I would not do anything in the world to prevent his returning to Congress, but if we pass this thing today he would not have anything more to brag about. He would not have any issue. I want to keep this thing alive. As long as we can keep him fighting for it we can keep him here in Congress. He will not have any issue to run on if you do this thing to him. Please do not do it.

My friend complains about this bill staying in the Rules Committee. Here is the fact about that. This Frying Pan proposition just has not got the merit to get through the Congress for the reasons stated by the gentleman from Pennsylvania [Mr. SAYLOR]. It came before the Rules Committee, it is true. I discussed it with the Rules Committee and we held a hearing on it in the Rules Committee, and it just could not muster enough votes to get a rule.

How did it get here? I do not know exactly, but there have been some funny things going on around here, and somehow or other this thing got all mixed up with the project called Hells Canyon, and there were some good folks around here who were for Hells Canyon and some who were for Fryingpan and they got the idea that if we could get them both up that they would both win. Well, that looked good for a time, but after a while Hells Canyon went to that place in a hurry by direction of the United States Senate.

Now the fellows who were thinking, "Well, we'll get them both out and pass them both," they just kind of got inadvertently blocked on this deal and Hells Canyon is out and Colorado Fryingpan is just trying to stay in.

You all want to go home and are hoping you can get out of here tomorrow night. If you bring this bill up on the floor of the House with 2 hours of debate and the numerous amendments to be offered, and the committee amendments that will be offered you will be here until midnight before you get through with it and then there will be other matters that you have got to take care of. I do not think we ought to use up time fooling with this thing which you just know is not going to pass.

I hope you will defeat this rule because this just has no chance.

They have brought in the fate of our good friend from Colorado. I want to say this for Mr. CHENOWETH, we have given him a good run for his money. He has made a good fight. I would not want to do anything to hurt him, because my good friend Mr. CHENOWETH, there is no person in this House who is more enthusiastic or works harder in the interests of his constituents, but I want to keep him still having something to work for.

It was said on both sides that in Colorado this thing had all been settled. I do not think it has been settled, because I have one letter here from the west side of the mountains—I do not know who these people are, but it is from a water-protective association. They do not want it.

The good Lord put this Colorado River over on the west side of the Rocky Mountains. The advocates of this bill now wish to dig a hole through the mountains and put part of it over on the east side of the mountains. I think if it was intended to be over on the east side of the mountain the good Lord would have put it over there himself. But this generation of people have been thinking they were powerful smart and they think they are smart enough to do anything, including putting the Colorado River from the west side of the Rockies over to the east side of the Rockies. I am afraid we have been so smart in this generation that maybe we have discovered the things that will ultimately lead to our complete destruction.

This tunnel is going to cost an awful lot of money. They have not any more idea what it is going to cost than the man in the moon. For example, 2 years ago they said it was going to cost $179 million. This year they say now it is going to cost not more than $154 million. It is the only thing I have heard of in the last few years that has gone down instead of up except farm products.

Mr. HALEY. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield to the gentleman.

Mr. HALEY. The gentleman expresses surprise about the estimated cost of this project going down. It is not surprising to me when you marvel at all of the things not being completed. I think it has been the history of these irrigation and reclamation projects throughout the country and throughout the years that before they are finally finished they cost 2 to 3 times the original estimate.

Mr. SMITH of Virginia. Of course, and this will be no exception.

Mr. CHENOWETH. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I will have to yield to my friend from Colorado.

Mr. CHENOWETH. I appreciate what the gentleman has said about me very much, although it may not all be deserved.

There is a limitation of $157 million in this bill, so the cost cannot go beyond that figure. I personally think the project will be constructed for much less than that amount. I am sure every effort will be made to build this project at the lowest possible cost.

Mr. SMITH of Virginia. Let me say that if the gentleman from Colorado returns, as we hope he will, he will be here in the future asking for $250 million. See if I am not right. And he is so persuasive and persistent he will probably get it.

The SPEAKER. The time of the gentleman from Virginia has expired.

Mr. REES of Kansas. Mr. Speaker, I believe, under the circumstances, it is only fair that Members should have a chance to express their views in respect to this proposed legislation. The bill, I am informed, has been on the calendar for several months. I am also advised it has passed the Senate by a good-sized vote. Perhaps that is beside the question, but I do feel that those who favor the bill, as well as those who oppose the measure, ought to have a chance to express their views. This is not a question of whether you are for or against the proposal. Not at all. It is a question of whether we are willing to listen to the debate and then decide whether or not we want to support it or vote against it. It seems to me it is pretty drastic to be unwilling to even listen to the discussion. Let me repeat—this is not at all a question of whether you are for or against the measure. It is only a question of whether you are willing to listen to the debate on both sides of the question and then decide whether you favor it or not.

Mr. SMITH of Virginia. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

Mr. ALLEN of Illinois. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 179, nays 194, answered "present" 3, not voting 56, as follows:

[Roll No. 123]

YEAS—179

Addonizio	Bennett, Mich.	Cederberg
Albert	Bentley	Celler
Allen, Calif.	Berry	Chase
Allen, Ill.	Boggs	Chenoweth
Andersen, H. Carl	Bolling	Church
Andresen, August H.	Bolton, Frances P.	Coon
Arends	Bolton, Oliver P.	Corbett
Aspinall	Bow	Cretella
Auchincloss	Bray	Crumpacker
Avery	Brown, Ohio	Cunningham
Ayres	Broyhill	Curtis, Mass.
Baker	Budge	Curtis, Mo.
Baldwin	Burdick	Dawson, Utah
Barden	Byrnes, Wis.	Deane
Bass, N. H.	Canfield	Dempsey
Bates	Cannon	Dingell
Beamer	Carrigg	Dixon
		Dolliver
		Dondero

Donohue	McCormack	Rooney
Dorn, N. Y.	McGregor	Sadlak
Dorn, S. C.	McIntire	St. George
Edmondson	Mack, Wash.	Schenck
Ellsworth	Magnuson	Schwengel
Engle	Mahon	Scott
Fernandez	Mailliard	Scrivner
Fisher	Marshall	Seely-Brown
Fjare	Martin	Sheehan
Ford	Meader	Short
Frelinghuysen	Merrow	Sieminski
Fulton	Metcalf	Simpson, Pa.
Gathings	Miller, Calif.	Sisk
George	Miller, Md.	Smith, Wis.
Gubser	Miller, Nebr.	Talle
Halleck	Morano	Teague, Calif.
Hand	Moss	Thompson, Mich.
Harden	Moulder	Thomson, Wyo.
Harrison, Nebr.	Multer	Tollefson
Harvey	Nicholson	Trimble
Hays, Ark.	Norblad	Tumulty
Heselton	O'Neill	Udall
Hill	Osmers	Van Pelt
Hinshaw	Passman	Van Zandt
Hoeven	Patterson	Velde
Holmes	Pelly	Vorys
Hope	Pfost	Wainwright
Horan	Philbin	Weaver
Hyde	Price	Westland
Jenkins	Prouty	Wharton
Johnson, Calif.	Radwan	Widnall
Jones, Ala.	Reece, Tenn.	Wier
Judd	Reed, N. Y.	Wigglesworth
Karsten	Rees, Kans.	Williams, N. J.
Kearns	Reuss	Wilson, Ind.
Kilday	Rhodes, Pa.	Withrow
Knox	Riehlman	Wolcott
Krueger	Roberts	Wolverton
Laird	Robsion, Ky.	Young
LeCompte	Rodino	Zablocki
Lesinski	Rogers, Colo.	
Lovre	Rogers, Mass.	
McCarthy	Rogers, Tex.	

NAYS—194

Abbitt	Fountain	McCulloch
Abernethy	Frazier	McDonough
Alexander	Friedel	McMillan
Alger	Garmatz	McVey
Andrews	Gary	Macdonald
Anfuso	Gavin	Machrowicz
Ashley	Gentry	Mack, Ill.
Ashmore	Grant	Madden
Barrett	Gray	Mason
Becker	Green, Oreg.	Matthews
Belcher	Green, Pa.	Miller, N. Y.
Bennett, Fla.	Gregory	Mills
Betts	Griffiths	Minshall
Blatnik	Gross	Morgan
Blitch	Gwinn	Mumma
Boland	Hagen	Murray, Ill.
Bonner	Hale	Murray, Tenn.
Bosch	Haley	Natcher
Boyle	Hardy	Norrell
Brown, Ga.	Harris	O'Brien, Ill.
Buckley	Harrison, Va.	O'Brien, N. Y.
Burnside	Hays, Ohio	O'Hara, Ill.
Bush	Hayworth	O'Konski
Byrd	Healey	Ostertag
Byrne, Pa.	Henderson	Perkins
Carlyle	Herlong	Phillips
Chelf	Hess	Pilcher
Chiperfield	Hiestand	Pillion
Chudoff	Hoffman, Mich.	Poage
Clark	Holifield	Poff
Colmer	Holt	Polk
Cooley	Holtzman	Quigley
Cooper	Huddleston	Rabaut
Cramer	Hull	Rains
Dague	Ikard	Ray
Davidson	Jackson	Riley
Davis, Ga.	James	Rivers
Davis, Tenn.	Jarman	Robeson, Va.
Dawson, Ill.	Jennings	Rogers, Fla.
Delaney	Johnson, Wis.	Roosevelt
Denton	Jonas	Saylor
Derounian	Jones, Mo.	Scherer
Devereux	Jones, N. C.	Selden
Dies	Kean	Sheppard
Dodd	Kearney	Shuford
Dollinger	Kee	Sikes
Donovan	Keogh	Simpson, Ill.
Doyle	Kilburn	Smith, Miss.
Durham	Kilgore	Smith, Va.
Elliott	King, Calif.	Spence
Evins	King, Pa.	Springer
Fallon	Kirwan	Staggers
Fascell	Klein	Steed
Feighan	Kluczynski	Sullivan
Fenton	Knutson	Taber
Fino	Landrum	Taylor
Flood	Lanham	Teague, Tex.
Flynt	Lankford	Thomas
Fogarty	Latham	Thompson, N. J
Forand	Lipscomb	Thompson, Tex.
Tuck	Whitten	Wright
Utt	Williams, Miss.	Yates
Vanik	Williams, N. Y.	Younger
Walter	Wilson, Calif.	Zelenko
Watts	Winstead	

ANSWERED "PRESENT"—3

Cole	Coudert	Keating

NOT VOTING—56

Adair	Forrester	O'Hara, Minn.
Bailey	Gamble	Patman
Bass, Tenn.	Gordon	Powell
Baumhart	Hébert	Preston
Bell	Hillings	Priest
Bowler	Hoffman, Ill.	Rhodes, Ariz.
Boykin	Holland	Richards
Brooks, La.	Hosmer	Rutherford
Brooks, Tex.	Jensen	Scudder
Brownson	Johansen	Shelley
Burleson	Kelley, Pa.	Siler
Carnahan	Kelly, N. Y.	Smith, Kans.
Chatham	Lane	Thompson, La.
Christopher	Long	Thornberry
Clevenger	McConnell	Vinson
Davis, Wis.	McDowell	Vursell
Diggs	Mollohan	Wickersham
Dowdy	Morrison	Willis
Eberharter	Nelson	

So the resolution was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Bailey for, with Mr. Hébert against.

Mr. Adair for, with Mr. Thompson of Louisiana against.

Mr. Carnahan for, with Mr. Hosmer against.

Mr. Jensen for, with Mr. Keating against.

Mr. Hoffman of Illinois for, with Mrs. Kelly of New York against.

Mr. Christopher for, with Mr. Willis against.

Mr. Baumhart for, with Mr. Powell against.

Mr. Gamble for, with Mr. Mollohan against.

Mr. Nelson for, with Mr. Gordon against.

Mr. Morrison for, with Mr. Bowler against.

Mr. Rutherford for, with Mr. Shelley against.

Mr. Wickersham for, with Mr. Kelley of Pennsylvania against.

Mr. Patman with Mr. Brownson.

Mr. Bell with Mr. O'Hara of Minnesota.

Mr. Brooks of Texas with Mr. Rhodes of Arizona.

Mr. Burleson with Mr. Siler.

Mr. Dowdy with Mr. Hillings.

Mr. Preston with Mr. Smith of Kansas.

Mr. Vinson with Mr. Johansen.

Mr. Forrester with Mr. Vursell.

Mr. Priest with Mr. Davis of Wisconsin.

Mr. Diggs with Mr. Clevenger.

Mr. Brooks of Louisiana with Mr. McConnell.

Mr. CHELF changed his vote from "yea" to "nay."

Mr. HAGEN changed his vote from "yea" to "nay."

Mr. KEATING. Mr. Speaker, I have a pair with the gentleman from Iowa, Mr. JENSEN. I voted "nay." The gentleman from Iowa, if present, would have voted "yea."

I withdraw my vote and vote "present."

Mr. REED changed his vote from "yea" to "nay."

Mr. BENTLEY changed his vote from "nay" to "yea."

Mr. AUCHINCLOSS changed his vote from "nay" to "yea."

Mr. OLIVER P. BOLTON changed his vote from "nay" to "yea."

Mr. MINSHALL changed his vote from "yea" to "nay."

Mr. PERKINS changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded.

DISPLACED BUSINESSES

Mr. O'HARA. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. O'HARA of Illinois. Mr. Speaker, in the housing bill passed by the House and sent to the other body is a provision for the reimbursement up to $2,000 of small business tenants for expenses incurred in moving when dispossessed by reason of urban redevelopment.

In the bill reported out by the Banking and Currency Committee reimbursement up to $5,000 was provided, also loans at low interest rates for the reestablishment of displaced businesses. In the Banking and Currency Committee I had endeavored to have the maximum for moving expense reimbursement set at $50,000, and in this endeavor had been supported by the gentleman from New York [Mr. MULTER], the chairman of the subcommittee of the Small Business Committee that had accorded a public hearing to the representatives of the Hyde Park district in Chicago. I wish to commend the gentleman from New York for the great and outstanding service he has rendered small business at all times. I can assure him that among the displaced small business tenants in the district in Chicago that I have the honor to represent his name always will be cherished.

Mr. Speaker, the $2,000 reimbursement provision, provided the bill is passed by the other body and becomes a law, will be at least a token of the interest of the Congress in the plight of the small-business tenants who are being uprooted from locations where they have been long established. They are paying heavily the price of urban progress, and while the bill we passed would give them some relief, very much more remains to be done. This is an area for study and legislative action that should command the attention of the 85th Congress immediately on its reconvening.

That my colleagues may know how serious is the plight of the displaced small-business tenants, I am taking the liberty of presenting for your reading, without first asking the consent of the writer, the following personal letter from my mail of this morning:

DEAR SIR: Our Ford dealership at 5518 Lake Park Avenue, Hyde Park, Chicago, Ill., is being taken away from us.

We will lose our investment in leasehold improvements of $85,000, in shop equipment, wiring, exhausts, heating, etc., in the amount of $60,000; in furniture and fixtures and signs in the amount of $21,000, and in possible inventory loss of approximately $50,000. A grand total of $216,000.

We do not own the building in which our business is established. We are merely tenants, and as a result of condemnation we are forced to go out of business and we are faced with bankruptcy and a loss of well over $216,000, as well as the loss of 10 long, hard years devoted day and night in establishing whatever goodwill exists.

One partner loses also 20 years of prior work in the same location as a garage operator.

Our business employs over 50 people with an annual payroll of $285,000. All of them will lose their jobs. Both my partner and I (we each own 50 percent of the stock in our corporation) have earned a living for our families through this Ford dealership. Now our means of livelihood is being taken away from us.

Perhaps a bit of background will give you further insight into the horror of what this means.

Prior to 1947 we, Mr. Morris Cohen, and the writer, Edward France, applied to the Ford Motor Co., for a Ford franchise. After 6 long months of waiting and praying, we obtained their consent.

We both invested practically every cent we had in the world—money that had been slowly saved over many prior years—in order to get our business started. Over the period of these last 9 years we both worked practically day and night and many times into the early mornings trying to build up a business that we felt had the possibilities of continuing for many years to come—one which would provide security for us even as we grew older. That security is now being taken away from us by Government condemnation without 1 cent of payment.

At the time that we obtained our franchise, we negotiated a 10-year lease with our present landlord. We agreed that we would make certain leasehold improvements and as a result received a reasonable rental. We since have put in many times the original amount committed.

Just a couple of years ago we were in new negotiations with our landlord for a 10-year extension of our lease. Everything was agreed upon and all that had to be done was to sign the lease. The papers were drawn by our attorney and everything was all set. Then the news of the contemplated Hyde Park redevelopment came out. Our landlord upon advice of his counsel then refused us an extension.

Unfortunately there is no place in the immediate Hyde Park area to which we can move. We must, under the terms of our franchise with Ford, stay within a 1-mile radius, and there is no such place. With no place to move, and not enough money to move all of our equipment nor to remodel a different place if there were something else available, we have no alternative but to close up our business—just lock the door and walk away from it broke.

Of course we can hold a public auction to sell some things, but have you ever witnessed a distress auction? Valuable parts and equipment usually bring about 2 cents to 5 cents on the dollar. The bulk of our investment is attached to the building, some of which cannot be moved or would be too costly to move.

I cannot find words in the English language to describe this situation other than the word "horror."

When we have read in the papers in the past of certain foreign governments appropriating private businesses and putting out on the streets its owners, I am sure that we have all been horrified at this gross injustice. Nonetheless, here is a situation about which we have no one to whom we can raise our voices in complaint or askance.

Does this all seem fair? Can a business be completely destroyed and wiped out; its owners bankrupted, its employees discharged, with absolutely no consideration to its owners because they happen to be tenants rather than property owners?

Does it seem fair to ask men who have built up a valuable Ford business, who have invested their life's savings, who have undertaken certain personal obligations such as, among other things, purchasing homes for their families, who have worked 20 years of working hours in less than half that time, to walk away from their business broke?

It is most amazing to know that practically every lawyer, every politician, and every layman, who has heard of our problem, just won't believe it. They are all so certain that at least we will be partially reimbursed for something.

Would to God that this were so.

However, it merely means trying to start all over again after 20 long years of work and savings.

Is there no help for us or others like us, despite our large investment?

Please visualize for a moment our positions being reversed and this is happening to you or yours. After building and working and saving and sweating and worrying, everything is taken away from you, through no fault of yours, and you are left broke with no one to talk to about it, because the law is quite clear—it can take whatever you have because you happened to have been a tenant in your business as against being the owner of the building?

Need I say more?

My purpose in writing is to show that any contemplated Federal-aid law certainly should provide some help to those who stand to lose large fortunes as well as small ones. We are given to understand that the current legislation being considered will assist businessmen up to the amount of $2,000. If this is correct, it certainly would represent a very fine gesture, but would not, even remotely, bring about the result for which it was originally intended; namely, to prevent businesses from sustaining such heavy losses, as is apparent in our particular case.

May we take this opportunity to thank you personally for every effort you have bent in order to rectify a most unjust situation and may the good Lord smile upon you in your every activity.

Yours very truly,

RITZ CENTRAL MOTORS, INC.,
EDWARD FRANCE.
MORRIS COHEN.

P. S.—At this writing, the newspapers have just announced that the pending legislation has been pigeonholed, which could mean no assistance whatsoever. Every day lost means that many more people will suffer terribly.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed without amendment bills and concurrent resolutions of the House of the following titles:

H. R. 2845. An act to amend the Veterans Regulations to provide additional compensation for veterans having the service-incurred disability of loss or loss of use of both buttocks;

H. R. 4392. An act to amend the Internal Revenue Code of 1954 to provide a special method of taxation for real-estate investment trusts;

H. R. 7634. An act to provide that amounts which do not exceed 60 cents shall be exempt from the tax imposed upon amounts paid for the transportation of persons;

H. R. 7643. An act to amend the Internal Revenue Code of 1939 and the Internal Revenue Code of 1954 with respect to foreign tax credit for United Kingdom income tax paid with respect to royalties and other like amounts;

H. R. 11002. An act to regulate and license pawnbrokers in the District of Columbia;

H. R. 11834. An act to allow a charitable deduction for certain bequests;

H. R. 12152. An act to amend the Internal Revenue Code of 1954 to provide for the allowance, as deductions, of contributions to medical research organizations;

H. R. 12254. An act to provide additional time for the Tariff Commission to review the customs tariff schedules;

H. R. 12354. An act relating to clerk hire of Members of the House of Representatives;

H. Con. Res. 254. Concurrent resolution authorizing the printing of additional copies of House Reports Nos. 2240, 2241, 2242, 2243, and 2244, current session;

H. Con. Res. 261. Concurrent resolution authorizing the printing of additional copies of the hearings on civil defense for national survival held during the current session by a subcommittee of the Committee on Government Operations;

H. Con. Res. 262. Concurrent resolution authorizing the Joint Committee on Atomic Energy to print 40,000 additional copies of the hearings of the Research and Development Subcommittee on "Progress Report on Research in Medicine, Biology, and Agriculture Using Radioactive Isotopes";

H. Con. Res. 263. Concurrent resolution authorizing additional copies of the hearing on Labor-Management Problems of the American Merchant Marine; and

H. Con. Res. 269. Concurrent resolution authorizing a correction in enrolled bill H. R. 8008.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 4164. An act to provide for the appointment of a Federal Highway Administrator in the Department of Commerce, and for other purposes.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H. R. 9396. An act to amend the Tariff Act of 1930 to place guar seed on the free list;

H. R. 9875. An act to amend the Internal Revenue Code of 1954 to provide that the tax on admissions shall apply only if the amount paid on admissions exceeds $1;

H. R. 10177. An act to amend the Tariff Act of 1930 to provide that certain lathes used for shoe last roughing or for shoe last finishing may be imported into the United States free of duty;

H. R. 11554. An act to amend certain provisions of title XI of the Merchant Marine Act, 1936, as amended, to facilitate private financing of merchant vessels in the interest of national defense, and for other purposes; and

H. R. 12270. An act to authorize certain construction at military installations, and for other purposes.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 12080. An act authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill, and requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. CHAVEZ, Mr. KERR, Mr. GORE, Mr. CASE of South Dakota, and Mr. HRUSKA to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 3957) entitled "An act for the relief of Pauline H. Corbett."

The message also announced that the Senate recedes from its amendment to the bill H. R. 9591, entitled "An act to amend the act of August 31, 1954 (68 Stat. 1037), relating to the acquisition of non-Federal land within the existing boundaries of any national park, and for other purposes."

ADJUSTMENT OF RATES OF COMPENSATION OF HEADS OF EXECUTIVE DEPARTMENTS—CIVIL SERVICE RETIREMENT

Mr. MURRAY of Tennessee submitted the following conference report and statement on the bill (H. R. 7619) to adjust the rates of compensation of the heads of the executive departments and of certain other officials of the Federal Government, and for other purposes:

CONFERENCE REPORT (H. REPT. No. 2935)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 7619) to adjust the rates of compensation of the heads of the executive departments and of certain other officials of the Federal Government, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"TITLE I—BASIC COMPENSATION FOR HEADS OF EXECUTIVE DEPARTMENTS AND OTHER FEDERAL OFFICIALS

"SEC. 101. This title may be cited as 'Federal Executive Pay Act of 1956'.

"SEC. 102. The annual rate of basic compensation of each of the offices or positions listed in this section shall be $25,000.

"(1) Secretary of State.
"(2) Secretary of the Treasury.
"(3) Secretary of Defense.
"(4) Attorney General.
"(5) Postmaster General.
"(6) Secretary of the Interior.
"(7) Secretary of Agriculture.
"(8) Secretary of Commerce.
"(9) Secretary Labor.
"(10) Secretary of Health, Education, and Welfare.

"SEC. 103. (a) The annual rate of basic compensation of each of the offices or positions listed in this subsection shall be $22,500.

"(1) Director of the Bureau of the Budget.
"(2) Comptroller General of the United States.
"(3) Director, Office of Defense Mobilization.
"(4) Under Secretary of State.
"(5) Deputy Secretary of Defense.

"(b) The annual rate of basic compensation of each of the offices or positions listed in this subsection shall be $22,000.

"(1) Secretary of the Army.
"(2) Secretary of the Navy.
"(3) Secretary of the Air Force.

"SEC. 104. (a) The annual rate of basic compensation of each of the offices or positions listed in this section shall be $21,000.

"(1) Commissioner of Internal Revenue.
"(2) Director of Central Intelligence.
"(3) Director of the Federal Bureau of Investigation.
"(4) Administrator of the Federal Civil Defense Administration.

"(b) Notwithstanding the provisions of subsection (a), the annual rate of basic compensation of the Director of the Federal Bureau of Investigation shall be $22,000 so long as such office is held by the present incumbent.

"(5) Administrator of General Services.
"(6) Administrator of the Housing and Home Finance Agency.
"(7) Administrator of Veterans' Affairs.
"(8) Director of the International Cooperation Administration.
"(9) Director of the United States Information Agency.
"(10) Governor of the Farm Credit Administration.
"(11) President of the Export-Import Bank of Washington.
"(12) Under Secretary of the Treasury.
"(13) Under Secretary of the Treasury for Monetary Affairs.
"(14) Deputy Postmaster General.
"(15) Under Secretary of the Interior.
"(16) Under Secretary of Agriculture.
"(17) Under Secretary of Commerce.
"(18) Under Secretary of Commerce for Transportation.
"(19) Under Secretary of Labor.
"(20) Under Secretary of Health, Education, and Welfare.

"SEC. 105. The annual rate of basic compensation of each of the offices or positions listed in this section shall be $20,500.

"(1) Chairman, Civil Aeronautics Board.
"(2) Chairman of the United States Civil Service Commission.
"(3) Chairman of the Council of Economic Advisers.
"(4) Chairman, Federal Communications Commission.
"(5) Chairman, Board of Directors, Federal Deposit Insurance Corporation.
"(6) Chairman of the Federal Maritime Board.
"(7) Chairman, Federal Power Commission.
"(8) Chairman, Board of Governors of the Federal Reserve System.
"(9) Chairman, Federal Trade Commission.
"(10) Chairman, Foreign Claims Settlement Commission of the United States.
"(11) Chairman of the Federal Home Loan Bank Board.
"(12) Chairman, Interstate Commerce Commission.
"(13) Chairman, National Labor Relations Board.
"(14) Chairman, National Mediation Board.
"(15) Chairman, Railroad Retirement Board.
"(16) Chairman of the Renegotiation Board.
"(17) Chairman, Securities and Exchange Commission.
"(18) Chairman, Subversive Activities Control Board.
"(19) Chairman, Board of Directors of the Tennessee Valley Authority.
"(20) Chairman, United States Tariff Commission.
"(21) Comptroller of the Currency.
"(22) Assistant Comptroller General of the United States.
"(23) Deputy Administrator of the Federal Civil Defense Administration.
"(24) Deputy Administrator of Veterans' Affairs.
"(25) Deputy Director of the Bureau of the Budget.
"(26) Deputy Director of Central Intelligence.
"(27) Deputy Director of the Office of Defense Mobilization.
"(28) Deputy Director of the United States Infromation Agency.
"(29) Deputy Under Secretary of the Department of State (3).
"(30) Director of the Federal Mediation and Conciliation Service.
"(31) First Vice President of the Export-Import Bank of Washington.

"SEC. 106. (a) The annual rate of basic compensation of each of the offices or positions listed in this subsection shall be $20,000.

"(1) Administrator, Bureau of Security and Consular Affairs, Department of State.
"(2) Administrator of Civil Aeronautics.
"(3) Administrator, Commodity Stabilization Service.
"(4) Administrator of the Rural Electrification Administration.
"(5) Administrator of the Small Business Administration.
"(6) Administrator of the Saint Lawrence Seaway Development Corporation.
"(7) Administrator, Wage and Hour and Public Contracts Division, Department of Labor.
"(8) Archivist of the United States.
"(9) Assistant Directors of the Bureau of the Budget (2).
"(10 Assistant Postmasters General (5).
"(11) Assistant Secretaries of Agriculture (3).
"(12) Assistant Secretaries of Commerce (3).
"(13) Assistant Secretaries of Defense (9).
"(14) Assistant Secretaries of Health, Education, and Welfare (2).
"(15) Assistant Secretaries of the Interior (3).
"(16) Assistant Secretaries of Labor (3).
"(17) Assistant Secretaries of State (10).
"(18) Assistant Secretary of the Treasury (3).
"(19) Assistant Secretaries of the Air Force (4).
"(20) Assistant Secretaries of the Army (4).
"(21) Assistant Secretaries of the Navy (4).
"(22) Associate Director of the Federal Bureau of Investigation.
"(23) Chairman of the Military Liaison Committee to the Atomic Energy Commission, Department of Defense.
"(24) Commissioner, Community Facilities, Housing and Home Finance Agency.
"(25) Commissioner, Federal Housing Administration.
"(26) Commissioner, Public Housing Administration.
"(27) Commissioner, Urban Renewal Administration.
"(28) Counselor of the Department of State.
"(29) Deputy Administrator of the Housing and Home Finance Agency.
"(30) Deputy Administrator of General Services.
"(31) Director of the Administrative Office of the United States Courts.
"(32) Director of the Bureau of Prisons.
"(33) Director of the National Advisory Committee for Aeronautics.
"(34) Director of the National Science Foundation.
"(35) Director of Selective Service.
"(36) Fiscal Assistant Secretary of the Treasury.
"(37) General Counsel of the National Labor Relations Board.
"(38) Librarian of Congress.
"(39) President of the Federal National Mortgage Association.
"(40) Public Printer.
"(41) Special Assistant to the Secretary (Health and Medical Affairs), Department of Health, Education, and Welfare.
"(42) Under Secretary of the Army.
"(43) Under Secretary of the Navy.
"(44) Under Secretary of the Air Force.
"(45) Members of boards and commissions (excluding chairmen):
"Civil Aeronautics Board (4).
"United States Civil Service Commission (2).
"Council of Economic Advisers (2).
"Board of Directors of the Export-Import Bank of Washington (3).
"Federal Communications Commission (6).
"Federal Deposit Insurance Corporation (1).
"Board of Governors of the Federal Reserve System (6).

"Federal Maritime Board (2).
"Foreign Claims Settlement Commission of the United States (2).
"Federal Power Commission (4).
"Federal Trade Commission (4).
"Federal Home Loan Bank Board (2).
"Interstate Commerce Commission (10).
"National Labor Relations Board (4).
"National Mediation Board (2).
"Railroad Retirement Board (2).
"Renegotiation Board (4).
"Securities and Exchange Commission (4).
"Subversive Activities Control Board (4).
"Board of Directors of the Tennessee Valley Authority (2).
"United States Tariff Commission (5).

"(b) The annual rate of basic compensation of each of the offices or positions listed in this subsection shall be $19,000.

"(1) Architect of the Capitol.
"(2) Assistant to the Director of the Federal Bureau of Investigation.
"(3) Commissioner of the United States Court of Claims (12).
"(4) Governor of Alaska.
"(5) Governor of the Canal Zone.
"(6) Governor of Guam.
"(7) Governor of Hawaii.
"(8) Governor of the Virgin Islands.
"(9) Legal adviser, solicitor, or general counsel of an executive or military department (excluding the Department of Justice).

"(c) The annual rate of basic compensation of each of the offices or positions listed in this subsection shall be $18,000 per annum.

"(1) Commissioner of the Indian Claims Commission (3).

"SEC. 107. (a) The annual rate of basic compensation of each of the offices or positions listed in this subsection shall be $17,500.

"(1) Administrator, Agricultural Research Service, Department of Agriculture.
"(2) Administrator, Bonneville Power Administration.
"(3) Administrator, Farmers' Home Administration.
"(4) Administrator, Soil Conservation Service, Department of Agriculture.
"(5) Assistant Architect of the Capitol.
"(6) Assistant Director of the Administrative Office of the United States Courts.
"(7) Associate Director of the Federal Mediation and Conciliation Service.
"(8) Chief Assistant Librarian of Congress.
"(9) Chief Forester of the Forest Service, Department of Agriculture.
"(10) Chief of Staff of the Joint Committee on Internal Revenue Taxation.
"(11) Commissioner of Customs.
"(12) Commissioner, Federal Supply Service, General Services Administration.
"(13) Commissioner of Immigration and Naturalization.
"(14) Commissioner of Narcotics.
"(15) Commissioner, Public Buildings Service.
"(16) Commissioner of Public Roads.
"(17) Commissioner of Reclamation.
"(18) Commissioner of Social Security.
"(19) Deputy Administrator of the Saint Lawrence Seaway Development Corporation.
"(20) Deputy Commissioner, Internal Revenue Service.
"(21) Deputy Public Printer.
"(22) Manager, Federal Crop Insurance Corporation, Department of Agriculture."

(b) The annual rate of basic compensation of each of the offices or positions listed in this subsection shall be $17,000 per annum.

(1) Deputy Administrator, Small Business Administration (3).

(2) Treasurer of the United States.

"SEC. 108. Except as otherwise specifically provided in this title, the chairman or other head of each independent board or commission in the executive branch shall receive, during the period of his service as chairman or other head of such board or commission, annual basic compensation at a rate which is $500 more than the annual rate of basic compensation prescribed by this title for the other members of such board or commission.

"SEC. 109. Section 105 of title 3 of the United States Code is amended to read as follows:

"'§ 105. Compensation of secretaries and executive, administrative, and staff assistants to President.

"'The President is authorized to fix the compensation of the six administrative assistants authorized to be appointed under section 106 of this title, of the Executive Secretary of the National Security Council, and of eight other secretaries or other immediate staff assistants in the White House Office, as follows: Two at rates not exceeding $22,500 per annum, three at rates not exceeding $21,000 per annum, seven at rates not exceeding $20,000 per annum, and three at rates not exceeding $17,500 per annum.'

"SEC. 110. (a) The Surgeon General of the Public Health Service shall receive such compensation, in addition to his pay and allowances under the Career Compensation Act of 1949, as amended, as will make his compensation equal to $20,000 per annum in addition to such allowances.

"(b) The Deputy Surgeon General of the Public Health Service shall receive such compensation, in addition to his pay and allowances under the Career Compensation Act of 1949, as amended, as will make his compensation equal to $19,000 per annum in addition to such allowances.

"(c) The Director, National Institutes of Health, the Chief, Bureau of Medical Services, and the Chief, Bureau of State Services, of the Public Health Service, shall each receive such compensation, in addition to his pay and allowances under the Career Compensation Act of 1949, as amended, as will make his compensation equal to $17,500 per annum in addition to such allowances.

"SEC. 111. The annual compensation for each of the offices established by section 1 (d) of Reorganization Plan Numbered 7 of 1953, effective August 1, 1953 (67 Stat. 639) shall be established by the Secretary of State at a rate not more than $19,000.

"SEC. 112. Section 2 of Public Law 565, Seventy-ninth Congress, approved July 30, 1946 (60 Stat. 712), is amended by striking out '$12,000' and insert in lieu thereof '$15,000'.

"'18	12,500
19	13,600
20	14,800"

and inserting in lieu thereof:

"'18	12,800
19	14,000
20	16,000'.

"SEC. 116. Section 3 of the Act of January 3, 1946, as amended (38 U. S. C. 15b), is hereby amended as follows:

"(a) The last sentence of section 3 (b) is amended to read: 'During the period of his service as such, the Chief Medical Director shall be paid a salary of $17,800 a year.'

"(b) The last sentence of section 3 (c) is amended to read: 'During the period of his service as such, the Deputy Chief Medical Director shall be paid a salary of $16,800 a year.'

"(c) That portion of section 3 (d) which precedes the proviso is amended to read: 'Each Assistant Chief Medical Director shall be appointed by the Administrator upon the recommendation of the Chief Medical Director and shall be paid a salary of $15,800.'

"SEC. 117. (a) The first section of the Act approved August 1, 1947 (61 Stat. 715; Public Law 313, 80th Congress), as amended, relating to salary limitations on research and development positions requiring the services of specially qualified scientific or professional personnel in certain departments and agencies, is amended by striking out '$10,000' and '$15,000' and inserting in lieu thereof '$12,500' and '$19,000', respectively.

"SEC. 113. Section 527 (b) of the Mutual Security Act of 1954, approved August 26, 1954 (Public Law 665, Eighty-third Congress (68 Stat. 832)) is amended by striking out '$15,000 per annum' and inserting in lieu thereof '$19,000 per annum'.

"SEC. 114. (a) The compensation schedule for the General Schedule contained in section 603 (b) of the Classification Act of 1949, as amended, is amended by striking out:

"'GS–17	13,975	14,190	14,405	14,620
GS–18	14,800'			

and inserting in lieu thereof:

"'GS–17	13,975	14,190	14,405	14,620
	14,835			
GS–18	16,000'.			

"(b) The rates of basic compensation of officers and employees to whom this section applies shall be initially adjusted as follows:

"(1) If the officer or employee is receiving basic compensation immediately prior to the effective date of this section at a scheduled rate of grade 17 or 18 of the General Schedule, he shall receive a rate of basic compensation at the corresponding scheduled rate in effect on and after such date;

"(2) If the officer or employee, immediately prior to the effective date of this section, is in a position in grade 17 of the General Schedule and is receiving basic compensation at a rate between two scheduled rates of such grade, he shall receive a rate of basic compensation at the higher of the two corresponding rates in effect on and after such date;

"(3) If the officer or employee, immediately prior to the effective date of this section, is in a position in grade 17 of the General Schedule and is receiving basic compensation at a rate which is in excess of the maximum scheduled rate of his grade as provided in this section, he shall continue to receive such higher rate of basic compensation until (A) he leaves such position, or (B) he is entitled to receive basic compensation at a higher rate by reason of the operation of the Classification Act of 1949, as amended; but when such position becomes vacant, the rate of basic compensation of any subsequent appointee thereto shall be fixed in accordance with such Act, as amended.

"SEC. 115. The Postal Field Service Schedule in section 301 (a) of the Act of June 10, 1955 (Public Law 68, 84th Congress), is amended by striking out:

12,800	13,100	13,400	13,700	14,000	14,300	
13,900	14,200	14,500	14,800			

13,100	13,400	13,700	14,000	14,300	14,600	
14,300	14,600	14,900	15,200			

"(b) Section 208 (g) of the Public Health Service Act, as amended (42 U. S. C. 210 (g)), relating to salary limitations on research and development positions requiring the services of specially qualified scientific or professional personnel in the Public Health Service is amended by striking out '$10,000' and '$20,000' and inserting in lieu thereof '$12,500' and '$19,000', respectively.

"SEC. 118. The salary amendments contained in section 116 shall not affect the authority of the Civil Service Commission or the procedure for fixing the pay of individual officers or employees under the statutes therein amended; except that the existing rate of basic compensation of any officer or employee to whom such section applies which is less than a rate of $12,500 per annum shall be increased to such rate on the effective date of this title.

"SEC. 119. Section 12 of the Act of May 29, 1884, as amended (21 U. S. C. 113a), relating to salary limitation on technical experts or scientists for research and study of foot-and-mouth disease and other animal diseases, is hereby amended by striking out '$15,000' and inserting in lieu thereof '$19,000'.

"SEC. 120. This title shall take effect at the beginning of the first pay period commencing after June 30, 1956.

"TITLE II—PROVISIONS RELATING TO ORGANIZATION OF CIVIL SERVICE COMMISSION

"SEC. 201. (a) The first section of the Act entitled 'An Act to regulate and improve the civil service of the United States', approved January 16, 1883, as amended (5 U. S. C., sec. 632), is amended by inserting immediately after the first paragraph thereof a paragraph as follows:

" 'The term of office of each such Commissioner shall be six years, except that (1) the terms of office of the Commissioners holding office on the effective date of this paragraph (including the term of office of an individual appointed to fill any vacancy in the Commission existing on such effective date) shall expire, as designated by the President, one at the end of two years, one at the end of four years, and one at the end of six years, after such effective date; (2) any Commissioner appointed to fill a vacancy occurring prior to the expiration of the term of his predecessor shall be appointed for the remainder of such term; and (3) upon the expiration of his term of office a Commissioner may continue to serve until his successor is appointed and has qualified.'

"(b) Such first section of such Act of January 16, 1883, is further amended by adding at the end thereof the following paragraph:

" 'In addition to designating a Chairman of the Commission from time to time, pursuant to section 1 of Reorganization Plan Numbered 5 of 1949, the President shall from time to time designate one of the Commissioners as Vice Chairman of the Commission. During the absence or disability of the Commissioner designated as Chairman, or in the event of a vacancy in the office of such Commissioner, the Commissioner designated as Vice Chairman shall perform those functions of the Chairman which were transferred to the Chairman by the provisions of section 2 (a) (2) to 2 (a) (6), inclusive, of such Reorganization Plan. During the absence or disability of both the Commissioner designated as Chairman and the Commissioner designated as Vice Chairman, or in the event of vacancies in the offices of both such Commissioners, the remaining Commissioner shall perform such functions. During the absence or disability of all three Commissioners, or in the event of vacancies in the offices of all three Commissioners, the Executive Director shall perform such functions; but the Executive Director shall at no time sit as a member or acting member of the Commission.'

"SEC. 202. (a) This section and section 201 (b) shall take effect on the date of enactment of this Act.

"(b) Section 201 (a) shall take effect on March 1, 1957.

"TITLE III—MISCELLANEOUS PROVISIONS

"SEC. 301. (a) The President shall hereafter appoint, by and with the advice and consent of the Senate, a General Counsel of the Post Office Department, a General Counsel of the Department of Agriculture, and a General Counsel of the Department of Health, Education, and Welfare.

"(b) The existing office of Solicitor of the Post Office Department and the existing offices of General Counsel of the Department of Agriculture, and the Department of Health, Education, and Welfare shall be abolished effective upon the appointment and qualification of the General Counsels of such respective departments provided for by subsection (a) or April 1, 1957, whichever is earlier.

"SEC. 302. The positions of three Deputy Administrators of the Agricultural Research Service, Department of Agriculture, shall be in grade GS–18 of the General Schedule established by the Classification Act of 1949, as amended. Such positions shall be in addition to the number of positions authorized to be placed in such grade by section 505 (b) of such Act.

"TITLE IV—CIVIL SERVICE RETIREMENT

"SEC. 401. The Civil Service Retirement Act of May 29, 1930, as amended, is amended to read as follows:

" 'Definitions

" 'SECTION 1. Wherever used in this Act—

" '(a) The term "employee" shall mean a civilian officer or employee in or under the Government and, except for purposes of section 2, shall mean a person to whom this Act applies.

" '(b) The term "Member" shall mean the Vice President, a United States Senator, Representative in Congress, Delegate from a Territory, or the Resident Commissioner from Puerto Rico, and, except for purposes of section 2, shall mean a Member to whom this Act applies.

" '(c) The term "congressional employee" means an employee of the Senate or House of Representatives or of a committee of either House, an employee of a joint committee of the two Houses, an elected officer of the Senate or House of Representatives who is not a Member of either House, the Legislative Counsel of the Senate and the Legislative Counsel of the House of Representatives and the employees in their respective offices, an Official Reporter of Debates of the Senate and a person employed by the Official Reporters of Debates of the Senate in connection with the performance of their official duties, a member of the Capitol Police force, an employee of the Vice President if such employee's compensation is disbursed by the Secretary of the Senate, and an employee of a Member if such employee's compensation is disbursed by the Secretary of the Senate or the Clerk of the House of Representatives.

" '(d) The term "basic salary" shall not include bonuses, allowances, overtime pay, military pay, or salary, pay, or compensation given in addition to the base pay of the position as fixed by law or regulation: *Provided*, That for employees paid on a fee basis, the maximum amount of basic salary which may be used shall be $10,000 per annum. For a Member, the term "basic salary" shall include, from April 1, 1954, to February 28, 1955, the amount received as expense allowance under section 601 (b) of the Legislative Reorganization Act of 1946, as amended, and such amount from January 3, 1953, to March 31, 1954, provided deposit is made therefor as provided in section 4.

" '(e) The term "average salary" shall mean the largest annual rate resulting from averaging, over any period of five consecutive years of creditable service, or at a Member's option over all periods of Member service subsequent to the date of enactment of the Legislative Reorganization Act of 1946 used in the computation of an annuity under this Act, a Member's or an employee's rates of basic salary in effect during such period, with each rate weighted by the time it was in effect.

" '(f) The term "fund" shall mean the civil service retirement and disability fund created by the Act of May 22, 1920.

" '(g) The terms "disabled" and "disability" shall mean totally disabled for useful and efficient service in the grade or class of position last occupied by the employee or Member by reason of disease or injury not due to vicious habits, intemperance, or willful misconduct on his part within the five years next prior to becoming so disabled.

" '(h) The term "widow", for purposes of section 10, shall mean the surviving wife of an employee or Member who was married to such individual for at least two years immediately preceding his death or is the mother of issue by such marriage.

" '(i) The term "widower", for purposes of section 10, shall mean the surviving husband of an employee or Member who was married to such employee or Member for at least two years immediately preceding her death or is the father of issue by such marriage. The term "dependent widower", for purposes of section 10, shall mean a "widower" who is incapable of self-support by reason of mental or physical disability, and who received more than one-half his support from such employee or Member.

" '(j) The term "child", for purposes of section 10, shall mean an unmarried child, including (1) an adopted child, and (2) a stepchild or recognized natural child who received more than one-half his support from and lived with the Member or employee in a regular parent-child relationship, under the age of eighteen years, or such unmarried child regardless of age who because of physical or mental disability incurred before age eighteen is incapable of self-support.

" '(k) the term "Government" shall mean the executive, judicial, and legislative branches of the United States Government, including Government-owned or controlled corporations and Gallaudet College, and the municipal government of the District of Columbia.

" '(l) The term "lump-sum credit" shall mean the unrefunded amount consisting of (1) the retirement deductions made from the basic salary of an employee or Member, (2) any sums deposited by an employee or Member covering prior service, and (3) interest on such deductions and deposits at 4 per centum per annum to December 31, 1947, and 3 per centum per annum thereafter compounded annually to December 31, 1956 or, in the case of an employee separated or transferred to a position not within the purview of this Act before he has completed five years of civilian service or a Member separated before he has completed five years of Member service, to the date of the separation or transfer. The lump-sum credit shall not include interest if the service covered thereby aggregates one year or less, nor shall it include interest for the fractional part of a month in the total service.

" '(m) The term "Commission" shall mean the United States Civil Service Commission.

" '(n) The term "annuitant" shall mean any former employee or Member who, on the basis of his service, has met all requirements of the Act for title to annuity and has filed claim therefor.

" '(o) The term "survivor" shall mean a person who is entitled to annuity under this Act based on the service of a deceased employee or Member or of a deceased annuitant.

" '(p) The term "survivor annuitant" shall mean a survivor who has filed claim for annuity.

" '(q) The term "service" shall mean employment which is creditable under section 3.

" '(r) The term "military service" shall mean honorable active service in the Army, Navy, Air Force, Marnne Corps, or Coast Guard of the United States, but shall not include service in the National Guard except when ordered to active duty in the service of the United States.

" '(s) The term "Member service" shall mean service as a Member and shall include the period from the date of the beginning of the term for which the Member is elected or appointed to the date on which he takes office as a Member.

" 'Coverage

" 'SEC. 2. (a) This Act shall apply to each employee and Member, except as hereinafter provided.

" '(b) This Act shall not apply to the President, to any judge of the United States as defined under section 451 of title 28 of the United States Code, or to any employee of the Government subject to another retirement system for Government employees.

" '(c) This Act shall not apply to any Member or to any congressional employee until he gives notice in writing to the officer by whom his salary is paid of his desire to come within the purview of this Act.

" '(d) This Act shall not apply to any temporary congressional employee unless such employee is appointed at an annual

rate of salary and gives notice in writing to the officer by whom his salary is paid of his desire to come within the purview of this Act.

"'(e) The Commission may exclude from the operation of this Act any employee or group of employees in the executive branch of the United States Government, or of the District of Columbia government upon recommendation by its Commissioners, whose tenure of office or employment is temporary or intermittent.

"'(f) This Act shall not apply to any temporary employee of the Administrative Office of the United States Courts, of the courts specified in section 610 of title 28 of the United States Code, or to construction employees or any other temporary, part-time, or intermittent employees of the Tennessee Valley Authority; and the Architect of the Capitol and the Librarian of Congress are authorized to exclude from the operation of this Act any employees under the office of the Architect of the Capitol and the Library of Congress, respectively, whose tenure of employment is temporary or of uncertain duration.

"'(g) Notwithstanding any other provision of law or any Executive order, this Act shall apply to each United States Commissioner whose total compensation for services rendered as United States Commissioner is not less than $3,000 in each of the last three consecutive calendar years (1) ending prior to the effective date of the Civil Service Retirement Act Amendments of 1956 or (2) ending prior to the first day of any calendar year which begins after such effective date. For the purposes of this Act, the employment and compensation of each such United States Commissioner coming within the purview of this Act pursuant to this subsection shall be held and considered to be on a daily basis when actually employed; but nothing in this Act shall affect, otherwise than for the purposes of this Act, the basis, under applicable law other than this Act, on which such United States Commissioner is employed or on which his compensation is determined and paid.

"'Creditable service

"'SEC. 3. (a) An employee's service for the purposes of this Act including service as a substitute in the postal service shall be credited from the date of original employment to the date of the separation upon which title to annuity is based in the civilian service of the Government. Credit shall similarly be allowed for service in the Pan American Sanitary Bureau. No credit shall be allowed for any period of separation from the service in excess of three calendar days.

"'(b) An employee or Member shall be allowed credit for periods of military service prior to the date of the separation upon which title to annuity is based; however, if an employee or Member is awarded retired pay on account of military service, his military service shall not be included, unless such retired pay is awarded on account of a service-connected disability (1) incurred in combat with an enemy of the United States or (2) caused by an instrumentality of war and incurred in line of duty during an enlistment or employment as provided in Veterans Regulation Numbered 1 (a), part I, paragraph I, or is awarded under title III of Public Law 810, Eightieth Congress, except that for purposes of section 9 (c) (1), a Member (A) shall be allowed credit only for periods of military service not exceeding five years, plus any military service performed by the Member upon leaving his office, for the purpose of performing such service, during any war or national emergency proclaimed by the President or declared by the Congress and prior to his final separation from service as Member and (B) may not receive credit for military service for which credit is allowed for the purposes of retired pay under any other provision of law. Nothing in this Act shall affect the right of an employee or a Member to retired pay, pension, or compensation in addition to the annuity herein provided.

"'(c) Credit shall be allowed for leaves of absence granted an employee while performing military service or while receiving benefits under the Federal Employees' Compensation Act of September 7, 1916, as amended. Except for a substitute in the postal service, there shall be excluded from credit so much of any other leaves of absence without pay as may exceed six months in the aggregate in any calendar year.

"'(d) An employee who during the period of any war, or of any national emergency as proclaimed by the President or declared by the Congress, has left or leaves his position to enter the military service shall not be considered, for the purposes of this Act, as separated from his civilian position by reason of such military service, unless he shall apply for and receive a lumpsum benefit under this Act: *Provided*, That such employee shall not be considered as retaining his civilian position beyond December 31, 1956, or the expiration of five years of such military service, whichever is later.

"'(e) The total service of an employee or Member shall be the full years and twelfth parts thereof, excluding from the aggregate the fractional part of a month, if any.

"'(f) An employee must have completed at least five years of civilian service before he shall be eligible for annuity under this Act.

"'(g) An employee or Member must have, within the two-year period preceding any separation from service, other than a separation by reason of death or disability, completed at least one year of creditable civilian service during which he was subject to this Act before he or his survivors shall be eligible for annuity under this Act based on such separation. If any employee or Member, other than an employee or Member separated from the service by reason of death or disability, fails to meet the service requirement of the preceding sentence, the amounts deducted from his salary during his period of service for which no eligibility for annuity is established based on such separation shall be returned to him upon such separation. Failure to meet this service requirement shall not deprive the individual or his survivors of any annuity rights which attached upon a previous separation.

"'(h) An employee who (1) has at least five years' Member service and (2) has served as a Member at any time after August 2, 1946, shall not be allowed credit for any service which is used in the computation of an annuity under section 9 (c).

"'(i) In the case of each United States Commissioner who comes within the purview of this Act pursuant to section 2 (g) of this Act, service rendered prior to, on, or after the effective date of the Civil Service Retirement Act Amendments of 1956 as United States Commissioner shall be credited for the purposes of this Act on the basis of one three-hundred-and-thirteenth of a year for each day on which such United States Commissioner renders service in such capacity and which is not credited for the purposes of this Act for service performed by him in any capacity other than United States Commissioner. Such credit shall not be granted for service rendered as United States Commissioner for more than three hundred and thirteen days in any one year.

"'(j) Notwithstanding any other provision of this section, any military service (other than military service covered by military leave with pay from a civilian position) performed by an individual after December 1956 shall be excluded in determining the aggregate period of service upon which an annuity payable under this Act to such individual or to his widow or child is to be based, if such individual or widow or child is entitled (or would upon proper application be entitled), at the time of such determination, to monthly old-age or survivors benefits under section 202 of the Social Security Act based on such individual's wages and self-employment income. If in the case of the individual or widow such military service is not excluded under the preceding sentence, but upon attaining retirement age (as defined in section 216 (a) of the Social Security Act) he or she becomes entitled (or would upon proper application be entitled) to such benefits, the Commission shall redetermine the aggregate period of service upon which such annuity is based, effective as of the first day of the month in which he or she attains such age, so as to exclude such service. The Secretary of Health, Education, and Welfare shall, upon the request of the Commission, inform the Commission whether or not any such individual or widow or child is entitled at any specified time to such benefits.

"'Deductions and deposits

"'SEC. 4. (a) From and after the first day of the first pay period which begins on or after the effective date of the Civil Service Retirement Act Amendments of 1956 there shall be deducted and withheld from each employee's basic salary an amount equal to 6½ per centum of such basic salary and from each Member's basic salary an amount equal to 7½ per centum of such basic salary. From and after the first day of the first day period which begins after June 30, 1957, an equal sum shall also be contributed from the respective appropriation or fund which is used for payment of his salary, pay or compensation, or in the case of an elected official, from such appropriation or fund as may be available for payment of other salaries of the same office or establishment. The amounts so deducted and withheld by each department or agency, together with the amounts so contributed, shall, in accordance with such procedures as may be prescribed by the Comptroller General of the United States, be deposited by the department or agency in the Treasury of the United States to the credit of the fund. There shall also be so credited all deposits made by employees or Members under this section. Amounts contributed under this subsection from appropriations of the Post Office Department shall not be considered as costs of providing postal service for the purpose of establishing postal rates.

"'(b) Each employee or Member shall be deemed to consent and agree to such deductions from basic salary, and payment less such deductions shall be a full and complete discharge and acquittance of all claims and demands whatsoever for all regular services during the period covered by such payment, except the right to the benefits to which he shall be entitled under this act, notwithstanding any law, rule, or regulation affecting the individual's salary.

"'(c) Each employee or Member credited with civilian service after July 31, 1920, for which, for any reason whatsoever, no retirement deductions or deposits have been made, may deposit with interest an amount equal to the following percentages of his basic salary received for such service:

	"Percentage of basic salary	*Service period*
Employee	2½	August 1, 1920, to June 30, 1926
	3½	July 1, 1926, to June 30, 1942
	5	July 1, 1942, to June 30, 1948
	6	July 1, 1948, to October 31, 1956
	6½	After October 31, 1956
Member for Member service	2½	August 1, 1920, to June 30, 1926
	3½	July 1, 1926, to June 30, 1942
	5	July 1, 1942, to August 1, 1946
	6	August 2, 1946, to October 31, 1956
	7½	After October 31, 1956

"'(d) Each employee or Member who has received a refund of retirement deductions under this or any other retirement system established for employees of the Government covering service for which he may be allowed credit under this Act may deposit the amount received, with interest. No credit shall be allowed for the service covered by the refund until the deposit is made.

"'(e) Interest under subsection (c) or (d) shall be computed from the midpoint of each service period included in the computation, or from the date refund was paid, to the date of deposit or commencing date of annuity, whichever is earlier. The interest shall be computed at the rate of 4 per centum per annum to December 31, 1947, and 3 per centum per annum thereafter compounded annually. Such deposit may be made in one or more installments.

"'(f) Under such regulations as may be prescribed by the Commission, amounts deducted under subsection (a) and deposited under subsections (c) and (d) shall be entered on individual retirement records.

"'(g) No deposit shall be required for any service prior to August 1, 1920, for periods of military service or for any service for the Panama Railroad Company prior to January 1, 1924.

"'*Mandatory separation*

"'SEC. 5. (a) Except as hereinafter provided, an employee who shall have attained the age of seventy years and completed fifteen years of service shall be automatically separated from the service. Such separation shall be effective on the last day of the month in which such employee attains the age of seventy years or completes fifteen years of service if then beyond such age, and all salary shall cease from that day.

"'(b) Each employing office shall notify each employee under its direction of the date of such separation from the service at least sixty days in advance thereof: *Provided*, That subsection (a) shall not take effect without the consent of the employee until sixty days after he has been so notified.

"'(c) The President may, by Executive order, exempt from automatic separation under this section any employee when, in his judgment, the public interest so requires.

"'(d) The automatic separation provisions of this section shall not apply to any person named in any Act of Congress providing for the continuance of such person in the service, to any Member, to any congressional employee, to the Architect of the Capitol or any employee under the office of the Architect of the Capitol, or to any employee in the judicial branch who has been appointed to hold office for a definite term of years.

"'(e) In the case of an employee of The Alaska Railroad, Territory of Alaska, or an employee who is a citizen of the United States employed on the Isthmus of Panama by the Panama Canal Company or the Canal Zone Government, the provisions of this section shall apply upon his attaining the age of sixty-two years and completing fifteen years of service on the Isthmus of Panama or in the Territory of Alaska.

"'*Immediate retirement*

"'SEC. 6. (a) Any employee who attains the age of sixty years and completes thirty years of service shall, upon separation from the service, be paid an annuity computed as provided in section 9.

"'(b) Any employee who attains the age of fifty-five years and completes thirty years of service shall, upon separation from the service prior to attainment of the age of sixty years, be paid a reduced annuity computed as provided in section 9.

"'(c) Any employee the duties of whose position are primarily the investigation, apprehension, or detention of persons suspected or convicted of offenses against the criminal laws of the United States, including any employee engaged in such activity who has been transferred to a supervisory or administrative position, who attains the age of fifty years and completes twenty years of service in the performance of such duties, may, if the head of his department or agency recommends his retirement and the Commission approves, voluntarily retire from the service and be paid an annuity computed as provided in section 9. The head of the department or agency and the Commission shall give full consideration to the degree of hazard to which such employee is subjected in the performance of his duties, rather than the general duties of the class of the position held by such employee. The word "detention", as used in this subsection shall be construed to include the duties of—

"'(1) all employees of the Bureau of Prisons and Federal Prison Industries, Incorporated,

"'(2) all employees of the Public Health Service assigned to the field service of the Bureau of Prisons or to the field service of Federal Prison Industries, Incorporated,

"'(3) all civilian employees employed in the field services at Army or Navy disciplinary barracks or at confinement and rehabilitation facilities operated by any of the United States armed services, and

"'(4) all employees of the Department of Corrections of the District of Columbia, its industries and utilities,

whose duties in connection with persons in detention suspected or convicted of offenses against the criminal laws of the United States or of the District of Columbia or offenses against the punitive articles of the Uniform Code of Military Justice require frequent (as determined by the appropriate administrative authority with the concurrence of the Commission) direct contact with such persons in the detention, direction, supervision, inspection, training, employment, care, transportation, or rehabilitation of such persons.

"'(d) Any employee who completes twenty-five years of service or who attains the age of fifty years and completes twenty years of service shall upon involuntary separation from the service not by removal for cause on charges of misconduct or delinquency, be paid a reduced annuity computed as provided in section 9.

"'(e) Any employee who attains the age of sixty-two years and completes five years of service shall, upon separation from the service, be paid an annuity computed as provided in section 9.

"'(f) Any Member who attains the age of sixty-two years and completes five years of Member service, or who attains the age of sixty years and completes ten years of Member service, shall, upon separation from the service, be paid an annuity computed as provided in section 9. Any Member who attains the age of fifty-five years and completes thirty years of service shall, upon separation from the service prior to attainment of the age of sixty years, be paid a reduced annuity computed as provided in section 9. Any Member who completes twenty-five years of service, or who attains the age of fifty years and completes twenty years of service, shall, upon separation from the service (other than separation by resignation or expulsion), be paid a reduced annuity computed as provided in section 9. No Member or survivor of a Member shall be entitled to receive an annuity under this Act unless there shall have been deducted or deposited the amounts specified in section 4 with respect to his last five years of Member service.

"'*Disability retirement*

"'SEC. 7. (a) Any employee who completes five years of civilian service and who is found by the Commission to have become disabled shall, upon his own application or upon application by his department or agency, be retired on an annuity computed as provided in section 9. Any Member who completes five years of Member service and who is found by the Commission to have become disabled shall, upon his own application, be retired on an annuity computed as provided in section 9.

"'(b) No claim shall be allowed under this section unless the application is filed with the Commission prior to separation of the employee or Member from the service or within one year thereafter. This time limitation may be waived by the Commission for an individual who at the date of separation from service or within one year thereafter is mentally incompetent, if the application is filed with the Commission within one year from the date of restoration of such individual to competency or the appointment of a fiduciary, whichever is the earlier.

"'(c) Each annuitant retired under this section or under section 6 of the act of May 29, 1930, as amended, unless his disability is permanent in character, shall at the expiration of 1 year from the date of such retirement and annually thereafter, until reaching age 60, be examined under the direction of the Commission. If the annuitant fails to submit to examination as required under this section, payment of the annuity shall be suspended until continuance of the disability is satisfactorily established.

"'(d) If such annuitant, before reaching age 60, recovers from his disability or is restored to an earning capacity fairly comparable to the current rate of compensation of the position occupied at the time of retirement, payment of the annuity shall cease (1) upon reemployment by the Government, (2) one year from the date of the medical examination showing such recovery, or (3) one year from the date of determination that he is so restored, whichever is earliest. Earning capacity shall be deemed restored if in each of 2 succeeding calendar years the income of the annuitant from wages or self-employment or both shall equal at least 80 percent of the current rate of compensation of the position occupied immediately prior to retirement.

"'(e) If such annuitant whose annuity is discontinued under subsection (d) is not reemployed in any position included in the provisions of this act, he shall be considered, except for service credit, as having been involuntarily separated from the service for the purposes of this act as of the date of discontinuance of the disability annuity and shall, after such discontinuance, be entitled to annuity in accordance with the applicable provision of this act.

"'(f) No person shall be entitled to receive an annuity under this act and compensation for injury or disability to himself under the Federal Employees' Compensation Act of September 7, 1916, as amended, covering the same period of time. This provision shall not bar the right of any claimant to the greater benefit conferred by either act for any part of the same period of time. Neither this provision nor any provision in such act of September 7, 1916, as amended, shall deny to any person an annuity accruing to such person under this act on account of service rendered by him, or deny any concurrent benefit to such person under such act of September 7, 1916, as amended, on account of the death of any other person.

"'Notwithstanding any provision of law to the contrary, the right of any person entitled to an annuity under this Act shall not be affected because such person has received an award of compensation in a lump sum under section 14 of the Act of September 7, 1916, as amended, except that where such annuity is payable on account of the same disability for which compensation under such section has been paid, so much of such compensation as has been paid for any period extended beyond the date such annuity becomes effective, as determined by the Department of Labor, shall be refunded to the Department of Labor, to be covered into the Federal Employees' Compensation Fund. Before such person shall receive such annuity

he shall (1) refund to such Department the amount representing such commuted payments for such extended period, or (2) authorize the deduction of such amount from the annuity payable to him under this Act, which amount shall be transmitted to such Department for reimbursement to such fund. Deductions from such annuity may be made from accrued and accruing payments, or may be prorated against and paid from accruing payments in such manner as the Department of Labor shall determine, whenever it finds that the financial circumstances of the annuitant are such as to warrant such deferred refunding.

"'Deferred retirement

"'SEC. 8. (a) Any employee who is separated from the service or transferred to a position not within the purview of this Act after completing five years of civilian service may be paid an annuity beginning at the age of sixty-two years computed as provided in section 9.

"'(b) Any Member who on or after January 1, 1956, has been or is separated from the service as a Member after completing five years of Member service may hereafter be paid an annuity beginning at the age of sixty-two years, computed as provided in section 9. Any Member who is separated from the service after completing ten or more years of Member service may be paid an annuity beginning at the age of sixty years, computed as provided in section 9.

"'Computation of annuity

"'SEC. 9. (a) Except as otherwise provided in this section, the annuity of an employee retiring under this Act shall be (1) the larger of (A) 1½ per centum of the average salary multiplied by so much of the total service as does not exceed five years, or (B) 1 per centum of the average salary, plus $25, multiplied by so much of the total service as does not exceed five years, plus (2) the larger of (A) 1¾ per centum of the average salary multiplied by so much of the total service as exceeds five years but does not exceed ten years, or (B) 1 per centum of the average salary, plus $25, multiplied by so much of the total service as exceeds five years but does not exceed ten years, plus (3) the larger of (A) 2 per centum of the average salary multiplied by so much of the total service as exceeds ten years, or (B) 1 per centum of the average salary, plus $25, multiplied by so much of the total service as exceeds ten years: *Provided*, That the annuity shall not exceed 80 per centum of the average salary: *Provided further*, That the annuity of an employee retiring under section 7 shall be at least (1) 40 per centum of the average salary or (2) the sum obtained under this subsection after increasing his total service by the period elapsing between the date of separation and the date he attains the age of sixty years, whichever is the lesser, but this proviso shall not increase the annuity of any survivor.

"'(b) The annuity of a congressional employee retiring under this Act shall, if he so elects at the time his annuity commences, be (1) 2½ per centum of the average salary multiplied by his military service and service as a congressional employee, not exceeding a total of fifteen years, plus (2) 1½ per centum of the average salary multiplied by so much of the remainder of his total service as does not exceed five years, plus (3) 1¾ per centum of the average salary multiplied by so much of the remainder of his total service as exceeds five years but does not exceed ten years, plus (4) 2 per centum of the average salary multiplied by so much of the remainder of his total service as exceeds ten years: *Provided*, That the annuity shall not exceed 80 per centum of the average salary. This subsection shall not apply unless the congressional employee (1) has had at least five years' service as a congressional employee, (2) has had deductions withheld from his salary or made deposit covering his last five years of civilian service, and (3) has served as a congressional employee during the last eleven months of his civilian service: *Provided further*, That the annuity of a congressional employee retiring under section 7 shall be at least (1) 40 per centum of the average salary or (2) the sum obtained under this subsection after increasing his service as a congressional employee by the period elapsing between the date of separation and the date he attains the age of sixty years, whichever is the lesser, but this provision shall not increase the annuity of any survivor.

"'(c) The annuity of a Member retiring under this Act shall be an amount equal to—

"'(1) 2½ per centum of the average salary multiplied by the total of his Member and creditable military service;

"'(2) 2½ per centum of the average salary multiplied by his total years of service, not exceeding fifteen, performed as a congressional employee prior to his separation from service as a Member, other than any such service which he may elect to exclude;

"'(3) 1½ per centum of such average salary multiplied by so much of his total service, other than service used in computing annuity under clauses (1) and (2), as does not exceed five years, performed prior to his separation from service as a Member, and other than any such service which he may elect to exclude;

"'(4) 1¾ per centum of such average salary multiplied by so much of his total service, other than service used in computing annuity under clauses (1) and (2), as exceeds five years but does not exceed ten years, performed prior to his separation from service as a Member, and other than any such service which he may elect to exclude; and

"'(5) 2 per centum of such average salary multiplied by so much of his total service, other than service used in computing annuity under clauses (1) and (2), as exceeds ten years, performed prior to his separation from service as a Member, and other than any such service which he may elect to exclude.

In no case shall an annuity computed under this subsection exceed 80 per centum of the basic salary that he is receiving at the time of such separation from the service, and in no case shall the annuity of a Member retiring under section 7 be less than (A) 40 per centum of the average salary or (B) the sum obtained under this subsection after increasing his Member service by the period elapsing between the date of separation and the date he attains the age of sixty years, whichever is the lesser, but this provision shall not increase the annuity of any survivor.

"'(d) The annuity as hereinbefore provided, for an employee retiring under section 6 (b) or 6 (d) or a Member retiring under the first or second sentence of section 6 (f), shall be reduced by one-twelfth of 1 per centum for each full month not in excess of sixty, and one-sixth of 1 per centum for each full month in excess of sixty, such employee or Member is under the age of sixty years at date of separation.

"'(e) The annuity of an employee retiring under section 6 (c) shall be 2 per centum of the average salary multiplied by the total service: *Provided*, That the annuity shall not exceed 80 per centum of the average salary.

"'(f) The annuity as hereinbefore provided shall be reduced by 10 per centum of any deposit described in section 4 (c) remaining unpaid, unless the employee or Member shall elect to eliminate the service involved for purposes of annuity computation.

"'(g) Any employee or Member retiring under section 6, 7, or 8 may at the time of retirement elect a reduced annuity, in lieu of the annuity as hereinbefore provided, and designate in writing his wife or husband to receive an annuity after the retired individual's death computed as provided in section 10 (a) (1). The annuity of the employee or Member making such election, excluding any increase because of retirement under section 7, shall be reduced by 2½ per centum of so much of the portion thereof designated under section 10 (a) (1) as does not exceed $2,400 and by 10 per centum of so much of the portion so designated as exceeds $2,400.

"'(h) Any unmarried employee or Member retiring under section 6 or 8, and found by the Commission to be in good health, may at the time of retirement elect a reduced annuity, in lieu of the annuity as hereinbefore provided, and designate in writing a person having an insurable interest in the employee or Member to receive an annuity after the retired individual's death. The annuity payable to the employee or Member making such election shall be reduced by 10 per centum of an annuity computed as provided in section 9 and by 5 per centum of an annuity so computed for each full five years the person designated is younger than the retiring employee or Member, but such total reduction shall not exceed 40 per centum.

"'(i) The annuity as hereinbefore provided, for an employee who is a citizen of the United States, shall be increased by $36 multiplied by total service in the employ of either the Alaska Engineering Commission or The Alaska Railroad in the Territory of Alaska between March 12, 1914, and July 1, 1923, or in the employ of either the Isthmian Canal Commission or the Panama Railroad Company on the Isthmus of Panama between May 4, 1904, and April 1, 1914.

"'Survivor annuities

"'SEC. 10. (a) (1) If a Member or employee dies after having retired under any provision of this Act and is survived by a wife or husband designated under section 9 (g) such wife or husband shall be paid an annuity equal to 50 per centum of so much of an annuity computed as provided in subsections (a), (b), (c), (d), (e), and (f) of section 9, as may apply with respect to the annuitant, as is designated in writing for such purpose by such Member or employee at the time he makes the election provided for by section 9 (g).

"'(2) An annuity computed under this subsection shall begin on the first day of the month in which the retired employee or Member dies, and such annuity or any right thereto shall terminate upon the survivor's death or remarriage.

"'(b) The annuity of a survivor designated under section 9 (h) shall be 50 per centum of the reduced annuity computed as provided in subsections (a), (b), (c), (d), (e), (f), and (h) of section 9 as may apply with respect to the annuitant. The annuity of such survivor shall begin on the first day of the month in which the retired employee or Member dies, and such annuity or any right thereto shall terminate upon the survivor's death.

"'(c) If an employee dies after completing at least five years of civilian service, or a Member dies after completing at least five years of Member service, the widow or dependent widower of such employee or Member shall be paid an annuity equal to 50 per centum of an annuity computed as provided in subsections (a), (b), (c), (e), and (f) of section 9 as may apply with respect to the employee or Member. The annuity of such widow or dependent widower shall begin on the first day of the month after the employee or Member dies, and such annuity or any right thereto shall terminate upon death or remarriage of the widow or widower, or upon the widower's becoming capable of self-support.

"'(d) If an employee dies after completing five years of civilian service or a Member dies after completing five years of Member service, or an employee or a Member dies after having retired under any provision of

the Act, and is survived by a wife or by a husband, each surviving child who received more than one-half of his support from such employee or Member shall be paid an annuity equal to the smallest of (1) 40 per centum of the employee's or Member's average salary divided by the number of children, (2) $600, or (3) $1,800 divided by the number of children. If such employee or Member is not survived by a wife or husband, each surviving child shall be paid an annuity equal to the smallest of (1) 50 per centum of the employee's or Member's average salary divided by the number of children, (2) $720, or (3) $2,160 divided by the number of children. The child's annuity shall begin on the first day of the month after the employee or Member dies, and such annuity or any right thereto shall terminate upon (1) his attaining age 18 unless incapable of self-support, (2) his becoming capable of self-support after age 18, (3) his marriage, or (4) his death. Upon the death of the surviving wife or husband or termination of the annuity of the child, the annuity of any other child or children shall be recomputed and paid as though such wife, husband, or child had not survived the employee or Member.

"'(e) In case a Member separated from service with title to a deferred annuity under this Act, either prior to, on, or after the effective date of the Civil Service Retirement Act Amendments of 1956, shall hereafter die before having established a valid claim for annuity and is survived by a wife or husband to whom married at date of separation, such surviving wife or husband (1) shall be paid an annuity equal to one-half of the deferred annuity of such Member beginning the first day of the month following the death of such Member and terminating upon the death or remarriage of such surviving wife or husband or (2) may elect to receive a lump sum credit in lieu of annuity if such wife or husband is the person who would be entitled to the lump-sum credit and files application therefor with the Commission prior to the award of such annuity.

"'*Lump-sum benefits*

"'SEC. 11. (a) Any employee or Member who is separated from the service, or is transferred to a position wherein he does not continue subject to this Act, shall be paid the lump-sum credit provided his separation or transfer occurs and application for payment is filed with the Commission at least thirty-one days before the earliest commencing date of any annuity for which he is eligible. The receipt of payment of the lump-sum credit by the individual shall void all annuity rights under this Act, unless and until he shall be reemployed in the service subject to this Act. This subsection shall also apply to any employee or Member separated prior to the effective date of the Civil Service Retirement Act Amendments of 1956 after completing at least twenty years of civilian service.

"'(b) Each present or former employee or Member may, under regulations prescribed by the Commission, designate a beneficiary or beneficiaries for the purposes of this Act.

"'(c) Lump-sum benefits authorized under subsections (d), (e), and (f) of this section shall be paid in the following order of precedence to such person or persons surviving the employee or Member and alive at the date title to the payment arises, and such payment shall be a bar to recovery by any other person:

"'First, to the beneficiary or beneficiaries designated by the employee or Member in a writing received in the Commission prior to his death;

"'Second, if there be no such beneficiary, to the widow or widower of the employee or Member;

"'Third, if none of the above, to the child or children of the employee or Member and descendants of deceased children by representation;

"'Fourth, if none of the above, to the parents of the employee or Member or the survivor of them;

"'Fifth, if none of the above, to the duly appointed executor or administrator of the estate of the employee or Member;

"'Sixth, if none of the above, to other next of kin of the employee or Member as may be determined by the Commission to be entitled under the laws of the domicile of the individual at the time of his death.

"'(d) If an employee or Member dies (1) without a survivor, or (2) with a survivor or survivors and the right of all survivors shall terminate before claim for survivor annuity is filed, or if a former employee or Member not retired dies, the lump-sum credit shall be paid.

"'(e) If all annuity rights under this Act based on the service of a deceased employee or Member shall terminate before the total annuity paid equals the lump-sum credit, the difference shall be paid.

"'(f) If an annuitant dies, any annuity accrued and unpaid shall be paid.

"'(g) Any annuity accrued and unpaid upon the termination (other than by death) of the annuity of any annuitant or survivor annuitant shall be paid to such person. Any survivor annuity accrued and unpaid upon the death of any survivor annuitant shall be paid in the following order of precedence, and such payment shall be a bar to recovery by any other person:

"'First, to the duly appointed executor or administrator of the estate of the survivor annuitant;

"'Second, if there is no such executor or administrator, payment may be made, after the expiration of thirty days from the date of death of such survivor annuitant, to such next of kin of the survivor annuitant as may be determined by the Commission to be entitled under the laws of the survivor annuitant's domicile at the time of his death.

"'*Additional annuities*

"'SEC. 12. (a) Any employee or Member may, under regulations prescribed by the Commission, voluntarily contribute additional sums in multiples of $25, but the total may not exceed 10 per centum of his basic salary for his creditable service from and after August 1, 1920. The voluntary contribution account in each case shall be the sum of such unrefunded contributions, plus interest at 3 per centum per annum compounded annually to date of separation or transfer to a position not within the purview of this Act or, in case of an individual who is separated with title to a deferred annuity and does not claim the voluntary contribution account, to the commencing date fixed for such deferred annuity or date of death, whichever is earlier.

"'(b) Such voluntary contribution account shall be used to purchase at retirement an annuity in addition to the annuity otherwise provided. For each $100 in such voluntary contribution account, the additional annuity shall consist of $7, increased by 20 cents for each full year, if any, such employee or Member is over the age of fifty-five years at the date of retirement.

"'(c) A retiring employee or Member may elect a reduced additional annuity in lieu of the additional annuity described in subsection (b) and designate in writing a person to receive after his death an annuity of 50 per centum of his reduced additional annuity. The additional annuity of the employee or Member making such election shall be reduced by 10 per centum, and by 5 per centum for each full five years the person designated is younger than the retiring employee or Member, but such total reduction shall not exceed 40 per centum.

"'(d) Any employee or Member who is separated from the service before becoming eligible for immediate or deferred annuity or who transfers to a position wherein he does not continue subject to this Act shall be paid the voluntary contribution account. Any employee or Member who is separated from the service after becoming eligible for a deferred annuity under section 8 may elect to receive, in lieu of additional annuity, the voluntary contribution account, provided his separation occurs and application for payment is filed with the Commission at least thirty-one days before the commencing date of annuity.

"'(e) If any present or former employee or Member not retired dies, the voluntary contribution account shall be paid under the provisions of section 11 (c). If all additional annuities or any right thereto based on the voluntary contribution account of a deceased employee or Member terminate before the total additional annuity paid equals such account, the difference shall be paid under the provisions of section 11 (c).

"'*Reemployment of annuitants*

"'SEC. 13. (a) Notwithstanding any other provision of law, an annuitant heretofore or hereafter retired under this Act shall not, by reason of his retired status, be barred from employment in any appointive position for which he is qualified. An annuitant so reemployed shall serve at the will of the appointing officer.

"'(b) If an annuitant under this Act (other than (1) a disability annuitant whose annuity is terminated by reason of his recovery or restoration of earning capacity, (2) an annuitant whose annuity was based upon an involuntary separation from the service, excluding a separation under the automatic separation provisions of this Act, or (3) a Member retired under this Act) hereafter becomes employed, or on the date of enactment of the Civil Service Retirement Act Amendments of 1956 is serving, in an appointive or elective position, his service on and after the date he was or is so employed shall be covered by this Act. No deductions for the fund shall be withheld from his salary, but there shall be deducted from his salary, except for lump-sum leave payment purposes under the Act of December 21, 1944, a sum equal to the annuity allocable to the period of actual employment, and this provision concerning the lump-sum leave payments shall also be effective in the case of each retired employee separated from reemployment after December 15, 1953, and before the effective date of the Civil Service Retirement Act Amendments of 1956: *Provided*, That if such annuitant serves on a full-time basis for at least one year in employment not excluding him under section 2 (b) from coverage, (1) his annuity upon termination of employment shall be increased by an annuity computed under subsections (a), (b), (d), (e), and (f) of section 9 as may apply based upon the period of and the basic salary (before deduction) averaged during such employment, and (2) his lump-sum credit shall not be reduced by annuity paid during such employment. The employment of an annuitant under this subsection shall not operate to create an annuity for or in any manner affect the annuity of any survivor.

"'(c) If a Member heretofore or hereafter retired under this Act hereafter becomes employed in an appointive or elective position, annuity payments shall be discontinued during such employment and resumed in the same amount upon termination of such employment: *Provided*, That if such retired Member takes office as Member and gives notice as provided in section 2 (c), his service as Member during such period shall be credited in determining his right to and the amount of his subsequent annuity: *Provided further*, That this subsection shall not apply to a Member appointed by the President of the United States to a position not requiring confirmation by the Senate.

"'Payment of benefits

"'SEC. 14. (a) Each annuity is stated as an annual amount, one-twelfth of which, fixed at the nearest dollar, accrues monthly and is payable on the first business day of the month after it accrues.

"'(b) Except as otherwise provided, the annuity of an employee shall commence on the first of the month after separation from the service, or on the first of the month after salary ceases provided the employee meets the service and the age or disability requirements for title to annuity at that time. The annuity of a Member or of an elected officer of the Senate or House of Representatives shall commence on the day following the day on which salary shall cease provided the person entitled to such annuity meets the service and the age or disability requirements for title to annuity at that time. The annuity of an employee or Member under section 8 shall commence on the first of the month after the occurrence of the event on which payment of the annuity is based.

"'(c) An annuity shall terminate on the last day of the month preceding the month in which death or any other terminating event provided in this Act occurs.

"'(d) Any person entitled to annuity from the fund may decline to accept all or any part of such annuity by a waiver signed and filed with the Commission. Such waiver may be revoked in writing at any time, but no payment of the annuity waived shall be made covering the period during which such waiver was in effect.

"'(e) Where any payment is due a minor, or a person mentally incompetent or under other legal disability, such payment may be made to the person who is constituted guardian or other fiduciary by the law of the State of residence of such claimant or is otherwise legally vested with the care of the claimant or his estate: *Provided*, That where no guardian or other fiduciary of the person under legal disability has been appointed under the laws of the State of residence of the claimant, payment may be made to any person who in the judgment of the Commission is responsible for the care of the claimant, and such payment shall be a bar to recovery by any other person.

"'Exemption from legal processes

"'SEC. 15. (a) None of the moneys mentioned in this Act shall be assignable, either in law or equity, or be subject to execution, levy, attachment, garnishment, or other legal process.

"'(b) Notwithstanding any other provision of law, there shall be no recovery of any payments under this Act from any person when, in the judgment of the Commission, such person is without fault and such recovery would be contrary to equity and good conscience; nor shall there be any withholding of recovery of any moneys mentioned in this Act on account of any certification or payment made by any former employee of the United States in the discharge of his official duties unless the head of the department or agency on behalf of which the certification or payment was made certifies to the Commission that such certification or payment involved fraud on the part of such employee.

"'Administration

"'SEC. 16. (a) This Act shall be administered by the Commission. Except as otherwise specifically provided herein, the Commission is hereby authorized and directed to perform, or cause to be performed, any and all acts and to make such rules and regulations as may be necessary and proper for the purpose of carrying the provisions of this Act into full force and effect.

"'(b) Applications under this Act shall be in such form as the Commission shall prescribe, and shall be supported by such certificates from departments or agencies as the Commission may deem necessary to the determination of the rights of applicants. The Commission shall adjudicate all claims under this Act.

"'(c) Questions of dependency and disability arising under this Act shall be determined by the Commission and its decisions with respect to such matters shall be final and conclusive and shall not be subject to review. The Commission may order or direct at any time such medical or other examinations as it shall deem necessary to determine the facts relative to the disability or dependency of any person receiving or applying for annuity under this Act, and may suspend or deny any such annuity for failure to submit to any such examination.

"'(d) An appeal to Commission shall lie from any administrative action or order affecting the rights or interests of any person or of the United States under this Act, the procedure on appeal to be prescribed by the Commission.

"'(e) Fees for examinations made under the provisions of this Act, by physicians or surgeons who are not medical officers of the United States, shall be fixed by the Commission, and such fees, together with reasonable traveling and other expenses incurred in connection with such examinations, shall be paid out of the appropriations for the cost of administering this Act.

"'(f) The Commission shall publish an annual report upon the operations of this Act and shall include in each such report a statement with respect to the status of the fund on a normal cost plus interest basis.

"'(g) The Commission is hereby authorized and directed to select three actuaries, to be known as the Board of Actuaries of the Civil Service Retirement System. It shall be the duty of such Board to report annually upon the actuarial status of the system and to furnish its advice and opinion on matters referred to it by the Commission, and it shall have the authority to recommend to the Commission and to the Congress such changes as in the Board's judgment may be deemed necessary to protect the public interest and maintain the system upon a sound financial basis. The Commission shall keep or cause to be kept such records as it deems necessary for making periodic actuarial valuations of the Civil Service Retirement System, and the Board shall make such valuations at intervals of five years, or oftener if deemed necessary by the Commission. The compensation of the members of the Board of Actuaries, exclusive of such members as are in the employ of the United States, shall be fixed by the Commission.

"'Civil service retirement and disability fund

"'SEC. 17. (a) The fund is hereby appropriated for the payment of benefits as provided in this Act.

"'(b) The Secretary of the Treasury is hereby authorized to accept and credit to the fund moneys received in the form of donations, gifts, legacies, or bequests, or otherwise contributed for the benefit of civil-service employees generally.

"'(c) The Secretary of the Treasury shall immediately invest in interest-bearing securities of the United States, such currently available portions of the fund as are not immediately required for payments from the fund, and the income derived from such investments shall constitute a part of the fund.

"'(d) The purposes for which obligations of the United States may be issued under the Second Liberty Bond Act, as amended, are hereby extended to authorize the issuance at par of public-debt obligations for purchase by the fund. Such obligations issued for purchase by the fund shall have maturities fixed with due regard for the needs of the fund and bear interest at a rate equal to the average rate of interest computed as to the end of the calendar month next preceding the date of such issue, borne by all marketable interest-bearing obligations of the United States then forming a part of the public debt that are not due or callable until after the expiration of five years from the date of original issue; except that where such average rate is not a multiple of one-eighth of 1 per centum, the rate of interest of such obligations shall be the multiple of one-eighth of 1 per centum nearest such average rate. Such obligations shall be issued for purchase by the fund only if the Secretary of the Treasury determines that the purchase in the market of other interest-bearing obligations of the United States, or of obligations guaranteed as to both principal and interest by the United States on original issue or at the market price, is not in the public interest.

"'(e) The Commission shall submit estimates of the appropriations necessary to finance the fund on a normal cost plus interest basis and to continue this Act in full force and effect.

"'Short title

"'SEC. 18. This act may be cited as the "Civil Service Retirement Act".'

"Members of faculty of Naval Academy

"SEC. 402. (a) On and after the effective date of this title persons employed as members of the civilian faculties of the United States Naval Academy and the United States Naval Postgraduate School shall be included within the terms of the Civil Service Retirement Act, and on and after that date the Act of January 16, 1936 (49 Stat. 1092), as amended, shall not apply to such persons.

"(b) In lieu of the deposit prescribed by section 4 (c) of the Civil Service Retirement Act, an employee who by virtue of subsection (a) is included within the terms of such Act shall deposit, for service rendered prior to the effective date of this title as a member of the civilian faculty of the United States Naval Academy or of the United States Naval Postgraduate School, a sum equal to so much of the repurchase price of his annuity policy carried as required by the Act of January 16, 1936, as amended, as is based on the monthly allotments which were registered with the Navy Allotment Office toward the purchase of that annuity, the deposit to be made within six months after the effective date of this title. Should the deposit not be made within that period no credit shall be allowed under the Civil Service Retirement Act for service rendered as a member of the civilian faculty of the United States Naval Academy or of the United States Naval Postgraduate School subsequent to July 31, 1920, and prior to the effective date of this title. If the deposit is made, such service shall be held and considered to be service during which the employee was subject to the Civil Service Retirement Act.

"Continuation of prior rights

"SEC. 403. Except as otherwise provided, the amendments made by this title shall not apply in the case of employees or Members retired or otherwise separated prior to its effective date, and the rights of such persons and their survivors shall continue in the same manner and to the same extent as if this title had not been enacted. In the case of any Member heretofore separated with title to an annuity under the Act of May 29, 1930, as amended, the annuity of such Member and of any survivor of such Member shall be computed, and shall be paid only from and after the effective date of this title, as if the Act of August 11, 1955 (69 Stat. 692), had been in effect on the date of the separation of such Member.

"Vice President

"SEC. 404. In the case of any person holding the office of Vice President on the effective date of this title, service performed in such office shall be considered service during which he was subject to the Civil Service

Retirement Act for the purpose of section 3 (g) thereof.

"Forfeiture of annuities of persons remaining outside United States to avoid prosecution

"SEC. 405. The Act entitled 'An Act to prohibit payment of annuities to officers and employees of the United States convicted of certain offenses, and for other purposes', approved September 1, 1954 (68 Stat. 1142), is amended by adding at the end of section 2 thereof a new subsection as follows:

"'(c) In any case in which, after the date of enactment of this subsection, any person under indictment for any offense within the purview of the first section of this Act willfully remains outside the United States, its Territories, and possessions, for a period in excess of one year with knowledge of such indictment, no annuity or retired pay shall be paid, for any period subsequent to the end of such one-year period to such person or to the survivor or beneficiary of such person, on the basis of the service of such person, as an officer or employee of the Government unless and until a nolle prosequi to the entire indictment is entered upon the record or such person returns and thereafter the indictment is dismissed or after trial by court the accused is found not guilty of the offense or offenses charged in the indictment.'

"Effective date

"SEC. 406. This title shall take effect on the first day of the first month which begins more than sixty days after the date of enactment of this Act.

"Short title

"SEC. 407. This title may be cited as the 'Civil Service Retirement Act Amendments of 1956.'

"TITLE V—ADDITIONAL SCIENTIFIC AND PROFESSIONAL POSITIONS

"SEC. 501. (a) Subsections (a) and (b) of the first section of the Act of August 1, 1947 (61 Stat. 715; Public Law 313, Eightieth Congress), as amended, are amended to read as follows: '(a) the Secretary of Defense is authorized to establish and fix the compensation for not more than one hundred and twenty positions in the Department of Defense and not more than twenty-five positions in the National Security Agency, each such position being established to effectuate those research and development functions, relating to the national defense, military and naval medicine, and any and all other activities of the Department of Defense and the National Security Agency, as the case may be, which require the services of specially qualified scientific or professional personnel.

"'(b) The Chairman of the National Advisory Committee for Aeronautics is authorized to establish and fix the compensation for, in the headquarters and research stations of the National Advisory Committee for Aeronautics, not to exceed thirty positions in the professional and scientific service, each such position being established in order to enable the National Advisory Committee for Aeronautics to secure and retain the services of specially qualified personnel necessary in the discharge of the duty of the Committee to supervise and direct the scientific study of the problems of flight with a view to their practical solution.'

"(b) Nothing contained in the amendment made to such Act of August 1, 1947, by subsection (a) of this section shall affect any position existing under authority of subsection (a) of the first section of such Act of August 1, 1947, as in effect immediately prior to the effective date of such amendment, the compensation attached to any such position, and any incumbent thereof, his appointment thereto, and his right to receive the compensation attached thereto, until appropriate action is taken under authority of subsection (a) of such first section of such Act of August 1, 1947, as contained in the amendment made by subsection (a) of this section.

"SEC. 502. Section 505 (b) of the Classification Act of 1949, as amended (69 Stat. 179; 5 U. S. C., sec. 1105), is amended to read as follows:

"'(b) Subject to subsections (c), (d), and (e) of this section, a majority of the Civil Service Commissioners are authorized to establish and, from time to time, revise the maximum numbers of positions (not to exceed twelve hundred and twenty-six) which may be in grades 16, 17, and 18 of the General Schedule at any one time, except that under such authority such maximum number of positions shall not exceed three hundred and twenty-nine for grade 17 and one hundred and thirty for grade 18.'

"SEC. 503. (a) The United States Civil Service Commission, the Librarian of Congress, the Comptroller General of the United States, and the Director of the Federal Bureau of Investigation of the Department of Justice, respectively, with respect to those positions within the purview of subsections (b), (c), (d), and (e), respectively, of section 505 of the Classification Act of 1949, as amended, and the appropriate authority, with respect to those positions under jurisdiction of such authority which are allocated to or placed in grades 16, 17, and 18 of the General Schedule of the Classification Act of 1949, as amended (including such positions so allocated or placed on a temporary or present incumbency basis), under any provision of law (including any reorganization plan) other than the above-specified subsections, which is in effect on or after the date of enactment of this subsection, shall submit, so long as such provision of law or reorganization plan remains in effect, to the Congress, not later than February 1 of each year, a report which sets forth—

"(1) the total number of such positions allocated to or placed in all of such grades during the immediately preceding calendar year, the total number of such positions allocated to or placed in each of such grades during such immediately preceding calendar year, and the total number of such positions in existence during such immediately preceding calendar year and the grades to or in which such total number of positions in existence are allocated or placed,

"(2) the name, rate of compensation, and description of the qualifications of each incumbent of each such position, together with the position, title and a statement of the duties and responsibilities performed by each such incumbent,

"(3) the position or positions in or outside the Federal Government held by each such incumbent, and his rate or rates of compensation, during the five-year period immediately preceding the date of appointment of each such incumbent to such position, and

"(4) such other information as the Commission, officer, or other appropriate authority submitting such report may deem appropriate or which may be required by the Congress or a committee thereof.

"Nothing contained in this subsection shall require the resubmission of any information required under paragraphs (2) and (3) of this subsection which has been reported pursuant to this subsection and which remains unchanged.

"(b) In any instance in which the Commission, officer, or other appropriate authority so required to submit such report may find full public disclosure of any or all of the above-specified items to be detrimental to the national security, such Commission, officer, or authority is authorized—

"(1) to omit in such annual report those items with respect to which full public disclosure is found to be detrimental to the national security,

"(2) to inform the Congress of such omission, and

"(3) at the request of any congressional committee to which such report is referred, to present all information concerning such items.

"And the Senate agree to the same."

TOM MURRAY,
EDWARD H. REES,
JAMES H. MORRISON,
Managers on the Part of the House.

OLIN D. JOHNSTON,
JOHN O. PASTORE,
FRANK CARLSON,
WILLIAM E. JENNER,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 7619) to adjust the rates of compensation of the heads of the executive departments and of certain other officials of the Federal Government, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The Senate amendment struck out all of the House bill after the enacting clause and inserted a substitute text.

The committee of conference recommends that the House recede from its disagreement to the amendment of the Senate with an amendment which is a substitute for both the House bill and the Senate amendment and that the Senate agree to the same.

The conference substitute consists of five titles:

(1) Title I. Executive Pay
(2) Title II. Terms of Civil Service Commissioners and Succession to Duties of Chairman
(3) Title III. Miscellaneous Provisions
(4) Title IV. Civil Service Retirement
(5) Title V. Scientific and Professional Positions

The House bill related only to executive pay.

TITLE I. EXECUTIVE PAY

Title I of the conference substitute establishes salary levels for Cabinet officers, sub-Cabinet officers, and other executives of the Federal Government generally conforming to the salary levels for such officials provided by the bill as passed by the House. The salary levels for Cabinet officers ($25,000), for the Under Secretary of State, the Deputy Secretary of Defense, the Director, Office of Defense Mobilization, the Director, Bureau of the Budget, and the Comptroller General ($22,500), and for the Secretaries of the Army, Navy, and Air Force ($22,000), are the same as in the House bill.

Principal differences in the conference substitute and the bill as passed by the House are: (1) Chairmen of major boards and commissions are in salary level of $20,500 under the conference substitute, compared to levels of $19,500 and $20,000 in the House bill and (2) Assistant Secretaries of executive and military departments (including Assistant Postmasters General), administrators of certain bureaus and agencies, and members of major boards and commissions are placed in the $20,000 salary level under the conference substitute, compared to a salary level of $19,000 in the House bill. The salaries of governors of Territories and possessions are placed at $19,000 under the conference substitute.

The conference substitute establishes a proper alinement between salaries of Cabinet officers, sub-Cabinet officers, and the heads of the various agencies, independent establishments, and bureaus in accordance with the level of the duties and responsibilities of such positions.

The Senate amendment provided for the establishment of specified numbers of ad-

ministrative assistants and other secretaries or immediate staff assistants in the White House Office. The conferees on the part of the House agreed to the total number of such positions as contained in the Senate amendment, and the conference substitute approves such positions without regard to the assignment and distribution thereof.

In accordance with the bill as passed by the House, the conference substitute increases the maximum salaries under the Classification Act of 1949 (grade GS–18) and under the Postal Field Service Compensation Act of 1955 (salary level 20) from $14,800 to $16,000, with appropriate adjustments in salary steps for the immediate lower grade and levels provided in those acts. Maximum salaries for chief medical officers and assistants in the Veterans' Administration are increased, under the conference substitute and the bill as passed by the House, to maintain the existing relationship between such salaries and the salaries of other Government officials and of classified and postal field service positions.

TITLE II. TERMS OF CIVIL SERVICE COMMISSIONERS AND SUCCESSION TO DUTIES OF CHAIRMAN

Title II of the conference substitute establishes 6-year, staggered terms of office for United States Civil Service Commissioners; provides for designation by the President of a Vice Chairman of the Commission; and provides a line of succession to perform the duties and responsibilities of the Chairman of the Civil Service Commission by the Vice Chairman, in the absence of the Chairman, and by the other member of the Commission in the absence of the Chairman and Vice Chairman. The bill as passed by the House contained no such provision. However, this provision of the conference substitute is identical to the recommendation of the House committee in House Report No. 1844 with respect to the terms of office of Civil Service Commissioners and succession to the responsibilities of Chairman of the Commission in his absence.

TITLE III. MISCELLANEOUS PROVISIONS

Title III of the conference substitute provides for the appointment by the President, by and with the advice and consent of the Senate, of a General Counsel of the Post Office Department, a General Counsel of the Department of Agriculture, and a General Counsel of the Department of Health, Education, and Welfare to replace the existing offices of the chief legal officers of such Departments, which will be abolished. The House bill contained no such provision.

The Senate amendment authorized the Director of the Administrative Office of the United States Courts to place a total of 4 positions in grade GS–18 of the general schedule of the Classification Act of 1949, and provided that the positions of 7 directors of commodity offices, Commodity Stabilization Service, Department of Agriculture, shall be in grade GS–16 of such schedule. The bill as passed by the House contained no such provisions. The conference substitute does not contain such provisions, but increases by 11 positions the total number of supergrade positions which a majority of the Civil Service Commissioners are authorized to place in appropriate grades of the general schedule. It is the understanding of the committee on conference that the Civil Service Commission will immediately consider the 11 positions in question to determine if they merit these grades.

Three positions allocated by the Senate bill in grade 18 for deputy administrators for the Agricultural Research Service are contained in the conference substitute. The bill as passed by the House contained no such provision.

TITLE IV. CIVIL SERVICE RETIREMENT

The conference substitute contains a complete revision of the Civil Service Retirement Act of May 29, 1930. The House bill contained no such provision.

The conference substitute greatly liberalizes retirement benefits of Federal employees. The cost to the Government of the added benefits is estimated at $310 million a year. The major new employee benefits provided by the conference substitute are:

Annuities will be computed at (a) 2 percent of the high average salary multiplied by all years of service in excess of 10 plus 1½ percent of such salary multiplied by the first 5 years of service, plus 1¾ percent of the years of service from 5 to 10, or (b) 1 percent of high average salary, plus $25, multiplied by total years of service, whichever is greater. Under present law annuities are computed on the basis of 1½ percent of high average salary, or 1 percent of such salary plus $25, multiplied by total years of service, whichever is greater.

The annuity of an employee electing a survivor annuity will be reduced by 2½ percent of the first $2,400 and 10 percent of the balance. The present reduction is 5 percent of the first $1,500 and 10 percent of the balance.

Optional retirement is authorized at age 62 after 5 years of service, with the right to elect survivor benefits. Present law provides an annuity after 5 years of service, but requires 15 years of service for election of survivor benefits.

The present right to retire on a reduced annuity at age 55 after 30 years of service is continued.

The reduction factor for retirement before reaching age 60 is changed from 3 percent a year to 1 percent for each year the retiring employee is under age 60 and 2 percent for each year under age 55.

Disability benefits are liberalized by providing a minimum of 40 percent of the average salary, or the annuity which would have been earned at age 60, whichever is the lesser.

An annuity is granted upon involuntary separation after attaining the age of 50 years with 20 years of service, and the existing provision for annuity upon involuntary separation after 25 years of service, regardless of age, is continued.

Upon death of an employee after 5 years of service, or of a retired employee, the surviving widow or widower will receive an annuity equal to 50 percent of the earned annuity of the decedent, beginning the first month after such death.

Survivor annuities of children of an employee who dies after 5 years of service, or of a retired employee who dies, are increased by an average of 150 percent.

An annuitant who is reemployed and serves at least 1 full-time year on active duty in a position covered by the Retirement Act will receive an annuity based on his reemployed service as well as his annuity based on the original retirement. Any lump-sum leave credit will not be reduced by reason of annuity paid to him during reemployment.

Members of the civilian faculties of the Naval Academy and Naval Postgraduate School, and United States commissioners who meet certain tests of minimum compensation and service, are brought into the civil service retirement system.

Status of civil-service retirement fund

In the judgment of the managers on the part of the House, the conference substitute is both generous and realistic. It provides greatly liberalized retirement benefits and at the same time improves the financial soundness of the civil-service retirement fund.

The financial condition of the retirement fund has deeply concerned the House Post Office and Civil Service Committee for some time past. Recommendations of the committee based on its extensive study of methods of financing the fund were presented to the House and printed in House Report No. 1844, 84th Congress.

The committee found that there are three essentials to proper financing of the retirement fund. They are (1) employee contributions to the fund in amounts related to benefits provided and to recognized standards for a staff annuity system, (2) equal contributions to the fund by the Government as a payroll cost of each department and agency, and (3) appropriations by the Government to the fund in amounts which, when added to such contributions by the employees and matching contributions by the Government, will place in the fund each year the sum required to maintain it on a "normal cost plus interest" basis.

The normal cost plus interest basis for financing the retirement fund is defined in the conference substitute. In brief, it requires appropriations to the retirement fund each year to cover that part of the Government's share of accrued normal costs for the current year which are not met by the matching contributions of the departments and agencies and, in addition, interest on the past deficiency of the fund. When added to the contributions of the employees and of the departments and agencies, such appropriations will maintain the fund on a sound basis and the present deficit ($13,435,000,000 at June 30, 1955) will not be further increased.

The Civil Service Commission estimates that upon approval of the conference substitute an appropriation of approximately $555 million will be required each fiscal year to maintain the retirement fund on a normal cost plus interest basis. The fund also will receive $582 million from employee deductions and a like amount from contributions by the departments and agencies.

The normal cost plus interest method of financing the retirement fund is recommended by the board of actuaries of the civil service retirement and disability fund, by the Committee on Retirement Policy for Federal Personnel (created by Public Law 555, 82d Cong., to study all Federal retirement systems) and by independent actuarial and retirement authorities. It is the traditional basis of appropriation estimates by the Civil Service Commission for financing the fund.

It is emphasized that the major portion of the past deficiency, on which the Government pays interest, results from two factors—first, the "starting load" when the retirement system was first established, that is, the requirement to pay annuities based on long periods of service during which little or no contributions were made by the employees being retired under the system, and second, numerous increases in benefits throughout the years since with no accompanying provision for adequate financing. This condition necessitates the adoption of a firm basis for financing the retirement fund which will prevent further increase in the deficiency. The conference substitute contains the three essentials for financing the retirement fund on a normal cost plus interest basis, which will accomplish this purpose. It requires employees' contributions of 6½ percent of salary and matching contributions by the departments and agencies. It directs the Civil Service Commission to submit annual estimates of appropriations necessary to finance the fund on a normal cost plus interest basis and to continue the retirement system in full force and effect.

These and certain other fiscal adjustments provided by the conference substitute will greatly strengthen the financing of the retirement fund and assure its soundness in the future. The benefits granted by the conference substitute are the maximum benefits that could be granted Federal employees within the limits of sound financing.

The conference substitute authorizes the Secretary of Defense to establish not more than 120 scientific and professional positions

(in lieu of 45 now authorized) in the Department of Defense and not more than 25 such positions in the National Security Agency, to carry out research and development functions relating to national defense and military and naval medicine. It authorizes the Chairman of the National Advisory Committee for Aeronautics to establish 30 such positions in his agency. A salary range of $12,500 to $19,000 is established for such positions by title I of the conference substitute. The bill as passed by the House contained no such provision. However, the House in this Congress already has passed H. R. 11040, to create a substantially larger number of such positions. It is expected that the need for additional positions of this type will be reexamined early in the next Congress.

The conference substitute also increases, from 1,200 to 1,226, the maximum number of positions in grades 16, 17, and 18 of the general schedule in the Classification Act of 1949 which a majority of the Civil Service Commissioners are authorized to establish in accordance with that act. The existing provision for reports by the Civil Service Commission to Congress on the total number of such positions and the number thereof in each supergrade, contained in the Senate amendment, is replaced in the conference substitute by a requirement for reports to Congress by the Commission, and by other authorities authorized to establish like positions, setting forth, in addition to such information, information with respect to qualifications of incumbents of these positions and other information that is deemed appropriate or required by the Congress or a committee thereof.

The language in the conference substitute is identical to many sections of S. 2875, as reported to the House, and in other respects to the language contained in the bill as it passed the Senate. In this respect attention is directed to a more complete analysis in House Report No. 2854 and Senate Report No. 1787, reports on S. 2875.

TOM MURRAY,
EDWARD H. REES,
JAMES H. MORRISON,
Managers on the Part of the House.

Mr. MURRAY of Tennessee. Mr. Speaker, I call up the conference report on the bill (H. R. 7619) to adjust the rates of compensation of the heads of the executive departments and of certain other officials of the Federal Government, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House may be read in lieu of the report.

Mr. REES of Kansas. Mr. Speaker, this conference agreement represents one of the most substantial liberalizations of the Federal employees retirement system. Annuities of present employees and their widows will be increased by about 25 percent and those of children by 150 percent.

The last major revision of the Federal employees retirement system was made in 1948, in the 80th Congress, at which time I had the honor to be chairman of the committee that developed many of the programs which this piece of legislation improves. In 1948, for the first time we provided survivors' benefits for widows and children of Federal employees. Before that time there had been no survivor benefits for children and widows of Federal employees. These benefits are greatly liberalized by this legislation.

Under this bill a retiring employee may provide an annuity for his widow by merely taking a reduction of 2½ percent on the first $2,400 of his annuity and 10 percent on all above that as compared to the present 5 percent on the first $1,500 and 10 percent on all over that.

One of the major improvements made by this legislation is a revision of the formula for computing the annuity of those Federal employees who are retiring. Today an employee receives 1½ percent on highest 5-year average salary multiplied by his years of service. Under the bill he will receive 1½ percent for the first 5 years, 1¾ percent for the next 5 years, and 2 percent for the remainder of his service.

Another major benefit in the bill affects those employees who retire at ages less than 60. Presently the reduction formula for each year under 60 is 3 percent per year. Under the bill it will be 1 percent for each year under 60, and 2 percent for each year under 55.

Another major benefit is a provision for a minimum annuity of 40 percent of an employee's average annual salary if retired for disability regardless of age.

Still another provision will permit an employee with 20 years service and age 50 to receive an immediate annuity if involuntarily separated. The retirement at 25 years at any age at involuntary separation is retained. This provision is particularly important because it permits employees with 20 years' service at age 50 to retire and retain their Government insurance at the full face value until age 65 with no cost to them. The 30-year, age 55 retirement provision in present law is retained in the conference bill.

The bill (S. 2875) which the House Committee on Post Office and Civil Service reported last week with language I drafted, while not considered by the House as a whole, was very beneficial in the conference. A large portion of its language, provisions and policies is contained in the conference bill.

I can assure the Members that the employees will be pleased with the provisions of this bill. If you could have seen the smiles and congratulations coming from the officials of the employee organizations you would surely appreciate their satisfaction with its provisions.

I can assure the Members that all provisions of this bill have been thoroughly considered in conference. I firmly believe that it is a good bill and represents a major advance in the modernization of laws affecting all Federal employees.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The Clerk read the statement.

The SPEAKER. The question is on the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

Mr. MURRAY. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. MURRAY of Tennessee. Mr. Speaker, the conference agreement on H. R. 7619 contains a number of major bills added to a bill which passed the House last session and which was limited to the adjustment of the rates of compensation for the heads of the executive departments and agencies.

The Senate added four more titles in addition to executive pay, as follows:

Title I, executive pay.

Title II, terms of Civil Service Commissioners and succession to duties of Chairman.

Title III, miscellaneous provisions.

Title IV, civil-service retirement.

Title V, scientific and professional positions.

I will discuss the major points contained in the conference agreement consecutively as they appear in the bill.

Title I relates to executive pay. It establishes salary levels for Cabinet officers at $25,000 per annum, for the Under Secretary of State, the Deputy Secretary of Defense, Director, Office of Defense Mobilization, Director, Bureau of the Budget, and the Comptroller General at $22,500, and for the Secretaries of the Army, Navy, and Air Force at $22,000.

Salaries for the chairmen of major boards and commissions is placed at $20,500, Assistant Secretaries of executive and military departments, including Assistant Postmasters General, administrators of certain bureaus and agencies, and members of major boards and commissions at $20,000, and salaries of governors of Territories and possessions at $19,000 per annum.

The conference agreement establishes a proper alinement between salaries of Cabinet officers, sub-Cabinet officers, and the heads of the various agencies, independent establishments, and bureaus in accordance with the level of the duties and responsibilities of such positions.

It also increases the maximum salaries under the Classification Act of 1949—GS–18—and under the Postal Field Service Compensation Act of 1955—salary level 20—from $14,800 to $16,000, with appropriate adjustments in salary steps for the immediate lower grade and levels provided in those acts.

Maximum salaries for chief medical officers and assistants in the Veterans' Administration are increased to maintain the existing relationship between their salaries and the salaries of other Government officials and of classified and postal field service positions.

Title II establishes the terms of Civil Service Commissioners as a 6-year staggered term of office and also provides for a line of succession to the Chairmanship through the other Commissioners in the absence of the Chairman.

Title III provides for the appointment by the President, by and with the advice of the Senate, of General Counsels of the Post Office Department, Department of Agriculture, and Health, Education, and Welfare, to replace the existing offices of the chief legal officers of those Departments.

Title IV contains a complete revision of the Civil Service Retirement Act of May 29, 1930. It liberalizes retirement benefits of Federal employees. The cost to the Government of the added ben-

efits is estimated at $345 million a year, $35 million of which will be absorbed as the net result of increased employees' contributions. The major new employee benefits provided by the conference agreement are:

At the present time, civil service annuities are based upon 1½ percent of the highest average annual salary over a period of 5 consecutive years times the total years of service. This bill will change that formula so that it will be 1½ percent for the first 5 years of service, 1¾ percent for the next 5 years of service, and 2 percent for the remainder, multiplied by the years of service.

The annuity of an employee electing a survivor annuity will be reduced by 2½ percent of the first $2,400 and 10 percent of the balance. The present reduction is 5 percent of the first $1,500 and 10 percent of the balance.

Optional retirement is authorized at age 62 after 5 years of service, with the right to elect survivor benefits. Present law provides an annuity after 5 years of service, but requires 15 years of service for election of survivor benefits.

The present right to retire on a reduced annuity at age 55 after 30 years of service is continued.

The reduction factor for retirement before reaching age 60 is changed from 3 percent a year to 1 percent for each year the retiring employee is under age 60 and 2 percent for each year under age 55.

Disability benefits are liberalized by providing a minimum of 40 percent of the average salary, or the annuity which would have been earned at age 60, whichever is the lesser.

An annuity is granted upon involuntary separation after attaining the age of 50 years with 20 years of service, and the existing provision for annuity upon involuntary separation after 25 years of service, regardless of age, is continued.

Upon death of an employee after 5 years of service, or of a retired employee, the surviving widow or widower will receive an annuity equal to 50 percent of the earned annuity of the decedent, beginning the first month after such death.

Survivor annuities of children of an employee who dies after 5 years of service, or of a retired employee who dies, are increased by an average of 150 percent.

An annuitant who is reemployed and serves at least 1 full-time year on active duty in a position covered by the Retirement Act will receive an annuity based on his reemployed service as well as his annuity based on the original retirement. Any lump-sum leave credit will not be reduced by reason of annuity paid to him during reemployment.

Members of the civilian faculties of the Naval Academy and Naval Postgraduate School, and United States Commissioners who meet certain tests of minimum compensation and service, are brought into the civil-service retirement system. Contributions of the employees will be 6½ percent and Members 7½ percent.

STATUS OF CIVIL SERVICE RETIREMENT FUND

In the judgment of the managers on the part of the House, the conference agreement is both generous and realistic. It provides liberalized retirement benefits and at the same time improves the financial soundness of the civil-service retirement fund.

The financial condition of the retirement fund has deeply concerned the House Post Office and Civil Service Committee for some time past. Recommendations of the committee based on its extensive study of methods of financing the fund were presented to the House and printed in House Report No. 1844, 84th Congress.

The committee found that there are three essentials to proper financing of the retirement fund. They are, first, employee contributions to the fund in amounts related to benefits provided and to recognized standards for a staff annuity system; second, equal contributions to the fund by the Government as a payroll cost of each department and agency; and, third, appropriations by the Government to the fund in amounts which, when added to such contributions by the employees and matching contributions by the Government, will place in the fund each year the sum required to maintain it on a normal cost-plus-interest basis.

The normal cost-plus-interest basis for financing the retirement fund is defined in the conference agreement. In brief, it requires appropriations to the retirement fund each year to cover that part of the Government's share of accrued normal costs for the current year which are not met by the matching contributions of the departments and agencies and, in addition, interest on the past deficiency of the fund. When added to the contributions of the employees and of the departments and agencies, such appropriations will maintain the fund on a sound basis and the present deficit—$13,435,000,000 at June 30, 1955—will not be further increased.

The language in the conference agreement is identical to many sections of S. 2875, as reported to the House, and in other respects to the language contained in the bill as it passed the Senate. In this respect attention is directed to a more complete analysis in House Report No. 2854 and Senate Report No. 1787, reports on S. 2875.

AMENDING TITLE II OF SOCIAL SECURITY ACT

Mr. COOPER submitted the following conference report and statement on the bill (H. R. 7225) to amend title II of the Social Security Act to provide disability insurance benefits for certain disabled individuals who have attained age 50, to reduce to age 62 the age on the basis of which benefits are payable to certain women, to provide for continuation of child's insurance benefits for children who are disabled before attaining age 18, to extend coverage, and for other purposes.

CONFERENCE REPORT (H. REPT. NO. 2936)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 7225) to amend title II of the Social Security Act to provide disability insurance benefits for certain disabled individuals who have attained age 50, to reduce to age 62 the age on the basis of which benefits are payable to certain women, to provide for continuation of child's insurance benefits for children who are disabled before attaining age 18, to extend coverage, and for other purposes, having met after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 18, 37, 47, 56, 92, 96, 97, 98, and 101.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 5, 6, 7, 8, 11, 13, 14, 17, 24, 28, 29, 30, 31, 32, 33, 36, 38, 39, 40, 41, 43, 44, 45, 49, 50, 55, 63, 66, 67, 68, 69, 70, 71, 76, 82, 83, 84, 85, 86, 88, 94, and 99, and agree to the same.

Amendment numbered 9: That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with amendments as follows:

On page 4, line 17, and on page 5, lines 1, 8, 10, and 14, of the Senate engrossed amendments, strike out "August" each place it appears and insert "December".

On page 4, line 18, of the Senate engrossed amendments, strike out "August" and insert "September".

And the Senate agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with amendments as follows:

On page 6, lines 3, 5, and 9, of the Senate engrossed amendments, strike out "August" each place it appears and insert "October".

On page 6, lines 16 and 17, of the Senate engrossed amendments, strike out "December" each place it appears and insert "October".

On page 6, line 19, of the Senate engrossed amendments, strike out all after "Act." down to and including line 24.

On page 7, lines 4, 7, and 17, strike out "1957" and insert "November 1956".

On page 7, line 8, of the Senate engrossed amendments, strike out "1957" and insert "1956".

On page 7, line 12, of the Senate engrossed amendments, strike out "January 1957" and insert "November 1956".

On page 7, line 20, of the Senate engrossed amendments, strike out "such Act" and insert "the Social Security Act".

On page 7, line 25, of the Senate engrossed amendments, strike out "December" and insert "October".

On page 8, line 2, of the Senate engrossed amendments, strike out "118" and insert "114".

On page 8 of the Senate engrossed amendments, strike out line 6 and all that follows over to and including line 14, on page 14, and insert:

"(q) (1) The old-age insurance benefit of any woman for any month prior to the month in which she attains the age of sixty-five shall be reduced by—

"(A) 5/9 of 1 per centum, multiplied by

"(B) the number equal to the number of months in the period beginning with the first day of the first month for which she is entitled to an old-age insurance benefit and ending with the last day of the month before the month in which she would attain the age of sixty-five.

"(2) The wife's insurance benefit of any wife for any month after the month preceding the month in which she attains the age of sixty-two and prior to the month in which she attains the age of sixty-five shall be reduced by—

"(A) 25/36 of 1 per centum, multiplied by

"(B) the number equal to the number of months in the period beginning with the first day of the first month for which she is entitled to such wife's insurance benefit and ending with the last day of the month before the month in which she would attain the age of sixty-five, except that in no event shall such period start earlier than the first day of

the month in which she attains the age of sixty-two.

The preceding provisions of this paragraph shall not apply to the benefit for any month in which such wife has in her care (individually or jointly with the individual on whose wages and self-employment income such wife's insurance benefit is based) a child entitled to child's insurance benefits on the basis of such wages and self-employment income. With respect to any month in the period specified in clause (B) of the first sentence, if such wife does not have in such month such a child in her care (individually or jointly with such individual), she shall be deemed to have such a child in her care in such month for the purposes of the preceding sentence unless there is in effect for such month a certificate filed by her with the Secretary, in accordance with regulations prescribed by him, in which she elects to receive wife's insurance benefits reduced as provided in this subsection. Any certificate filed pursuant to the preceding sentence shall be effective for purposes of such sentence—

"(i) for the month in which it is filed, and for any month thereafter, if in such month she does not have such a child in her care (individually or jointly with such individual), and

"(ii) for the period of one or more consecutive months (not exceeding twelve) immediately preceding the month in which such certificate is filed which is designated by her (not including as part of such period any month in which she had such a child in her care (individually or jointly with such individual)).

If such a certificate is filed, the period referred to in clause (B) of the first sentence of this paragraph shall commence with the first day of the first month (i) for which she is entitled to a wife's insurance benefit, (ii) which occurs after the month preceding the month in which she attained the age of sixty-two, and (iii) for which such certificate is effective.

"(3) In the case of any woman who is entitled to an old-age insurance benefit to which paragraph (1) is applicable and who, for the first month for which she is so entitled (but not for any prior month) or for any later month occurring before the month in which she attains the age of sixty-five, is entitled to a wife's insurance benefit to which paragraph (2) is applicable, the amount of such wife's insurance benefit for any month prior to the month in which she attains the age of sixty-five shall, in lieu of the reduction provided in paragraph (2), be reduced by the sum of—

"(A) an amount equal to the amount by which such old-age insurance benefit for such month is reduced under paragraph (1), plus

"(B) an amount equal to—

"(i) the number equal to the number of months specified in clause (B) of paragraph (2), multiplied by

"(ii) $\frac{25}{36}$ of 1 per centum, and further multiplied by

"(iii) the excess of such wife's insurance benefit prior to reduction under this subsection over the old-age insurance benefit prior to reduction under this subsection.

"(4) In the case of any woman who is or was entitled to a wife's insurance benefit to which paragraph (2) is applicable and who, for any month after the first month for which she is or was so entitled (but not for such first month or any earlier month) occurring before the month in which she attains the age of sixty-five, is entitled to an old-age insurance benefit, the amount of such old-age insurance benefit for any month prior to the month in which she attains the age of sixty-five shall, in lieu of the reduction provided in paragraph (1), be reduced by the sum of—

"(A) an amount equal to the amount by which such wife's insurance benefit is reduced under paragraph (2) for such month (or, if she is not entitled to a wife's insurance benefit for such month, by an amount equal to the amount by which such benefit was reduced for the last month for which she was entitled thereto), plus

"(B) if the old-age insurance benefit for such month prior to reduction under this subsection exceeds such wife's insurance benefit prior to reduction under this subsection, an amount equal to—

"(i) the number equal to the number of months specified in clause (B) of paragraph (1), multiplied by

"(ii) 5/9 of 1 per centum, and further multiplied by

"(iii) the excess of such old-age insurance benefit over such wife's insurance benefit.

"'(5) In the case of any woman who is entitled to an old-age insurance benefit for the month in which she attains the age of sixty-five or any month thereafter, such benefit for such month shall, if she was also entitled to such benefit for any one or more months prior to the month in which she attained the age of sixty-five and such benefit for any such prior month was reduced under paragraph (1) or (4), be reduced as provided in such paragraph, except that there shall be subtracted, from the number specified in clause (B) of such paragraph—

"'(A) the number equal to the number of months for which such benefit was reduced under such paragraph, but for which such benefit was subject to deductions under paragraph (1) or (2) of section 203 (b),

and except that, in the case of any such benefit reduced under paragraph (4), there also shall be subtracted from the number specified in clause (B) of paragraph (2), for the purpose of computing the amount referred to in clause (A) of paragraph (4)—

"'(B) the number equal to the number of months for which the wife's insurance benefit was reduced under such paragraph (2), but for which such benefit was subject to deductions under paragraph (1) or (2) of section 203 (b) or under section 203 (c), and

"'(C) the number equal to the number of months occurring after the first month for which such wife's insurance benefit was reduced under such paragraph (2) in which she had in her care (individually or jointly with the individual on whose wages and self-employment income such benefit is based) a child of such individual entitled to child's insurance benefits.

Such subtraction shall be made only if the total of such months specified in clauses (A), (B), and (C) of the preceding sentence is not less than three. For purposes of clauses (B) and (C) of this paragraph, a wife's insurance benefit shall not be considered terminated for any reason prior to the month in which she attains the age of sixty-five.

"'(6) In the case of any woman who is entitled to a wife's insurance benefit for the month in which she attains the age of sixty-five or any month thereafter, such benefit for such month shall, if she was also entitled to such benefit for any one or more months prior to the month in which she attained the age of sixty-five and such benefit for any such prior month was reduced under paragraph (2) or (3), be reduced as provided in such paragraph, except that there shall be subtracted from the number specified in clause (B) of such paragraph—

"'(A) the number equal to the number of months for which such benefit was reduced under such paragraph, but for which such benefit was subject to deductions under paragraph (1) or (2) of section 203 (b) or under section 203 (c), and

"'(B) the number equal to the number of months, occurring after the first month for which such benefit was reduced under such paragraph, in which she had in her care (individually or jointly with the individual on whose wages and self-employment income such benefit is based) a child of such individual entitled to child's insurance benefits.

and except that, in the case of any such benefit reduced under paragraph (3), there also shall be subtracted from the number specified in clause (B) of paragraph (1), for the purpose of computing the amount referred to in clause (A) of paragraph (3)—

"(C) the number equal to the number of months for which the old-age insurance benefit was reduced under such paragraph (1) but for which such benefit was subject to deductions under paragraph (1) or (2) of section 203 (b).

Such subtraction shall be made only if the total of such months specified in clauses (A), (B), and (C) of the preceding sentence is not less than three.

"(7) In the case of a woman who is entitled to an old-age insurance benefit to which paragraph (5) is applicable and who, for the month in which she attains the age of sixty-five (but not for any prior month) or for any later month, is entitled to a wife's insurance benefit, the amount of such wife's insurance benefit for any month shall be reduced by an amount equal to the amount by which the old-age insurance benefit is reduced under paragraph (5) for such month.

"(8) In the case of a woman who is or was entitled to a wife's insurance benefit to which paragraph (2) was applicable and who, for the month in which she attains the age of sixty-five (but not for any prior month) or for any later month, is entitled to an old-age insurance benefit, the amount of such old-age insurance benefit for any month shall be reduced by an amount equal to the amount by which the wife's insurance benefit is reduced under paragraph (6) for such month (or, if she is not entitled to a wife's insurance benefit for such month, by (i) an amount equal to the amount by which such benefit for the last month for which she was entitled thereto was reduced, or (ii) if smaller, an amount equal to the amount by which such benefit would have been reduced under paragraph (6) for the month in which she attained the age of sixty-five if entitlement to such benefit had not terminated before such month).

"(9) The preceding paragraphs shall be applied to old-age insurance benefits and wife's insurance benefits after reduction under section 203 (a) and application of section 215 (g). If the amount of any reduction computed under paragraph (1), under paragraph (2), under clause (A) or clause (B) of paragraph (3), or under clause (A) or clause (B) of paragraph (4) is not a multiple of $0.10, it shall be reduced to the next lower multiple of $0.10."

On page 19, line 6, of the Senate engrossed amendments, insert before "amended" "each".

And the Senate agree to the same.

Amendment numbered 12: That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with amendments, as follows:

On page 20 of the Senate engrossed amendments, strike out lines 20, 21, and 22, and insert "section.".

On page 22, lines 3 and 7, of the Senate engrossed amendments, after "begins" each place it appears insert "not earlier than".

On page 23, line 5, of the Senate engrossed amendments strike out "a State" and insert "the United States or of a State".

On page 23, line 17, of the Senate engrossed amendments after "individual" insert "(i) did not attain retirement age in such month or in any prior month, and (ii)".

On page 24, line 11, of the Senate engrossed amendments, strike out "Trust Fund" and insert "Federal Disability Insurance Trust Fund".

On page 26, line 20, of the Senate engrossed amendments, strike out all after "Act." down to and including "cause." in line 23.

On page 27, line 24, of the Senate engrossed amendments, strike out "retirement age," and insert "the age of 65,".

On page 28, line 15, of the Senate engrossed amendments, strike out "attains retirement age" and insert "becomes entitled to old-age insurance benefits".

On page 31, line 10, of the Senate engrossed amendments, strike out "directors" and insert "collectors".

On page 31, line 15, of the Senate engrossed amendments, strike out "directors" and insert "collectors".

On page 32, lines 1 and 2, of the Senate engrossed amendments, strike out "or pursuant to sections 6011 (a), 6071, 6081 (a), 6091 (a), 6302 (b)" and insert "or to the Secretary of the Treasury or his delegate pursuant to subtitle F".

On page 32, line 19, of the Senate engrossed amendments, strike out "or chapter" and insert "or to the Secretary of the Treasury or his delegate on tax returns under subtitle F of such Code".

On page 33, line 23, of the Senate engrossed amendments, strike out "hereinafter provided" and insert "provided in this section".

On page 34, lines 7 and 8, of the Senate engrossed amendments, strike out "Commissioner of Internal Revenue pursuant to sections 6011 (a), 6071, 6081 (a), 6091 (a), 6302 (b)" and insert "Secretary of the Treasury or his delegate pursuant to subtitle F".

On page 34, lines 16, 17, and 18, of the Senate engrossed amendments, strike out "Commissioner of Internal Revenue on tax returns under chapter 2" and insert "Secretary of the Treasury or his delegate on tax returns under subtitle F".

On page 39, line 10, of the Senate engrossed amendments, strike out "Trust Fund" and insert "of the Trust Funds".

On page 39 of the Senate engrossed amendments, strike out lines 18 to 25, inclusive, and insert "amount estimated by him as taxes which are subject to refund under section 6413 (c) of the Internal Revenue Code of 1954 with respect to wages (as defined in section 1426 of the Internal Revenue Code of 1939 and section 3121 of the Internal Revenue Code of 1954) paid after December 31, 1950. Such taxes shall be determined on the basis of".

On page 40, lines 5 and 6, of the Senate engrossed amendments, strike out "and sections 6011 (a), 6071, 6081 (a), 6091 (a), and 6302 (b)" and insert "and to the Secretary of the Treasury or his delegate pursuant to subtitle F".

On page 43 of the Senate engrossed amendments, after line 15, insert:

"(j) Section 3121 (l) (6) of the Internal Revenue Code of 1954 is amended—

"(1) by striking 'TRUST FUND', in the heading, and inserting in lieu thereof 'TRUST FUNDS'; and

"(2) by inserting after 'Federal Old-Age and Survivors Insurance Trust Fund' the following: 'and the Federal Disability Insurance Trust Fund'."

And the Senate agree to the same.

Amendment numbered 15: That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment, as follows:

Restore the matter proposed to be stricken out by the Senate amendment, and on page 19, line 9, of the House engrossed bill, strike out "of 1930"; and the Senate agree to the same.

Amendment numbered 16: That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment, as follows:

Omit the matter proposed to be inserted by the Senate amendment, restore the matter proposed to be stricken out by the Senate amendment, and—

(1) on page 19, line 17, of the House engrossed bill, strike out "'; or '" and insert "a semicolon".

(2) on page 20, line 9, of the House engrossed bill, strike out "produced.'" and insert "produced; or'.".

And the Senate agree to the same.

Amendment numbered 19: That the House recede from its disagreement to the amendment of the Senate numbered 19, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "doctor of medicine or"; and the Senate agree to the same.

Amendment numbered 20: That the House recede from its disagreement to the amendment of the Senate numbered 20, and agree to the same with amendments, as follows:

On page 44, line 15, of the Senate engrossed amendments, strike out "(d)" and insert "(e)".

On page 44, line 18, of the Senate engrossed amendments, strike out "Indiana,"

On page 45, line 25, of the Senate engrossed amendments, strike out "of the Social Security Act".

And the Senate agree to the same.

Amendment numbered 21: That the House recede from its disagreement to the amendment of the Senate numbered 21, and agree to the same with an amendment, as follows: On page 46, line 13, of the Senate engrossed amendments, strike out "(e)" and insert "(f)"; and the Senate agree to the same.

Amendment numbered 22: That the House recede from its disagreement to the amendment of the Senate numbered 22, and agree to the same with amendments, as follows:

On page 47, line 9, of the Senate engrossed amendments, strike out "(f)" and insert "(g)".

On page 47, after line 10, of the Senate engrossed amendments, insert "'Policemen and Firemen in Certain States'".

And the Senate agree to the same.

Amendment numbered 23: That the House recede from its disagreement to the amendment of the Senate numbered 23, and agree to the same with amendments, as follows:

On page 48, line 6, of the Senate engrossed amendments, strike out "(g)" and insert "(h)".

On page 48, line 13, of the Senate engrossed amendments, insert a comma after "States" and before the quotation marks.

And the Senate agree to the same.

Amendment numbered 25: That the House recede from its disagreement to the amendment of the Senate numbered 25, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"(i) (1) The amendment made by subsection (a) shall apply with respect to service performed after 1956. The amendments made by paragraph (1) of subsection (c) shall apply with respect to service performed after 1954. The amendment made by paragraph (2) of subsection (c) shall apply with respect to taxable years ending after 1955. The amendment made by paragraph (3) of subsection (c) shall apply with respect to taxable years ending after 1954. The amendment made by subsection (d) shall apply with respect to taxable years ending after 1955. The amendment made by subsection (h) shall apply with respect to the same taxable years with respect to which the amendment made by section 201 (g) of this Act applies.

"(2) (A) Except as provided in subparagraphs (B) and (C), the amendments made by subsection (b) shall apply only with respect to service performed after June 30, 1957, and only if—

"(i) in the case of the amendment made by paragraph (1) of such subsection, the conditions prescribed in subparagraph (B) are met; and

"(ii) in the case of the amendment made by paragraph (2) of such subsection, the conditions prescribed in subparagraph (C) are met.

"(B) The amendment made by paragraph (1) of subsection (b) shall be effective only if—

"(i) the Federal Home Loan Bank Board submits to the Secretary of Health, Education, and Welfare, and the Secretary approves, before July 1, 1957, a plan, with respect to employees of Federal Home Loan Banks, for the coordination, on an equitable basis, of the benefits provided by the retirement system applicable to such employees with the benefits provided by title II of the Social Security Act; and

"(ii) such plan specifies, as the effective date of the plan, July 1, 1957, or the first day of a prior calendar quarter beginning not earlier than January 1, 1956."

If the plan specifies as the effective date of the plan a day before July 1, 1957, the amendment made by paragraph (1) of subsection (b) shall apply with respect to service performed on or after such effective date; except that, if such effective date is prior to the day on which the Secretary approves the plan, such amendment shall not apply with respect to service performed, prior to the day on which the Secretary approves the plan, by an individual who is not an employee of a Federal Home Loan Bank on such day.

"(C) The amendment made by paragraph (2) of subsection (b) shall be effective only if—

"(i) the Board of Directors of the Tennessee Valley Authority submits to the Secretary of Health, Education, and Welfare, and the Secretary approves, before July 1, 1957, a plan, with respect to employees of the Tennessee Valley Authority, for the coordination, on an equitable basis, of the benefits provided by the retirement system applicable to such employees with the benefits provided by title II of the Social Security Act; and

"(ii) such plan specifies, as the effective date of the plan, July 1, 1957, or the first day of a prior calendar quarter beginning not earlier than January 1, 1956.

If the plan specifies as the effective date of the plan a day before July 1, 1957, the amendment made by paragraph (2) of subsection (b) shall apply with respect to service performed on or after such effective date; except that, if such effective date is prior to the day on which the Secretary approves the plan, such amendment shall not apply with respect to service performed, prior to the day on which the Secretary approves the plan, by an individual who is not an employee of the Tennessee Valley Authority on such day.

"(D) The Secretary of Health, Education, and Welfare shall, on or before July 31, 1957, submit a report to the Congress setting forth the details of any plan approved by him under subparagraph (B) or (C)."

And the Senate agree to the same.

Amendment numbered 26: That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with amendments as follows:

On page 49, line 13, of the Senate engrossed amendments, strike out "$200" and insert "$150".

On page 49, line 15, of the Senate engrossed amendments, strike out "thirty" and insert "twenty".

And the Senate agree to the same.

Amendment numbered 27: That the House recede from its disagreement to the amendment of the Senate numbered 27, and agree to the same with amendments as follows:

On page 51, line 8, of the Senate engrossed amendments, strike out "$1,200" and insert "$1,800".

On page 51, lines 10 and 11, of the Senate engrossed amendments strike out "be deemed to be the gross income derived by him from such trade or business; or" and insert "be deemed to be 66⅔ percent of such gross income; or".

On page 51, line 14, of the Senate engrossed amendments, strike out "$1,200" and insert "$1,800".

On page 51, line 25, of the Senate engrossed amendments, strike out "$1,200" and insert "$1,800".

On page 52 of the Senate engrossed amendments, strike out lines 4, 5, and 6 and insert: "equal to 66⅔ percent of his distributive share of such gross income (after such gross income has been so reduced); or".

On page 52, line 12, of the Senate engrossed amendments, strike out "$1,200" and insert "$1,800.".

On page 53, line 2, of the Senate engrossed amendments, strike out "(7)" and insert "(6)".

On page 53, line 8, of the Senate engrossed amendments, strike out "(7)" and insert "(6)."

On page 53, line 16, of the Senate engrossed amendments, strike out "after 1956" and insert "on or after December 31, 1956."

And the Senate agree to the same.

Amendment numbered 34: That the House recede from its disagreement to the amendment of the Senate numbered 34, and agree to the same with an amendment, as follows: On page 59, line 19, of the Senate engrossed amendments, strike out "September" and insert "November"; and the Senate agree to the same.

Amendment numbered 35: That the House recede from its disagreement to the amendment of the Senate numbered 35, and agree to the same with an amendment as follows: On page 60, after line 2 of the Senate engrossed amendments, insert: "Extension of Period for Filing Proof of Support and Applications for Lump-Sum Death Payment"; and the Senate agree to the same.

Amendment numbered 42: That the House recede from its disagreement to the amendment of the Senate numbered 42, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"SUSPENSION OF BENEFITS OF ALIENS WHO ARE OUTSIDE THE UNITED STATES

"SEC. 118. (a) Section 202 of the Social Security Act is amended by adding after subsection (s) (added by section 102 of this Act) the following new subsection:

"'Suspension of Benefits of Aliens Who Are Outside the United States

"'(t) (1) Notwithstanding any other provision of this title, no monthly benefits shall be paid under this section or under section 223 to any individual who is not a citizen or national of the United States for any month which is—

"'(A) after the sixth consecutive calendar month during all of which the Secretary finds, on the basis of information furnished to him by the Attorney General or information which otherwise comes to his attention, that such individual is outside the United States, and

"'(B) prior to the first month thereafter for all of which such individual has been in the United States.

"'(2) Paragraph (1) shall not apply to any individual who is a citizen of a foreign country which the Secretary finds has in effect a social insurance or pension system which is of general application in such country and under which—

"'(A) periodic benefits, or the actuarial equivalent thereof, are paid on account of old age, retirement, or death, and

"'(B) individuals who are citizens of the United States but not citizens of such foreign country and who qualify for such benefits are permitted to receive such benefits or the actuarial equivalent thereof while outside such foreign country without regard to the duration of the absence.

"'(3) Paragraph (1) shall not apply in any case where its application would be contrary to any treaty obligation of the United States in effect on the date of the enactment of this subsection.

"'(4) Paragraph (1) shall not apply to any benefit for any month if—

"'(A) not less than forty of the quarters elapsing before such month are quarters of coverage for the individual on whose wages and self-employment income such benefit is based, or

"'(B) the individual on whose wages and self-employment income such benefit is based has, before such month, resided in the United States for a period or periods aggregating ten years or more, or

"'(C) the individual entitled to such benefit is outside the United States while in the active military or naval service of the United States.

"'(5) No person who is, or upon application would be, entitled to a monthly benefit under this section for December 1956 shall be deprived, by reason of paragraph (1), of such benefit or any other benefit based on the wages and self-employment income of the individual on whose wages and self-employment income such monthly benefit for December 1956 is based.

"'(6) If an individual is outside the United States when he dies and no benefit may, by reason of paragraph (1), be paid to him for the month preceding the month in which he dies, no lump-sum death payment may be made on the basis of such individual's wages and self-employment income.

"'(7) Subsections (b) and (c) of section 203 shall not apply with respect to any individual for any month for which no monthly benefit may be paid to him by reason of paragraph (1) of this subsection.

"'(8) The Attorney General shall certify to the Secretary such information regarding aliens who depart from the United States to any foreign country (other than a foreign country which is territorially contiguous to the continental United States) as may be necessary to enable the Secretary to carry out the purposes of this subsection and shall otherwise aid, assist, and cooperate with the Secretary in obtaining such other information as may be necessary to enable the Secretary to carry out the purposes of this subsection.'

"(b) The amendment made by subsection (a) shall apply in the case of monthly benefits under title II of the Social Security Act for months after December 1956 and in the case of lump-sum death payments under section 202 (i) of such Act with respect to deaths occurring after December 1956."

And the Senate agree to the same.

Amendment numbered 46: That the House recede from its disagreement to the amendment of the Senate numbered 46, and agree to the same with amendments as follows:

On page 66, line 12, of the Senate engrossed amendments, strike out "subparagraph (1)," and insert "subdivision of this subparagraph,".

On page 67, lines 8 and 14, of the Senate engrossed amendments, strike out "subparagraph (1)" each place it appears and insert "subdivision of this subparagraph."

On page 67, line 15, of the Senate engrossed amendments, strike out "in" and insert "under."

And the Senate agree to the same.

Amendment numbered 48: That the House recede from its disagreement to the amendment of the Senate numbered 48, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"EFFECT ON BENEFITS OF CONVICTION OF ESPIONAGE, SABOTAGE, TREASON, SEDITION, OR SUBVERSIVE ACTIVITIES; EMPLOYMENT BY COMMUNIST ORGANIZATIONS

"SEC. 121. (a) Section 202 of the Social Security Act is amended by adding after subsection (t) (added by section 118 of this Act) the following new subsection:

"'Conviction of Subversive Activities, Etc.

"'(u) (1) If any individual is convicted of any offense (committed after the date of the enactment of this subsection) under—

"'(A) chapter 37 (relating to espionage and censorship), chapter 105 (relating to sabotage), or chapter 115 (relating to treason, sedition, and subversive activities) of title 18 of the United States Code, or

"'(B) section 4, 112, or 113 of the Internal Security Act of 1950, as amended,

then the court may, in addition to all other penalties provided by law, impose a penalty that in determining whether any monthly insurance benefit under this section or section 223 is payable to such individual for the month in which he is convicted or for any month thereafter, and in determining the amount of any such benefit payable to such individual for any such month, there shall not be taken into account—

"'(C) any wages paid to such individual or to any other individual in the calendar quarter in which such conviction occurs or in any prior calendar quarter, and

"'(D) any net earnings from self-employment derived by such individual or by any other individual during a taxable year in which such conviction occurs or during any prior taxable year.

"'(2) As soon as practicable after an additional penalty has, pursuant to paragraph (1), been imposed with respect to any individual, the Attorney General shall notify the Secretary of such imposition.

"'(3) If any individual with respect to whom an additional penalty has been imposed pursuant to paragraph (1) is granted a pardon of the offense by the President of the United States, such additional penalty shall not apply for any month beginning after the date on which such pardon is granted.'

"(b) The amendment made by subsection (a) of this section shall not be construed to restrict or otherwise affect any of the provisions of the Act entitled 'An Act to prohibit payments of annuities to officers and employees of the United States convicted of certain offenses, and for other purposes', approved September 1, 1954 (Public Law 769, Eighty-third Congress).

"(c) Section 210 (a) of the Social Security Act is amended by adding at the end thereof the following new paragraph:

"'(17) Service in the employ of any organization which is performed (A) in any quarter during any part of which such organization is registered, or there is in effect a final order of the Subversive Activities Control Board requiring such organization to register, under the Internal Security Act of 1950, as amended, as a Communist-action organization, a Communist-front organization, or a Communist-infiltrated organization, and (B) after June 30, 1956.'

"(d) Section 3121 (b) of the Internal Revenue Code of 1954 is amended by adding at the end thereof the following new paragraph:

"'(17) service in the employ of any organization which is performed (A) in any quarter during any part of which such organization is registered, or there is in effect a final order of the Subversive Activities Control Board requiring such organization to register, under the Internal Security Act of 1950, as amended, as a Communist-action organization, a Communist-front organization, or a Communist-infiltrated organization, and (B) after June 30, 1956.'"

And the Senate agree to the same.

Amendment numbered 51: That the House recede from its disagreement to the amendment of the Senate numbered 51, and agree to the same with an amendment as follows: On page 28 of the House engrossed bill, restore line 19 and all that follows over to and

including line 4 on page 29; and the Senate agree to the same.

Amendment numbered 52: That the House recede from its disagreement to the amendment of the Senate numbered 52, and agree to the same with an amendment as follows: On page 72, line 15, of the Senate engrossed amendments, strike out "(b)" the first place it appears and insert "(c)"; and the Senate agree to the same.

Amendment numbered 53: That the House recede from its disagreement to the amendment of the Senate numbered 53, and agree to the same with an amendment as follows: Restore the matter proposed to be stricken out by the Senate amendment, and on page 29, lines 23 and 24, of the House engrossed bill, strike out "of 1930 (46 Stat. 470; 5 U. S. C. 693)"; and the Senate agree to the same.

Amendment numbered 54: That the House recede from its disagreement to the amendment of the Senate numbered 54, and agree to the same with an amendment as follows: Omit the matter proposed to be inserted by the Senate amendment, restore the matter proposed to be stricken out by the Senate amendment, and—

(1) on page 30, line 7, of the House engrossed bill, strike out "'; or'" and insert "a semicolon".

(2) on page 30, line 22, of the House engrossed bill, strike out "produced.'" and insert "produced; or'".

And the Senate agree to the same.

Amendment numbered 57: That the House recede from its disagreement to the amendment of the Senate numbered 57, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "doctor of medicine or"; and the Senate agree to the same.

Amendment numbered 58: That the House recede from its disagreement to the amendment of the Senate numbered 58, and agree to the same with amendments as follows:

On page 73, line 14, of the Senate engrossed amendments, strike out "(e)" and insert "(g)".

On page 74, line 2, of the Senate engrossed amendments, insert a comma after "United States" and before the quotation marks.

And the Senate agree to the same.

Amendment numbered 59: That the House recede from its disagreement to the amendment of the Senate numbered 59, and agree to the same with amendments as follows:

On page 74, line 5, of the Senate engrossed amendments, strike out "(f)" and insert "(h)".

On page 74, line 12, of the Senate engrossed amendments, strike out "$200" and insert "$150".

On page 74, line 13, of the Senate engrossed amendments, strike out "30" and insert "20".

On page 75, line 11, of the Senate engrossed amendments, strike out "$200" and insert "$150".

On page 75, line 12, of the Senate engrossed amendments, strike out "30" and insert "20".

And the Senate agree to the same.

Amendment numbered 60: That the House recede from its disagreement to the amendment of the Senate numbered 60, and agree to the same with amendments as follows:

On page 75, line 18, of the Senate engrossed amendments, strike out "(g)" and insert "(i)."

On page 76, line 3, of the Senate engrossed amendments, strike out "$1,200" and insert "$1,800."

On page 76, lines 5 and 6, of the Senate engrossed amendments, strike out "be deemed to be the gross income derived by him from such trade or business; or" and insert "be deemed to be 66⅔ percent of such gross income; or."

On page 76, line 9, of the Senate engrossed amendments, strike out "$1,200" and insert "$1,800."

On page 76, line 21, of the Senate engrossed amendments, strike out "$1,200" and insert "$1,800."

On page 76 of the Senate engrossed amendments, strike out line 24, and on page 77 of the Senate engrossed amendments, strike out lines 1 and 2, and insert "to 66⅔ percent of his distributive share of such gross income (after such gross income has been so reduced)"; or

On page 77, line 8, of the Senate engrossed amendments, strike out "$1,200" and insert "$1,800."

And the Senate agree to the same.

Amendment numbered 61: That the House recede from its disagreement to the amendment of the Senate numbered 61, and agree to the same with an amendment as follows: On page 78, line 14, of the Senate engrossed amendments, strike out "(h)" and insert "(j)"; and the Senate agree to the same.

Amendment numbered 62: That the House recede from its disagreement to the amendment of the Senate numbered 62, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following "(k)"; and the Senate agree to the same.

Amendment numbered 64: That the House recede from its disagreement to the amendment of the Senate numbered 64, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "(l)"; and the Senate agree to the same.

Amendment numbered 65: That the House recede from its disagreement to the amendment of the Senate numbered 65, and agree to the same with amendments as follows:

On page 79 of the Senate engrossed amendments, strike out lines 1 through 17, and insert:

"(m) (1) The amendments made by subsection (a) and paragraph (1) of subsection (h) shall apply with respect to remuneration paid after 1956. The amendment made by subsection (b) shall apply with respect to remuneration paid after October 1956. The amendments made by subsection (c) and paragraph (2) of subsection (h) shall apply with respect to service performed after 1956. The amendments made by paragraphs (1) and (2) of subsection (d) shall apply with respect to service with respect to which the amendments made by paragraphs (1) and (2) of subsection (b) of section 104 of this Act apply. The amendments made by paragraph (1) of subsection (e) shall apply with respect to service performed after 1954. The amendment made by paragraph (3) of such subsection shall apply with respect to taxable years ending after 1954. The amendments made by paragraph (2) of subsection (e) and by subsection (f) shall apply with respect to taxable years ending after 1955. The amendment made by subsection (l) shall apply with respect to taxable years ending on or after December 31, 1956. The amendment made by subsection (l) shall apply with respect to certificates filed after 1956 under section 3121 (k) of the Internal Revenue Code of 1954."

On page 79, line 19, of the Senate engrossed amendments, strike out "(e)" and insert "(g)."

On page 79, line 23, of the Senate engrossed amendments, strike out "(e)" and insert "(g)."

On page 80, line 5, of the Senate engrossed amendments, strike out "(e)" and insert "(g)."

On page 81, line 16, of the Senate engrossed amendments, strike out "(e)" and insert "(g)."

On page 82 of the Senate engrossed amendments, strike out lines 9 through 20, and insert:

"(3) Any tax under chapter 2 of the Internal Revenue Code of 1954 which is due, solely by reason of the enactment of subsection (f), or paragraph (2) of subsection (e), of this section, for any taxable year ending on or before the date of the enactment of this act shall be considered timely paid if payment is made in full on or before the last day of the sixth calendar month following the month in which this Act is enacted. In no event shall interest be imposed on the amount of any tax due under such chapter solely by reason of the enactment of subsection (f), or paragraph (2) of subsection (e), of this section for any period before the day after the date of enactment of this Act.

"(4) Any tax due under chapter 21 of the Internal Revenue Code of 1954, which is due, solely by reason of the enactment of subsection (d) and an effective date prescribed pursuant to paragraph (2) (B) or (2) (C) of section 104 (i), for any calendar quarter beginning prior to the day on which the Secretary of Health, Education, and Welfare approves the plan which prescribes such effective date shall be considered timely paid if payment is made in full on or before the last day of the sixth calendar month following the month in which such plan is approved. In no event shall interest be imposed on the amount of any such tax due under such chapter for any period before the day on which the Secretary of Health, Education, and Welfare approves such plan."

And the Senate agree to the same.

Amendment numbered 72: That the House recede from its disagreement to the amendment of the Senate numbered 72, and agree to the same with an amendment as follows: In lieu of subsection (c) in the matter proposed to be inserted by the Senate amendment (beginning on page 87, line 18, of the Senate engrossed amendments) insert the following:

"(c) Section 3 (a) of such Act is further amended by inserting the following new clause immediately before the period at the end thereof: ', and (4) in the case of any State, an amount equal to one-half of the total of the sums expended during such quarter as old-age assistance under the State plan in the form of medical or any other type of remedial care (including expenditures for insurance premiums for such care or the cost thereof), not counting so much of such expenditure for any money as exceeds the product of $6 multiplied by the total number of individuals who received old-age assistance under the State plan for such month'."

And the Senate agree to the same.

Amendment numbered 73: That the House recede from its disagreement to the amendment of the Senate numbered 73, and agree to the same with an amendment as follows: In lieu of subsection (c) in the matter proposed to be inserted by the Senate amendment (beginning on page 89, line 9, of the Senate engrossed amendments) insert the following:

"(c) Section 403 (a) of such Act is further amended by inserting the following new clause immediately before the period at the end thereof: '; and (4) in the case of any State, an amount equal to one-half of the total of the sums expended during such quarter as aid to dependent children under the State plan in the form of medical or any other type of remedial care (including expenditures for insurance premiums for such care or the cost thereof) not counting so much of such expenditure for any month as exceeds (A) the product of $3 multiplied by the total number of dependent children who received aid to dependent children under the State plan for such month plus (B) the product of $6 multiplied by the total number of other individuals who received aid to dependent children under the State plan for such month'."

And the Senate agree to the same.

Amendment numbered 74: That the House recede from its disagreement to the amendment of the Senate numbered 74, and agree

to the same with an amendment as follows: In lieu of subsection (c) in the matter proposed to be inserted by the Senate amendment (beginning on page 91, line 1, of the Senate engrossed amendments) insert the following:

"(c) Section 1003 (a) of such Act is further amended by inserting the following new clause immediately before the period at the end thereof: '; and (4) in the case of any State, an amount equal to one-half of the total of the sums expended during such quarter as aid to the blind under the State plan in the form of medical or any other type of remedial care (including expenditures for insurance premiums for such care or the cost thereof), not counting so much of such expenditure for any month as exceeds the product of $6 multiplied by the total number of individuals who received aid to the blind under the State plan for such month'."

And the Senate agree to the same.

Amendment numbered 75: That the House recede from its disagreement to the amendment of the Senate numbered 75, and agree to the same with an amendment as follows: In lieu of subsection (c) in the matter proposed to be inserted by the Senate amendment (beginning on page 92, line 16, of the Senate engrossed amendments) insert the following:

"(c) Section 1403 (a) of such Act is further amended by inserting the following new clause immediately before the period at the end thereof: '; and (4) in the case of any State, an amount equal to one-half of the total of the sums expended during such quarter as aid to the permanently and totally disabled under the State plan in the form of medical or any other type of remedial care (including expenditures for insurance premiums for such care or the cost thereof), not counting so much of such expenditure for any month as exceeds the product of $6 multiplied by the total number of individuals who received aid to the permanently and totally disabled under the State plan for such month'."

And the Senate agree to the same.

Amendment numbered 77: That the House recede from its disagreement to the amendment of the Senate numbered 77, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"PART II—SERVICES IN PROGRAMS OF OLD-AGE ASSISTANCE, AID TO DEPENDENT CHILDREN, AID TO THE BLIND, AND AID TO THE PERMANENTLY AND TOTALLY DISABLED

"OLD-AGE ASSISTANCE

"SEC. 311. (a) The first sentence of section 1 of the Social Security Act is amended to read: 'For the purpose of enabling each State to furnish financial assistance, as far as practicable under the conditions in such State, to aged needy individuals and of encouraging each State, as far as practicable under such conditions, to help such individuals attain self-care, there is hereby authorized to be appropriated for each fiscal year a sum sufficient to carry out the purposes of this title.'

"(b) Subsection (a) of section 2 of such Act is amended by striking out 'and' before clause (10) thereof, and by striking out the period at the end of such subsection and inserting in lieu thereof a semicolon and the following new clause: 'and (11) provide a description of the services (if any) which the State agency makes available to applicants for and recipients of old-age assistance to help them attain self-care.'

"(c) (1) Clauses (1) and (2) of section 3 (a) of such Act are each amended by striking out ', which shall be used exclusively as old-age assistance,'.

"(2) Clause (3) of such section 3 (a) is amended by striking out 'which amount shall be used for paying the costs of administering the State plan or for old-age assistance, or both, and for no other purpose' and inserting in lieu thereof "including services which are provided by the staff of the State agency (or of the local agency administering the State plan in the political subdivision) to applicants for and recipients of old-age assistance to help them attain self-care'."

And the Senate agree to the same.

Amendment numbered 78: That the House recede from its disagreement to the amendment of the Senate numbered 78, and agree to the same with an amendment as follows: In the second line of the matter proposed to be inserted by the Senate amendment strike out "SEC. 311" and insert "SEC. 312"; and the Senate agree to the same.

Amendment numbered 79: That the House recede from its disagreement to the amendment of the Senate numbered 79, and agree to the same with an amendment as follows: In the second line of the matter proposed to be inserted by the Senate amendment strike out "SEC. 312" and insert: "SEC. 313"; and the Senate agree to the same.

Amendment numbered 80: That the House recede from its disagreement to the amendment of the Senate numbered 80, and agree to the same with an amendment as follows: In the second line of the matter proposed to be inserted by the Senate amendment strike out "SEC. 313" and insert "SEC. 314"; and the Senate agree to the same.

Amendment numbered 81: That the House recede from its disagreement to the amendment of the Senate numbered 81, and agree to the same with an amendment as follows: In the third line of the matter proposed to be inserted by the Senate amendment strike out "and 313 (b)" and insert "313 (b), and 314 (b)"; and the Senate agree to the same.

Amendment numbered 87: That the House recede from its disagreement to the amendment of the Senate numbered 87, and agree to the same with amendments as follows:

On page 101, line 17, of the Senate engrossed amendments, strike out "each succeeding fiscal year" and insert "each of the 4 succeeding fiscal years."

On page 102, lines 2 and 3, strike out "the Federal percentage" and insert "80 percent of the total."

On page 102 of the Senate engrossed amendments, strike out the sentence beginning in line 13.

And the Senate agree to the same.

Amendment numbered 89: That the House recede from its disagreement to the amendment of the Senate numbered 89, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment, insert the following:

"PART V—AMENDMENTS TO MATCHING FORMULAS

"AMENDMENT TO MATCHING FORMULA FOR OLD-AGE ASSISTANCE

"SEC. 341. Section 3 (a) of the Social Security Act is amended to read as follows:

"'(a) From the sums appropriated therefor, the Secretary of the Treasury shall pay to each State which has an approved plan for old-age assistance, for each quarter, beginning with the quarter commencing October 1, 1956, (1) in the case of any State other than Puerto Rico and the Virgin Islands, an amount equal to the sum of the following proportions of the total amounts expended during such quarter as old-age assistance under the State plan, not counting so much of such expenditure with respect to any individual for any month as exceeds $60—

"'(A) four-fifths of such expenditures, not counting so much of any expenditure with respect to any month as exceeds the product of $30 multiplied by the total number of such individuals who received old-age assistance for such month; plus

"'(B) one-half of the amount by which such expenditures exceed the maximum which may be counted under clause (A);

and (2) in the case of Puerto Rico and the Virgin Islands, an amount, which shall be used exclusively as old-age assistance, equal to one-half of the total of the sums expended during such quarter as old-age assistance under the State plan, not counting so much of such expenditure with respect to any individual for any month as exceeds $30, and (3) in the case of any State, an amount equal to one-half of the total of the sums expended during such quarter as found necessary by the Secretary of Health, Education, and Welfare for the proper and efficient administration of the State plan, including services which are provided by the staff of the State agency (or of the local agency administering the State plan in the political subdivision) to applicants for and recipients of old-age assistance to help them attain self-care.'

"AMENDMENT TO MATCHING FORMULA FOR AID TO DEPENDENT CHILDREN

"SEC. 342. Section 403 (a) of the Social Security Act is amended to read as follows:

"'(a) From the sums appropriated therefor, the Secretary of the Treasury shall pay to each State which has an approved plan for aid to dependent children, for each quarter, beginning with the quarter commencing October 1, 1956, (1) in the case of any State other than Puerto Rico and the Virgin Islands, an amount equal to the sum of the following proportions of the total amounts expended during such quarter as aid to dependent children under the State plan, not counting so much of such expenditure with respect to any dependent child for any month as exceeds $32, or if there is more than one dependent child in the same home, as exceeds $32 with respect to one such dependent child and $23 with respect to each of the other dependent children, and not counting so much of such expenditure for any month with respect to a relative with whom any dependent child is living as exceeds $32—

"'(A) fourteen-seventeenths of such expenditures, not counting so much of the expenditures with respect to any month as exceeds the product of $17 multiplied by the total number of dependent children and other individuals with respect to whom aid to dependent children is paid for such month; plus

"'(B) one-half of the amount by which such expenditures exceed the maximum which may be counted under clause (A); and (2) in the case of Puerto Rico and the Virgin Islands, an amount equal to one-half of the total of the sums expended during such quarter as aid to dependent children under the State plan, not counting so much of such expenditure with respect to any dependent child for any month as exceeds $18, or if there is more than one dependent child in the same home, as exceeds $18 with respect to one such dependent child and $12 with respect to each of the other dependent children, and not counting so much of such expenditure for any month with respect to a relative with whom any dependent child is living as exceeds $18; and (3) in the case of any State, an amount equal to one-half of the total of the sums expended during such quarter as found necessary by the Secretary of Health, Education, and Welfare for the proper and efficient administration of the State plan, including services which are provided by the staff of the State agency (or of the local agency administering the State plan in the political subdivision) to relatives with whom such children (applying for or receiving such aid) are living, in order to help such relatives attain self-support or self-

care, or which are provided to maintain and strengthen family life for such children.'"

And the Senate agree to the same.

Amendment numbered 90: That the House recede from its disagreement to the amendment of the Senate numbered 90, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"AMENDMENT TO MATCHING FORMULA FOR AID TO THE BLIND

"SEC. 343. Section 1003 (a) of the Social Security Act is amended to read as follows:

"'(a) From the sums appropriated therefor, the Secretary of the Treasury shall pay to each State which has an approved plan for aid to the blind for each quarter, beginning with the quarter commencing October 1, 1956, (1) in the case of any State other than Puerto Rico and the Virgin Islands, an amount equal to the sum of the following proportions of the total amounts expended during such quarter as aid to the blind under the State plan, not counting so much of such expenditure with respect to any individual for any month as exceeds $60—

"'(A) four-fifths of such expenditures, not counting so much of any expenditure with respect to any month as exceeds the product of $30 multiplied by the total number of such individuals who received aid to the blind for such month; plus

"'(B) one-half of the amount by which such expenditures exceed the maximum which may be counted under Clause (A);

and (2) in the case of Puerto Rico and the Virgin Islands, an amount equal to one-half of the total of the sums expended during such quarter as aid to the blind under the State plan, not counting so much of such expenditure with respect to any individual for any month as exceeds $30; and (3) in the case of any State, an amount equal to one-half of the total of the sums expended during such quarter as found necessary by the Secretary of Health, Education, and Welfare for the proper and efficient administration of the State plan, including services which are provided by the staff of the State agency (or of the local agency administering the State plan in the political subdivisiou) to applicants for and recipients of aid to the blind to help them attain self-support or self-care.'"

And the Senate agree to the same.

Amendment numbered 91: That the House recede from its disagreement to the amendment of the Senate numbered 91, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"AMENDMENT TO MATCHING FORMULA FOR AID TO THE PERMANENTLY AND TOTALLY DISABLED

"SEC. 344. Section 1403 (a) of the Social Security Act is amended to read as follows:

"'(a) From the sums appropriated therefor, the Secretary of the Treasury shall pay to each State which has an approved plan for aid to the permanently and totally disabled, for each quarter, beginning with the quarter commencing October 1, 1956, (1) in the case of any State other than Puerto Rico and the Virgin Islands, an amount equal to the sum of the following proportions of the total amounts expended during such quarter as aid to the permanently and totally disabled under the State plan, not counting so much of such expenditure with respect to any individual for any month as exceeds $60—

"'(A) four-fifths of such expenditures, not counting so much of any expenditure with respect to any month as exceeds the product of $30 multiplied by the total number of such individuals who received aid to the permanently and totally disabled for such month; plus

"'(B) one-half of the amount by which such expenditures exceed the maximum which may be counted under clause (A); and (2) in the case of Puerto Rico and the Virgin Islands, an amount equal to one-half of the total of the sums expended during such quarter as aid to the permanently and totally disabled under the State plan, not counting so much of such expenditure with respect to any individual for any month as exceeds $30; and (3) in the case of any State, an amount equal to one-half of the total of the sums expended during such quarter as found necessary by the Secretary of Health, Education, and Welfare for the proper and efficient administration of the State plan, including services which are provided by the staff of the State agency (or of the local agency administering the State plan in the political subdivision) to applicants for and recipients of such aid to help them attain self-support or self-care.'"

And the Senate agree to the same.

Amendment numbered 93: That the House recede from its disagreement to the amendment of the Senate numbered 93, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"EFFECTIVE DATE

"SEC. 345. The amendments made by this part shall be effective for the period beginning October 1, 1956, and ending with the close of June 30, 1959, and after such amendments cease to be in effect any provision of law amended thereby shall be in full force and effect as though this part had not been enacted."

And the Senate agree to the same.

Amendment numbered 95: That the House recede from its disagreement to the amendment of the Senate numbered 95, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"AID TO DEPENDENT CHILDREN IN PUERTO RICO AND THE VIRGIN ISLANDS

"SEC. 351. (a) Clause (2) of subsection (a) of section 403 of the Social Security Act is amended by inserting immediately before the semicolon the following: ', and not counting so much of such expenditure for any month with respect to a relative with whom any dependent child is living as exceeds $18'.

"(b) Subsection (b) of section 406 of such Act is amended by striking out '(except when used in clause (2) of section 403 (a))'.

"(c) Section 1108 of such Act is amended by striking out '$4,250,000' and inserting in lieu thereof '$5,312,500', and by striking out '$160,000' and inserting in lieu thereof '$200,000'.

"(d) The amendments made by this section shall be effective with respect to the fiscal year ending June 30, 1957, and all succeeding fiscal years."

And the Senate agree to the same.

Amendment numbered 100: That the House recede from its disagreement to the amendment of the Senate numbered 100, and agree to the same with amendments as follows:

On page 123, line 13, of the Senate engrossed amendments, strike out "1957" and insert "1958."

On page 123, line 17, of the Senate engrossed amendments, strike out "1956" and insert "1957."

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate to the title of the bill, and agree to the same with an amendment as follows:

Amend the title so as to read: "An Act to amend title II of the Social Security Act to provide disability insurance benefits for certain disabled individuals who have attained age fifty, to reduce to age sixty-two the age on the basis of which benefits are payable to certain women, to provide for child's insurance benefits for children who are disabled before attaining age eighteen, to extend coverage, and for other purposes."

And the Senate agree to the same.

JERE COOPER,
WILBUR D. MILLS,
NOBLE J. GREGORY,
DANIEL A. REED,
THOMAS A. JENKINS,
Managers on the Part of the House.

HARRY FLOOD BYRD,
WALTER F. GEORGE,
ROBERT S. KERR,
J. ALLEN FREAR, Jr.,
EUGENE D. MILLIKIN,
EDWARD MARTIN,
JOHN J. WILLIAMS,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 7225) to amend title II of the Social Security Act to provide disability insurance benefits for certain disabled individuals who have attained age 50, to reduce to age 62 the age on the basis of which benefits are payable to certain women, to provide for continuation of child's insurance benefits for children who are disabled before attaining age 18, to extend coverage, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The following Senate amendments made technical, clerical, clarifying, or conforming changes: 1, 3, 4, 5, 6, 7, 8, 16, 18, 28, 36, 37, 38, 39, 40, 43, 44, 45, 49, 50, 54, 56, 62, and 64. With respect to these amendments (1) the House either recedes or recedes with amendments which are technical, clerical, clarifying, or conforming in nature, or (2) the Senate recedes in order to conform to other action agreed upon by the committee of conference.

Amendment No. 2: Section 101 (a) of the House bill amended section 202 (d) (1) of the Social Security Act so as to provide for payment of child's insurance benefits to disabled children aged 18 or over who are receiving (or are eligible to receive) such benefits before attainment of age 18. The Senate amendment provided for payment of such benefits to such disabled children even if they were not receiving (and not eligible to receive) such benefits prior to attaining such age. In the case of both the House bill and the Senate amendment, however, the disability must have begun before attainment of age 18. The House recedes.

Amendment No. 9: Section 101 (f) of the House bill provided the effective date for the provisions on child's insurance benefits for disabled children. Generally, these provisions would be effective January 1, 1956, in the case of children who attained age 18 after 1953. The provisions of the Senate amendment on this subject would be effective generally September 1, 1956.

The House recedes with an amendment making the provisions on child's insurance benefits for disabled children, as contained in the Senate amendment, effective generally January 1, 1957.

Amendment No. 10: Section 102 (a) of the House bill reduced the age at which women

could qualify under the old-age and survivors insurance system for old-age insurance benefits, or for benefits as the wife, widow, or dependent mother of an insured worker, from 65 to 62. These provisions were generally effective after December 1955 (and lump-sum death payments in case of deaths after 1955).

The Senate amendment provided for the same reduction in the qualifying age. However, in the case of benefits payable to a woman as the wife of an insured worker (without having in her care a child of the worker entitled to child's benefits) and in the case of old-age insurance benefits payable to her, the benefits were to be reduced in order to take account of the earlier entitlement to the benefits. The reduction would be equal to 20 percent of the benefit which would be payable at age 65 in the case of old-age insurance benefits for which the woman qualifies at age 62 (with a proportionately lower reduction for each month after 62 that she delays in qualifying). In the case of wife's insurance benefits, the reduction for a woman qualifying for the full period between age 62 and 65 would be 25 percent of the benefit which would be payable at age 65.

The Senate amendment would generally be effective beginning September 1, 1956, in the case of widow's and parent's benefits and beginning January 1, 1957, in the case of wife's insurance benefits and old-age insurance benefits for women.

The House recedes with an amendment making the provisions effective generally November 1, 1956, and with technical amendments, including a technical amendment designed to simplify the computation of the actuarial reduction and the administration of these provisions in cases where a woman is entitled to both an old-age insurance benefit and a wife's insurance benefit. The effective date provided under the conference agreement would apply for purposes of all four types of benefits for women—old-age, wife's, widow's, and parent's insurance benefits, and (in the case of lump-sum death payments) where the death occurs after October 1956.

The conferees have been advised of the great difficulty which the Department of Health, Education, and Welfare will have not only in beginning benefit payments for the month of November 1956 to the large number of women who will file applications for early retirement benefits after the enactment date, but also in handling the very substantial additional workloads resulting from the disability and other provisions of the 1956 amendments. The conferees urge the Department to take immediate measures to staff up, to train its employees, and to take all other immediate measures to insure that it will do the best possible job in discharging its increased responsibilities under these amendments.

Amendments Nos. 11 and 12: Section 103 of the House bill provided for payment of disability insurance benefits to certain insured disabled individuals who have attained age 50 but have not reached age 65 and whose disability has lasted not less than 6 months. It also provided for reduction of such benefits, and child's insurance benefits for a disabled child age 18 or over, if another Federal benefit or State workmen's compensation benefit is payable by reason of physical or mental impairment. In addition, the House bill provided for suspension of these benefits based on disability pending determination of whether the disability has, in fact, ceased in cases where the Secretary believes the beneficiary is no longer disabled, and for withholding of such benefits for refusal, without good cause, to accept rehabilitation services available under an approved Federal-State program.

The Senate amendment contained the same provisions except for (1) technical or clarifying changes; (2) the addition of a provision exempting an individual from loss of benefits for months for which he refuses to accept rehabilitation services where the refusal relates to surgery or medical services or where the refusal is based on adherence to the teachings of a church or sect that teaches its members to rely solely on spiritual means for curing impairments; and (3) the addition of a provision establishing a separate Federal disability insurance trust fund composed of amounts equal to one-half of 1 percent of wages and three-eighths of 1 percent of self-employment income.

In the case of the House bill the new disability insurance benefits would first be payable for months after December 1955. In the case of the Senate amendment they would first be payable for months after June 1957.

The House recedes with an amendment under which refusal to undergo surgery or medical services would not exempt an individual from loss of benefits unless such refusal is based on adherence to the teachings of a church or sect which teaches its members to rely solely on spiritual means for curing impairments. The amendment also makes technical and conforming changes.

In providing in the conference agreement that determinations of disability for cash disability benefits be made by State agencies under the same arrangements as are now utilized in making determinations for the disability freeze, it is understood and expected that the Secretary of Health, Education, and Welfare will fully utilize his authority to review and revise determinations of State agencies in order to assure uniform administration of the disability benefits and to protect the Federal Disability Insurance Trust Fund from unwarranted costs.

Amendment No. 13: Section 104 (a) of the House bill amended section 210 (a) (1) of the Social Security Act so as to provide coverage under the old-age and survivors insurance system, on the same basis as other agricultural labor, for service performed in connection with the production and harvesting of gum-resin products. The Senate amendment deleted this provision of the House bill, thereby continuing in effect the present exclusion from coverage of such service. The House recedes.

Amendment No. 14: This amendment added to the House bill a new section 104 (b), which would amend section 210 (a) (1) (B) of the Social Security Act so as to exclude from coverage under the old-age and survivors insurance system service performed by foreign agricultural workers lawfully admitted to the United States from any foreign country (or possession thereof) on a temporary basis to perform agricultural labor. Section 210 (a) (1) (B) presently excludes from coverage such service performed by workers so admitted from the Bahamas, Jamaica, and the other British West Indies. The House recedes.

Amendment No. 15: Section 104 (b) of the House bill amended section 210 (a) (6) of the Social Security Act so as to provide coverage under the old-age and survivors insurance system for service performed in the employ of a Federal home loan bank (and subject to its retirement system) and for service performed in the employ of the Tennessee Valley Authority (and subject to its retirement system). The Senate amendment deleted this provision of the House bill, thereby continuing in effect the present exclusion from coverage of such service. Under the conference agreement the provisions of the House bill providing coverage for such service performed by employees of the Tennessee Valley Authority, and by employees of Federal home loan banks, are retained. As explained in connection with the explanation of amendment No. 25, the extension of coverage in the case of Federal home loan banks will become effective only if the conditions specified in subparagraph (B) of section 104 (1) (2) of the bill as agreed to in conference are met, and the extension of coverage in the case of the Tennessee Valley Authority will become effective only if the conditions specified in subparagraph (C) of such section 104 (1) (2) are met.

Amendment No. 17: Section 104 (c) (2) of the House bill amended section 211 (a) (1) of the Social Security Act so as to provide that income derived from a share-farming arrangement by the owner or tenant of land may be included in computing his net earnings from self-employment if the arrangement provides for his material participation in the production (by the other party to the arrangement) of agricultural or horticultural commodities and such participation in fact exists. The Senate amendment added language to make it clear that the income so derived by the owner or tenant of land may be included in his net earnings from self-employment where he participates materially in the "management of the production" of such commodities. The House recedes.

Amendment No. 19: Section 104 (d) of the House bill amended section 211 (c) (5) of the Social Security Act so as to provide coverage under the old-age and survivors insurance system for self-employment lawyers, dentists, osteopaths, veterinarians, chiropractors, naturopaths, and optometrists. Under the House bill, of the professional self-employed individuals presently enumerated in section 211 (c) (5), only physicians and Christian Science practitioners would continue to be excluded from such coverage. The Senate amendment provides for the exclusion of the performance of service by an individual in the exercise of his profession as a doctor of medicine, doctor of osteopathy, or Christian Science practitioner (or the performance of such service by a partnership). The House recedes with an amendment extending coverage to the performance of service by an individual in the exercise of his profession as a doctor of osteopathy (or the performance of such service by a partnership).

Amendment No. 20: This amendment added to section 104 of the House bill a new subsection (d), which would amend section 218 (d) (6) of the Social Security Act to allow certain States (Florida, Georgia, Indiana, New York, North Dakota, Pennsylvania, Tennessee, Washington, Wisconsin, and Hawaii), and the political subdivisions of such States, under certain conditions to divide their retirement systems into two divisions or parts, one consisting of the positions of members who desire old-age and survivors insurance coverage and the other consisting of the positions of members who do not, with each such division or part being treated as a separate retirement system. The provision added by this amendment would also allow employees of certain States (Florida, Georgia, Minnesota, North Dakota, Pennsylvania, Washington, and Hawaii) who are covered by a retirement system, and who are compensated in whole or in part from Federal grants for unemployment compensation administration under title III of the Social Security Act, to have their positions (or all other positions in the department in which they are employed, or all positions in such department) treated as a separate retirement system for purposes of old-age and survivors insurance coverage. The House recedes with a clerical amendment and with an amendment deleting Indiana from the scope of the amendment.

Amendment No. 21: This amendment added to section 104 of the House bill a new subsection (e), which would permit certain States (Florida, Nevada, New Mexico, Minnesota, Oklahoma, Pennsylvania, Texas, Washington, and Hawaii) to modify their State agreements under section 218 of the Social Security Act at any time prior to July 1, 1957, without regard to certain requirements contained in section 218 (d) of that

act so as to provide old-age and survivors insurance coverage under such agreements for school district employees who are not required to hold teachers' or administrators' certificates. The House recedes with a clerical amendment.

Amendment No. 22: This amendment added to section 104 of the House bill a new subsection (f), which would amend section 218 of the Social Security Act so as to permit certain States (Florida, North Carolina, Oregon, South Carolina, and South Dakota) to modify their State agreements to provide old-age and survivors insurance coverage under such agreements for employees in any policeman's or fireman's position covered by a retirement system, notwithstanding the provisions of such section 218 which preclude old-age and survivors insurance coverage of employees in any such position. If the retirement system covers positions of policemen or firemen (or both) and other positions as well, the policemen or firemen (or both) may be treated as having a separate retirement system for these purposes. The House recedes with clerical amendments.

Amendment No. 23: This amendment added to section 104 of the House bill a new subsection (g), which would amend section 211 (a) (7) (B) of the Social Security Act so as to permit inclusion, in the computation of net earnings from self-employment for purposes of old-age and survivors insurance, of certain remuneration received by any minister in a foreign country who is a United States citizen and whose congregation is composed predominantly of United States citizens. The House recedes with clerical amendments.

Amendments Nos. 24 and 25: Section 104 (e) of the House bill contained the effective dates applicable to the provisions of the House bill which extended coverage under the old-age and survivors insurance system. Senate amendment No. 24 deleted section 104 (e) of the House bill, and Senate amendment No. 25 inserted a new subsection containing the effective dates applicable to the coverage provisions in the bill as it passed the Senate.

The House recedes with an amendment. In view of the period of time which has elapsed since the passage of the bill in the House, the conference agreement retains the effective dates contained in the Senate amendment. In the case of coverage provided by section 104 (b) of the House bill which was restored by the conference action on amendment No. 15, the conference agreement provides that the amendment made by paragraph (1) of such section 104 (b) (relating to coverage of employees of Federal home loan banks) shall become effective only if the Federal Home Loan Bank Board submits to the Secretary of Health, Education, and Welfare, and the Secretary approves, before July 1, 1957, a plan for the coordination, on an equitable basis, of the benefits provided by the retirement system applicable to employees of Federal home loan banks with the benefits provided by title II of the Social Security Act, and such plan prescribes as the effective date thereof July 1, 1957, or the first day of a prior calendar quarter beginning not earlier than January 1, 1956. If the plan specifies July 1, 1957, as its effective date, the conference agreement provides that the amendment made by such paragraph (1) shall apply with respect to service performed on or after July 1, 1957. If the plan specifies as its effective date a day prior to July 1, 1957, the conference agreement provides that the amendment made by such paragraph (1) shall apply with respect to service performed on or after such day.

The conference agreement contains a similar requirement with respect to the amendment made by paragraph (2) of section 104 (b), relating to coverage of employees of the Tennessee Valley Authority. The plan with respect to such employees must be submitted by the Board of Directors of the Tennessee Valley Authority. Otherwise, the conditions and provisions described above with respect to the amendment made by paragraph (1) of section 104 (b) also apply with respect to the amendment made by paragraph (2) of section 104 (b).

The conference agreement requires that, on or before July 31, 1957, the Secretary of Health, Education, and Welfare shall submit a report to the Congress setting forth the details of any plan, described above, approved by him.

Amendment No. 26: This amendment added to the House bill a new section 105. Subsection (a) of the new section 105 would amend section 209 (h) (2) of the Social Security Act to provide that cash remuneration paid by any one employer in any calendar year (after 1956) to an employee for agricultural labor will constitute "wages" for old-age and survivors insurance purposes if such remuneration is $200 or more (regardless of the basis on which paid) or if such employee performs agricultural labor for that employer (for cash remuneration computed on a time basis) on 30 days or more during the year. Under present law, such remuneration only constitutes "wages" for old-age and survivors insurance purposes if it is $100 or more during the year.

Subsection (b) of the new section 105 would amend section 210 of the Social Security Act (with respect to service performed after 1956) so as to provide that where a crew leader furnishes individuals to perform agricultural labor for another person such individuals would be deemed to be employees of the crew leader for old-age and survivors insurance purposes, and the crew leader would be deemed not to be an employee of such other person. The term "crew leader" is defined as an individual who furnishes workers to perform agricultural labor for another person, if he pays their wages (either on his own behalf or on behalf of such person) and has not entered into a written agreement designating him an employee of such person.

Subsection (c) of the new section 105 would amend section 213 (a) (2) (B) (iv) of the Social Security Act so that an individual receiving $100 or more but less than $200 as wages for agricultural labor during a year will receive (as under existing law) one quarter of coverage.

The House recedes with amendments changing the $200 figure in the amended section 209 (h) (2) of the Social Security Act to $150 and changing the 30-day provision to 20 days.

Amendment No. 27: This amendment added to the House bill a new section 106, which would amend section 211 (a) of the Social Security Act (effective with respect to taxable years ending after 1956) so as to change the optional method for the computation of farm self-employment income.

Under existing law, a self-employed farmer who computes his income on a cash receipts and disbursements basis may deem 50 percent of his gross income from farming to be his net earnings from self-employment attributable to farming, if such gross income is $1,800 or less; and he may deem $900 to be his net earnings from self-employment attributable to farming if his gross income from farming is more than $1,800 and such net earnings as otherwise computed are less than $900.

Under the new section 106, the optional method of computing net earnings from farm self-employment would be extended to self-employed farmers who report income under an accrual method, and to members of farm partnerships. In addition, such optional method of computing net earnings would be changed so that a farmer whose gross income from farming is $1,200 or less may deem such gross income to be his net earnings from self-employment from farming, and a farmer whose gross income from farming is more than $1,200 may deem $1,200 to be his net earnings from farm self-employment if such net earnings as otherwise computed are less than $1,200. This optional method of computing net earnings from farm self-employment would be extended on the same basis to a member of a farm partnership with respect to his distributive share of the gross income of the partnership.

The House recedes with amendments. Under the conference agreement, if the gross income derived by a self-employed farmer from his farming operations is not more than $1,800, he may, at his option, deem his net earnings from self-employment derived from such farming operations to be 66⅔ percent of such gross income. If the gross income derived by a self-employed farmer from his farming operations is more than $1,800 and the net earnings from self-employment derived by him from such farming operations are less than $1,200, he may, at his option, deem his net earnings from self-employment from such farming operations to be $1,200. The conference agreement provides similar rules with respect to a partner's distributive share of the gross income of a partnership engaged in farming operations.

As under the Senate amendment, the conference agreement provides that, for purposes of applying this provision, the gross income derived by an individual from one or more farming operations and his distributive share of the gross income of one or more farm partnerships shall be aggregated and treated as having been derived from a single trade or business.

As under existing law, payments made to a partner which are guaranteed payments within the meaning of section 707 (c) of the Internal Revenue Code of 1954 will be treated as income from a trade or business separate from the partnership.

The Senate amendment would have applied to taxable years ending after 1956. Under the conference agreement, this amendment will apply to taxable years ending on or after December 31, 1956 (including the calendar year 1956).

Amendment No. 29: This amendment added to the House bill a new section 108, which would amend section 214 (a) (3) of the Social Security Act so as to provide a special fully insured status for an individual with respect to whom all but 4 of the quarters elapsing after 1954 and prior to July 1957 (or, if later, the quarter in which he attains retirement age or dies) are quarters of coverage as defined in section 213 of such act, but with a requirement of a minimum of 6 such quarters of coverage. Section 214 (a) (3) presently provides such special insured status only where all of the quarters elapsing after 1954 and prior to July 1956 (or, if later, the quarter in which the individual attained retirement age or dies) are quarters of coverage, with the same 6-quarter minimum. The House recedes.

Amendment No. 30: This amendment added to the House bill a new section 109, which would amend section 215 (b) (4) of the Social Security Act so as to provide that up to 5 years of low earnings (or no earnings) may be dropped out in the computation of an insured individual's average monthly wage, regardless of the number of such individual's quarters of coverage; under present law only 4 such years may be dropped out unless the individual has 20 or more quarters of coverage. Subsection (b) of the new section 109 sets forth the conditions under which an individual may take advantage of the new 5-year dropout provision, limiting the application of such provision to those who become entitled in the future to old-age insurance benefits or (under specified circumstances) to recomputations of benefits on the basis of earnings after initial entitlement. The House recedes.

Amendment No. 31: This amendment added to the House bill a new section 110, providing that the primary insurance amount of an individual who dies or becomes entitled to old-age insurance benefits in 1957 shall be computed under section 215 (a) (1) (A) of the Social Security Act with a starting date of December 31, 1955, and a closing date of July 1, 1957, if this method of computation would result in a higher primary insurance amount and the individual had not less than 6 quarters of coverage after 1955 and prior to the quarter following his death or entitlement to old-age insurance benefits. In any such computation (using July 1, 1957, as the closing date), the total of the individual's wages and self-employment income after 1956 would be reduced to $2,100 if it exceeded that amount. The House recedes.

Amendment No. 32: This amendment added to the House bill a new provision (sec. 111), amending section 205 (b) of the Social Security Act so as to provide that an applicant for benefits, or any other individual who believes that his or her rights may be prejudiced by a decision of the Secretary, must file his request for a hearing (if he desires to file such a request as permitted under present law) within a period of 6 months from the date on which notice of the Secretary's decision is mailed to him or within such longer period as the Secretary may prescribe. Where notice of any such decision has been mailed to an individual prior to the date of the enactment of the bill, the period within which such individual may file his request would run for at least 6 months after such date. The House recedes.

Amendment No. 33: This amendment added to the House bill a new section 112, which would amend section 203 of the Social Security Act (effective with respect to taxable years ending after 1955) so as to provide that service performed outside the United States as a member of the Armed Forces shall be considered for purposes of the "work clause" as employment within the United States and not as noncovered remunerative activity outside the United States; the remuneration for such service would be included under the regular annual earnings test. Under the present provisions of section 203, a member of the Armed Forces serving overseas is regarded as engaged in "noncovered remunerative activity outside the United States" and as a result is subject under the work clause to the special 7-day test. The House recedes.

Amendment No. 34: This amendment added to the House bill a new section 113, which would amend section 202 (e) of the Social Security Act so as to provide that if a widow remarries and such remarriage is terminated by the second husband's death but she is not his widow for purposes of entitlement to old-age and survivors insurance benefits, such remarriage shall be deemed not to have occurred and she may again become entitled to widow's insurance benefits based on the wages and self-employment income of her first husband. The House recedes with an amendment changing the effective date from, generally, September 1956 to November 1956.

Amendment No. 35: This amendment added to the House bill a new section 114, which would amend section 202 of the Social Security Act to provide that where an individual failed to file proof of support by the insured worker as required for husband's, widower's, or parent's insurance benefits, or to file application for a lump-sum death payment in the case of a death occurring after 1946, within the period prescribed by law, and there was good cause for such failure to file in time (as determined by the Secretary of Health, Education, and Welfare), such proof of support or such application shall be deemed to have been filed within the prescribed period of time if filed within 2 years after the expiration of such period or within 2 years after August 1956, whichever is later. The amendment would apply only to lump-sum death payments, and monthly benefits for months after August 1956, based on applications filed after August 1956. The House recedes with a technical amendment.

Amendment No. 41: The Senate amendment added a new section 117 to the bill, amending section 205 (c) (5) of the Social Security Act (relating to the time limitation for correction of earnings records) to provide that under specified circumstances an individual's earnings record could be corrected, even after the time limitation has run with respect to a given year, to include self-employment income for that year in any case where wages for that year were deleted from the records as having been erroneously reported. The amount of self-employment income to be included could not be in excess of the amount of wages deleted. The correction could be made only to the extent of the individual's self-employment income (or his net earnings from self-employment) not already included in his earnings record as self-employment income which is included in a tax return or statement filed before the expiration of the time limitation following the taxable year in which the deletion of wages is made. The House recedes.

Amendment No. 42: This amendment added to the House bill a new section 118, amending section 202 of the Social Security Act to add a new subsection (t) at the end thereof, providing that no benefits may be paid to certain aliens who are outside the United States.

Paragraph (1) of the new subsection (t) provided that the prohibition against payment shall apply to any individual who is not a citizen or national of the United States for any month after the third consecutive calendar month during all of which the Secretary finds, on the basis of information furnished to him by the Attorney General or which otherwise comes to his attention, that such individual is outside the United States and prior to the first month for all of which he has been in the United States. The prohibition would not apply to individuals who are citizens of a foreign country which the Secretary finds has in effect a social insurance or pension system which is of general application in such country and which pays periodic benefits, or their actuarial equivalent, on account of old age, retirement, or death, if United States citizens who are not citizens of such foreign country and who qualify for such benefits are permitted to receive such periodic benefits or their actuarial equivalent while they are outside of such foreign country for periods of 3 months or longer.

Paragraph (2) of the new subsection (t) provided that a person who is, or on application would be, entitled to a monthly benefit under section 202 for June 1956 would not, because of this provision, be deprived of such benefit or of any other benefit based on the wages and self-employment income of the individual on whose wages and self-employment income such monthly benefit for June 1956 is based.

Paragraph (3) provided that no lump-sum death payment may be made on the basis of the wages and self-employment income of an individual who died while outside the United States and whose benefits were not paid under paragraph (1) for the month preceding the month in which he died.

Paragraph (4) provided that the deductions under subsections (b) and (c) of section 203 of the Social Security Act on account of work or failure to have a child in the beneficiary's care would not be applied for any month with respect to the benefits of any individual if his benefits for such month are not payable by reason of paragraph (1).

Paragraph (5) provided that the Attorney General shall certify to the Secretary such information regarding aliens who depart from the United States to any foreign country (other than a country which is territorially contiguous to the United States) as may be necessary to enable the Secretary to carry out the purposes of this subsection, and shall otherwise aid, assist, and cooperate with the Secretary in obtaining such other information as may be necessary for this purpose.

The House recedes with an amendment which contains a substitute for the language proposed to be inserted by the Senate amendment. Under section 118 (a) of the conference agreement, a new subsection (t) will be added to section 202 of the Social Security Act.

Paragraph (1) of the new subsection (t) provides that no monthly benefits will be paid under section 202 of the Social Security Act, and no disability benefits will be paid under the new section 223 of that act, to any individual who is not a citizen or national of the United States for any month which is (A) after the sixth consecutive calendar month during all of which the Secretary of Health, Education, and Welfare finds (on the basis of information furnished to him by the Attorney General or information which otherwise comes to his attention) that such individual is outside the United States (as defined in sec. 210 (i) of the Social Security Act), and (B) before the first month during all of which such individual has been in the United States (as so defined).

Paragraph (2) of the new subsection (t) provides that the suspension of benefits described in paragraph (1) will not apply to any individual who is a citizen of a foreign country which the Secretary of Health, Education, and Welfare finds has in effect a social insurance or pension system which is of general application in that foreign country and under which (A) periodic benefits (or the actuarial equivalent thereof) are paid on account of old age, retirement, or death, and (B) individuals who are citizens of the United States but not citizens of such foreign country and who qualify for such benefits are permitted to receive such benefits (or the actuarial equivalent thereof) while outside such foreign country without regard to the duration of such absence. The requirement set forth in subparagraph (B) of the preceding sentence would not be met by an insurance system in any foreign country under which, for example, Americans are precluded from receiving benefits by reason of their absence from that foreign country (regardless of how lengthy the period is before the benefits are cut off). Another example of a situation in which a foreign insurance system might fail to meet the requirements of such subparagraph (B) would be a case where such system has conditions to the receipt of payment which, though not phrased in terms of absence from the country, have the same effect as if such system expressly required presence in the foreign country concerned for the benefits to continue.

Paragraph (3) of the new subsection (c) provides that the suspension of benefits provided in the new paragraph (1) will not apply in any case where its application would be contrary to any treaty obligation of the United States in effect on the date on which this bill becomes law.

Paragraph (4) of the new subsection (t) makes the suspension of benefits inapplicable to benefits for any month (including derivative benefits) if the wage earner on whose record the benefits are based has, before such month, either (A) had 40 quarters or more of coverage, or (B) resided in the United States (as defined in sec. 210 (i) of the Social Security Act) for 1 or more periods aggregating 10 years or more.

In addition, paragraph (4) makes the suspension of benefits inapplicable to an alien who is outside the United States while in the active military or naval service of the United States.

Paragraph (5) of the new subsection (t) provides that no person who is, or upon application would be, entitled to a monthly benefit under section 202 of the Social Security Act for December 1956 shall be deprived, by reason of the provision in paragraph (1) suspending the benefits of aliens, of such benefit or any other benefit based on the wages and self-employment income of the individual on whose wages and self-employment income such monthly benefit for December 1956 was based.

Paragraph (6) of the new subsection (t) provides that if an individual is outside of the United States when he dies, and if no benefit may be paid to him for the month preceding the month in which he dies, no lump-sum death payment may be made on the basis of that individual's wages and self-employment income.

Paragraph (7) of the new subsection (t) provides that subsections (b) and (c) of section 203 of the Social Security Act (relating to deductions on account of work or failure to have a child in care) will not apply with respect to any individual for any month for which no monthly benefit may be paid by reason of paragraph (1) of the new subsection (t).

Paragraph (8) of the new subsection (t) provides that the Attorney General shall certify to the Secretary of Health, Education, and Welfare such information regarding aliens who depart from the United States to any foreign country (other than Canada or Mexico) as may be necessary to carry out the purposes of the new subsection (t). In addition, the Attorney General will be required to otherwise aid, assist, and cooperate with the Secretary in obtaining such other information as may be necessary to enable the Secretary to carry out the purposes of the new subsection (t).

Section 118 (b) of the conference agreement provides the effective date for the new subsection (t). It will apply to monthly benefits under title II of the Social Security Act for months after December 31, 1956, and to lump-sum death payments under section 202 (i) of that act in the case of deaths occuring after December 31, 1956.

Amendment No. 46: This amendment adds, to the portion of the House bill preserving the relationship between railroad retirement and old-age and survivors insurance, a new subsection (c) amending section 5 (k) (2) of the Railroad Retirement Act of 1937 (relating to financial interchange). The Senate amendment provides the same type of financial interchange provisions between the Railroad Retirement Account and the Federal Disability Insurance Trust Fund (established by amendment No. 12) as are presently provided with respect to such account and the Federal Old-Age and Survivors Insurance Trust Fund, with corresponding technical changes in other provisions of such section 5 (k) (2).

The House recedes with technical amendments.

Amendment No. 47: This amendment added to the House bill a new section 121, amending section 216 (e) of the Social Security Act (relating to the definition of "child") and section 202 (d) of that act (relating to benefits payable to children, as defined in section 216 (e)). Subsection (a) of the Senate amendment would add a new class of persons to the definition of child, so that in the case of a deceased individual, the definition would include a child with respect to whom such individual has stood in loco parentis for not less than 5 years immediately preceding the day on which such individual died. Subsection (b) of the Senate amendment would add a new paragraph (7) to section 202 (d) of the Social Security Act providing that a person who is a "child" by reason of the changed definition of that term in subsection (a) shall be deemed dependent upon the individual standing in loco parentis with respect to him if at the time of such individual's death, the child was living with and receiving at least three-fourths of his support from such individual. Subsection (c) of the Senate amendment provided that the amendments made by subsections (a) and (b) shall apply only with respect to monthly benefits for months beginning after the date of enactment.

The Senate recedes.

Amendment No. 48: The Senate amendment added a new section 122 to the House bill. Subsection (a) of such section 122 would insert a new subsection "(u)" at the end of section 202 of the Social Security Act, consisting of two paragraphs. Under paragraph (1) of the new subsection (u), monthly benefits under section 202 of the Social Security Act would not be paid to any individual for any month after the Secretary of Health, Education, and Welfare has been notified by the Attorney General of the United States that such individual is or has been convicted of an offense under chapter 37, 105, or 115 of title 18 of the United States Code, or under section 4, 112, or 113 of the Internal Security Act of 1950. Paragraph (2) of the new subsection would provide for the Attorney General to furnish to the Secretary a complete list of the names of all individuals heretofore convicted of offenses specified in paragraph (1), and to notify the Secretary of the name of each individual hereafter so convicted. Such list and notification would be furnished as soon as practicable.

Subsection (b) of the Senate amendment would provide that the new subsection (u) should not be construed to restrict or otherwise affect any of the provisions of the act of September 1, 1954, which prohibits payment of annuities to officers and employees of the United States convicted of certain offenses.

The House recedes with an amendment substituting new language for the language proposed to be inserted by the Senate amendment. Under section 121 (a) of the conference agreement, section 202 of the Social Security Act is amended by adding at the end thereof a new subsection (u).

Paragraph (1) of the new subsection (u) provides that if an individual is convicted of any of the offenses specified in that paragraph, and if the offense was committed after the date of the enactment of the bill, then the court may impose a penalty in addition to all other penalties provided by law. The additional penalty is that in determining whether any monthly insurance benefit is payable under section 202 of the Social Security Act or under section 223 (relating to disability) of that act to the individual so convicted for the month in which he is so convicted or for any month thereafter, there is not to be taken into account (A) any wages paid to such individual or to any other individual in the calendar quarter in which such conviction occurs or in any prior calendar quarter, and (B) any net earnings from self-employment derived by such individual or by any other individual during a taxable year in which such conviction occurs or during any prior taxable year. The offenses specified for which the additional penalty may be imposed are offenses under chapter 37 (espionage and censorship), chapter 105 (sabotage), and chapter 115 (treason, sedition, and subversive activities) of title 18 of the United States Code, and offenses under sections 4, 112, and 113 of the Internal Security Act of 1950, as amended.

The imposition of the additional penalty is left to the discretion of the court. However, in those cases where the court imposes this penalty, the convicted individual will lose, for the month of conviction and all months thereafter, monthly benefits (including disability benefits) to the extent that such benefits are based on the employment or self-employment record of any person for the period in which the conviction occurs or for any prior period.

For example, if an individual is convicted in December 1957 of an offense committed in January 1957, and if the court imposes the additional penalty provided by the new paragraph (1), then for purposes of determining any monthly benefit which would otherwise be payable to such individual for December 1957 or for any month thereafter, such individual's insured status and his average monthly wage shall be determined by omitting all wages paid to him for the last quarter of 1957 and for all prior quarters of 1957 and prior years and by omitting all net earnings from self-employment derived by such individual during 1957 (assuming that he is a calendar-year taxpayer) and during all prior taxable years.

If the convicted individual referred to in the preceding sentence is entitled to a monthly benefit based on the earnings record of a second individual, or if at some time in the future he makes application for such a monthly benefit, there must be omitted all wages paid to such second individual for the quarters specified in the preceding paragraph and all net earnings from self-employment income by such second individual during the taxable years specified in the preceding paragraph (with the exception that in this case the taxable year in which the conviction occurs will be determined by reference to the taxable years of such second individual, rather than by reference to the taxable year of the individual convicted).

It is to be emphasized that the additional penalty applies only to the individual convicted of the offense, and does not prejudice any of the rights of other individuals. Thus, if the penalty is imposed with respect to an individual, the entitlement of his wife, children, or parents to monthly benefits on the basis of his earnings record is to be determined as if no such penalty had been imposed. He is to be permitted to make application for benefits (if he is not already entitled to benefits) in the manner provided by law, if such application is necessary for others to become entitled to benefits on the basis of his earnings record. Similarly, section 203 (a) of the Social Security Act (relating to maximum benefits) is to operate as if the penalty had not been imposed. That is to say, in computing the maximum benefits which other individuals may receive on the basis of any earnings record, he will be deemed to be "entitled" to the benefits to which he would be entitled but for his conviction, even though the court-imposed penalty prevents the payment of any such benefit to him or reduces the amount thereof.

Paragraph (2) of the new subsection (u) provides that the Attorney General is to notify the Secretary of Health, Education, and Welfare as soon as practicable after the additional penalty has been imposed with respect to any individual. However, the period with respect to which the penalty is to be applied is dependent not on the date of such notification but on the time when the conviction occurs.

Paragraph (3) of the new subsection (u) provides that if the President of the United States grants a pardon of any offense with respect to which the additional penalty has been imposed, the penalty will not apply to months beginning after the month in which the pardon is granted. In the case of such a pardon granted to any individual, the determination of whether any monthly benefit is payable on the basis of his earnings record or the record of any other individual, and the determination of the amount of any benefit so payable, will be made as if he had not been convicted. However, the pardon will not affect monthly benefits for any month which begins on or before the date on which the pardon is granted.

Subsection (b) of section 121 of the conference agreement provides that the amendment made by subsection (a) of that section (which adds the new subsection (u)) is not

to be construed to restrict or otherwise affect any of the provisions of the act of September 1, 1954 (Public Law 769, 83d Cong.), which prohibits payment of annuities to officers and employees of the United States convicted of certain offenses.

Subsection (c) of section 121 of the conference agreement amends section 210 (a) of the Social Security Act to exclude from the term "employment" service performed in the employ of certain Communist organizations. If any organization is registered at any time during any calendar quarter which begins after June 30, 1956, under the Internal Security Act of 1950, as amended, as a Communist-action organization, a Communist-front organization, or a Communist-infiltrated organization, then service performed in such quarter in the employ of such organization does not come within the definition of the term "employment." The same rule is provided in the case of any organization which fails to register but with respect to which there is in effect, at any time during the calendar quarter in question, a final order of the Subversive Activities Control Board requiring such organization to register as a Communist-action organization, a Communist-front organization, or a Communist-infiltrated organization. Whether or not there is in effect on any day a final order requiring registration is to be determined in the manner provided in title I of the Internal Security Act of 1950, as amended.

Subsection (d) of section 121 amends section 3121 (b) of the Internal Revenue Code of 1954 to exclude from the term "employment," for purposes of the taxes imposed by chapter 21 of such code, service which is not treated as employment for purposes of title II of the Social Security Act by reason of the amendment made by subsection (c) of section 121.

Amendment No. 51: Section 201 (b) of the House bill amended section 3121 (a) (9) of the Internal Revenue Code of 1954 (which excludes from "wages" certain payments made to employees after they attain retirement age) to reflect changes made elsewhere in the bill with respect to the definition of retirement age. Section 201 (c) of the House bill made the necessary changes in section 3121 (b) (1) of the code (relating to the exclusion of service performed by gum-resin workers from "employment" for purposes of the Federal Insurance Contributions Act) to correspond with the changes made by the House bill in section 210 (a) (1) of the Social Security Act (relating to the exclusion of such service from "employment" for benefit purposes). The Senate amendment deleted both section 201 (b) and section 201 (c) of the House bill. In view of the action taken by the conferees with respect to amendment No. 10 (relating to definition of retirement age) and amendment No. 13 (relating to coverage of service performed by gum-resin workers), the House recedes with an amendment which restores section 201 (b) of the House bill.

Amendment No. 52: This amendment added to the House bill a new section 201 (b), which would amend section 3121 (b) (1) (B) of the Internal Revenue Code of 1954 (relating to the exclusion of service performed by certain foreign agricultural workers from "employment" for purposes of the Federal Insurance Contributions Act) to correspond with the changes made by amendment No. 14 in section 210 (a) (1) (B) of the Social Security Act (relating to the exclusion of such service from "employment" for benefit purposes). In view of the action taken by the conferees with respect to amendment No. 14, the House recedes with a clerical amendment.

Amendment No. 53: Section 201 (d) of the House bill made the necessary changes in section 3121 (b) (6) of the Internal Revenue Code of 1954 (relating to the exclusion of certain service from "employment" for purposes of the Federal Insurance Contributions Act) to correspond with the changes made by the House bill in section 210 (a) (6) of the Social Security Act which extend coverage to service in the employ of the Tennessee Valley Authority and to service in the employ of a Federal home loan bank. The Senate amendment deleted this provision of the House bill. In view of the action taken by the conferees with respect to amendment No. 15, the House recedes with an amendment which restores with clerical changes the provisions of the House bill.

Amendment No. 55: Section 201 (e) (2) of the House bill made the necessary changes in section 1402 (a) (1) of the Internal Revenue Code of 1954 (relating to the treatment of income derived from share-farming arrangements for purposes of the tax on self-employment income) to correspond with the changes made by the House bill in section 211 (a) (1) of the Social Security Act (relating to the treatment of such income for benefit purposes). The Senate amendment added to this provision of the House bill the same language as that which was added by amendment No. 17 to the provision of the House bill dealing with the treatment of such income for benefit purposes. The House recedes.

Amendment No. 57: Section 201 (f) of the House bill made the necessary changes in section 1402 (c) (5) of the Internal Revenue Code of 1954 (relating to the treatment of certain professional self-employed individuals for purposes of the tax on self-employment income) to correspond with the changes made by the House bill in section 211 (c) (5) of the Social Security Act (relating to the treatment of such individuals for benefit purposes). The Senate amendment made the same change in this provision of the House bill as that which was made by amendment No. 19 in the provision of the House bill dealing with the treatment of such individuals for benefit purposes. The House recedes with an amendment conforming to the conference action on amendment No. 19.

Amendment No. 58: This amendment added to section 201 of the House bill a new subsection (e), which would make the necessary changes in section 1402 (a) (8) (B) of the Internal Revenue Code (relating to the computation of net earnings from self-employment, in the case of a minister serving in a foreign country, for purposes of the tax on self-employment income) to correspond with the changes made by amendment No. 23 in section 211 (a) (7) (B) of the Social Security Act (relating to the computation of such net earnings for benefit purposes). In view of the action taken by the conferees with respect to amendment No. 23, the House recedes with clerical amendments.

Amendment No. 59: This amendment added to section 201 of the House bill a new subsection (f), which would make the necessary changes in section 3121 of the Internal Revenue Code of 1954 to correspond with the changes made by amendment No. 26 in section 209 (h) (2) of the Social Security Act (relating to the treatment of remuneration for agricultural labor as "wages" for old-age and survivors insurance benefit purposes) and in section 210 of that act (relating to the treatment of service performed by and for crew leaders for old-age and survivors insurance benefit purposes).

Paragraph (3) of the new subsection (f) would amend section 3102 (a) of the Internal Revenue Code of 1954 (which permits an employer paying cash remuneration for agricultural labor to deduct the Federal Insurance Contributions Act employee tax from such remuneration even though at the time of payment it is not clear whether or not such remuneration constitutes "wages") to reflect the change in section 209 (h) (2) of the Social Security Act made by amendment No. 26 and the change in section 3121 (a) (8) (B) of the Internal Revenue Code of 1954 made by this amendment (No. 59).

The House recedes with amendments conforming to the conference action on amendment No. 26.

Amendment No. 60: This amendment added to section 201 of the House bill a new subsection (g), which would make the necessary changes in the last two sentences of section 1402 (a) of the Internal Revenue Code of 1954 (relating to the optional method of computing net earnings from farm self-employment for purposes of the tax on self-employment income) to correspond with the changes made by amendment No. 27 in section 211 (a) of the Social Security Act (relating to the optional method of computing such net earnings for old-age and survivors insurance benefit purposes).

The House recedes with amendments which conform to the conference action with respect to amendment No. 27.

Amendment No. 61: This amendment added to section 201 of the House bill a new subsection (h), which would amend section 3121 (l) (8) (A) of the Internal Revenue Code of 1954 so as to include as a foreign subsidiary of a domestic corporation, for purposes of the provisions of law permitting the extension of old-age and survivors insurance coverage to employees of such subsidiaries, any foreign corporation of whose voting stock not less than 20 percent is owned by a domestic corporation. Under present law, more than 50 percent of the stock of the foreign subsidiary must be owned by the domestic corporation in order for the employees of the foreign subsidiary to be eligible for such coverage. The House recedes with a clerical amendment.

Amendment No. 63: Section 201 (g) of the House bill amended section 3121 (k) (1) of the Internal Revenue Code of 1954 to extend until the end of 1957 the period during which employees of an organization which has filed a certificate waiving its tax exemption under the Federal Insurance Contributions Act may add their names to the list of employees concurring in the filing of such certificate. Under present law, no names may be added to any such list after the expiration of 24 months following the first quarter during which the certificate was in effect. The Senate amendment extended the period provided by the House bill for an additional year, i. e., until the end of 1958. The House recedes.

Amendments Nos. 65 and 66: Section 201 (i) of the House bill contained the effective dates applicable to the provisions of the House bill which made the necessary changes in chapter 2 (tax on self-employment income) and chapter 21 (Federal Insurance Contributions Act) of the Internal Revenue Code of 1954 to reflect the changes in coverage under the old-age and survivors' insurance system which were made in the House bill. Senate amendment No. 66 deleted this subsection of the House bill, and Senate amendment No. 65 inserted a new subsection containing the effective dates applicable to such provisions in the bill as it passed the Senate. The new subsection also included special provisions to permit a minister, whose income as a minister, for any taxable year ending after 1954 and prior to 1957, would have constituted net earnings from self-employment, if the bill as amended by Senate amendment No. 58 had been then in effect, to elect to have the provisions of such amendment apply with respect to taxable years ending after 1954 and prior to 1957.

The House recedes with amendments. In view of the period of time which has elapsed since the passage of the bill in the House, the conference agreement, except as noted below, retains the effective dates contained in the Senate amendment. The amendment made by subsection (b) of section 201 of the House bill, which was restored by the conference action on amendment No. 51, shall apply with respect to remuneration paid after October 1956. The amendments made

by subsection (d) of the House bill, which were restored by the conference action on amendment No. 53, shall apply with respect to service with respect to which the amendments made by subsection (b) of section 104 of the bill apply. (For an explanation of the effective date of these amendments, see amendment No. 25.) The amendment to subsection (a) of section 1402 of the Internal Revenue Code of 1954 (made by sec. 201 (i) of the bill as agreed to in conference) shall apply with respect to taxable years ending on or after December 31, 1956, rather than to taxable years ending after December 31, 1956, as provided in the Senate amendment.

The conference agreement also makes necessary technical and conforming changes in the Senate amendment.

Amendments Nos. 67 and 68: Section 202 of the House bill amended section 1401 of the Internal Revenue Code of 1954 to increase each of the rates of tax upon self-employment income prescribed by existing law by three-fourths of 1 percent, and amended sections 3101 and 3111 of the Federal Insurance Contributions Act to increase each of the rates of the employee tax and the employer tax prescribed by existing law by one-half of 1 percent. The increase in the tax on self-employment income would apply with respect to taxable years beginning after 1955, and the increase in the employee and employer taxes would apply with respect to remuneration paid after 1955.

Senate amendment No. 67 deleted section 202 of the House bill. Senate amendment No. 68 added to the House bill a new section 202, which amended the same sections of law as were amended by the House bill. Under the Senate amendment, the rates of tax prescribed in section 1401 upon self-employment income would each be increased by three-eighths of 1 percent; and the rates of the employee tax and the employer tax prescribed in sections 3101 and 3111, respectively, would each be increased by one-fourth of 1 percent. The increase in the tax on self-employment income would apply with respect to taxable years beginning after 1956, and the increase in the employee and employer taxes would apply with respect to remuneration paid after 1956.

The House recedes.

Amendments Nos. 69 and 70: These amendments added to the House bill a heading for a new title III and a declaration of the purpose of such new title, which would amend the public assistance provisions of the Social Security Act and would consist of the matter contained in amendments Nos. 71 through 98. In view of the action taken by the conferees with respect to the latter amendments, the House recedes.

Amendments Nos. 71, 72, 73, 74, 75, and 76: These amendments, which comprise part I (relating to matching of assistance expenditures for medical care) of the new title III of the bill, would amend sections 3 (a), 403 (a), 1003 (a), and 1403 (a) of the Social Security Act so as to provide separate dollar-for-dollar matching of State expenditures for old-age assistance, aid to dependent children, aid to the blind, and aid to the permanently and totally disabled where such assistance is furnished in the form of medical or other remedial care, up to a maximum of (1) $8 (or, in the case of aid to dependent children, $4 for each child recipient and $8 for each adult recipient) multiplied by the number of individuals receiving assistance in any form under the State plan, plus (2) certain additional amounts. State expenditures for assistance in the form of cash payments would continue under the present formula (as amended by amendments Nos. 89, 90, and 91). The amendments relating to medical care would be effective July 1, 1957 (and would continue in effect even after the expiration of such amendments Nos. 89, 90, and 91). With respect to amendments Nos. 71 and 76, the House recedes; and with respect to amendments Nos. 72, 73, 74, and 75, the House recedes with amendments limiting the dollar-for-dollar matching for medical care expenditures to a maximum of $6 (or, in the case of aid to dependent children, $3 per child and $6 per adult) multiplied by the number of individuals receiving assistance under the State plan.

Amendments Nos. 77, 78, 79, 80, and 81: These amendments, which comprise part II (relating to services in programs of public assistance) of the new title III of the bill, would amend titles IV, X, and XIV of the Social Security Act so as to make it clear that the public assistance programs under those titles include not only the provision of financial assistance but also the furnishing of services designed to help needy individuals to attain self-support or self-care (or, in the case of aid to dependent children, designed to maintain and strengthen family life and to help the relatives caring for dependent children to attain self-support and personal independence). These amendments also require (effective July 1, 1957) that each State plan include a description of the services (if any) to be furnished by the State for this purpose, and make it clear that Federal payments to a State with respect to the costs of administering the State plan may include payments with respect to such services. With respect to amendment No. 77, the House recedes with an amendment making changes in title I of the Social Security Act (relating to old-age assistance) which have substantially the same purpose with respect to self-care as the changes made in titles IV, X, and XIV of that act by the Senate amendments; and with respect to amendments Nos. 78, 79, 80, and 81, the House recedes with clerical and conforming amendments.

Amendments Nos. 82, 83, and 84: These amendments, which comprise part III (extension of aid to dependent children) of the new title III of the bill and become effective July 1, 1957, would amend section 406 (a) of the Social Security Act so as to add first cousins, nephews, and nieces to the list of the relatives with one of whom a needy child must be living in order to be eligible for aid to dependent children under title IV of that act. These amendments also eliminate the requirement that a needy child between 16 and 18 years of age must be regularly attending school in order to be eligible for aid to dependent children. The House recedes.

Amendments Nos. 85, 86, 87, and 88: These amendments comprise part IV (relating to research and training) of the new title III of the bill. Amendment No. 86 would authorize the Federal Government (through grants, contracts, and jointly financed cooperative arrangements) to participate in the cost of research and demonstration projects relating to the improvement of the public assistance and related programs; the authorized appropriation for this purpose would be $5,000,000 for the fiscal year 1957 and such amount as the Congress may determine thereafter. Amendment No. 87 would authorize the Federal Government to make grants to States (as defined in sec. 1101 of the Social Security Act) to enable them (either directly or through nonprofit institutions of higher learning) to provide various types of training for personnel employed or preparing for employment in the public assistance programs; the authorized appropriation for this purpose would be $5,000,000 for the fiscal year 1958 and such amount as the Congress may determine thereafter, and the Federal share of the cost of such training would be 100 percent during the fiscal years 1958 through 1967 and 80 percent thereafter. With respect to amendments Nos. 85, 86, and 88, the House recedes; and with respect to amendment No. 87, the House recedes with an amendment under which the program of training grants for public welfare personnel would terminate at the end of the fiscal year 1962 and the Federal share of the cost would be limited to 80 percent during each of the 5 years of the program.

Amendments Nos. 89, 90, 91, 92, and 93: These amendments, which comprise part V of the new title III of the bill, would amend the matching formulas applicable to title I, IV, X, and XIV of the Social Security Act (relating to old-age assistance, aid to dependent children, aid to the blind, and aid to the permanently and totally disabled, respectively). Amendments Nos. 89, 90, and 91 apply to old-age assistance, aid to the blind, and aid to the permanently and totally disabled, and for purposes of assistance under those programs would (1) increase the ceiling on the Federal payment with respect to any individual from $55 to $65 and (2) provide that five-sixths of the first $30 per recipient can be counted instead of only four-fifths of the first $25; however, these increases would not be available to any State unless it maintains its average expenditure per recipient from State funds. Amendment No. 92 would extend until June 30, 1959, the temporary matching formula for aid to dependent children which was provided in section 8 (b) of the Social Security Act Amendments of 1952 and which is currently in effect. Under amendment No. 93, all of these amendments would become effective October 1, 1956.

With respect to amendments Nos. 89, 90, and 91, the House recedes with amendments (1) providing that the Federal ceiling for purposes of titles I, X, and XIV of the Social Security Act shall be $60 and that four-fifths of the first $30 per recipient can be counted, (2) eliminating the requirement that a State maintain its average expenditure per recipient from State funds in order to receive the Federal increase, and (3) changing the matching formula contained in title IV of the Social Security Act (relating to aid to dependent children) so as to provide that the Federal ceiling for purposes of such title shall be $32 with respect to the first dependent child in any home, $23 with respect to each additional child, and $32 with respect to each relative with whom the child is living (instead of $30, $21, and $30, respectively, as in present law), and that fourteen-seventeenths of the first $17 per recipient can be counted (instead of four-fifths of the first $15, as in present law).

With respect to amendment No. 92, the Senate recedes in view of the action taken on amendment No. 89 in regard to aid to dependent children.

With respect to amendment No. 93, the House recedes with an amendment providing that the changes made by amendments Nos. 89, 90, and 91 shall cease to be effective after June 30, 1959.

Amendments Nos. 94, 95, 96, 97, and 98: These amendments comprise part VI of the new title III of the bill. Amendment No. 95 would amend sections 403 and 1108 of the Social Security Act (effective for the fiscal year 1957 and subsequent fiscal years) so as to permit Federal matching (under the program of aid to dependent children) of expenditures in the Virgin Islands for relatives with whom dependent children are living, and so as to increase from $160,000 to $300,000 the maximum Federal payment to the Virgin Islands under all the public assistance programs in any fiscal year. Amendment No. 98 would make the same changes in the case of Puerto Rico (except that the increase in the maximum Federal payment would be from $4,250,000 to $5,312,500). Amendments Nos. 96 and 97 would make certain changes in the public assistance provisions of the Social Security Act with respect to the determination of need.

With respect to amendment No. 94, the House recedes. With respect to amendment

No. 95, the House recedes with an amendment combining its provisions with those of amendment No. 98 (relating to Puerto Rico), limiting the maximum Federal payment in the case of the Virgin Islands to $200,000, and making certain technical changes. With respect to amendments Nos. 96 and 97, and with respect to amendment No. 98 in view of the action taken by the conferees on amendment No. 95, the Senate recedes.

Amendment No. 99: This amendment added to the House bill (as a part of a new title IV) a new section 401, which would amend section 403 of the Social Security Amendments of 1954.

Subsection (a) of such section 403 presently provides that service performed by an individual after 1950 and before 1955 as an employee of an organization (1) described in section 501 (c) (3) of the Internal Revenue Code of 1954 which is exempt from tax under section 501 (a) of such code and, (2) which failed to file a waiver certificate, may, notwithstanding such failure to file, be deemed to constitute "employment" for old-age and survivors insurance purposes if the Federal Insurance Contributions Act taxes were paid (and not refunded) on the good-faith assumption that the certificate had been filed, and if the individual so requests. The Senate amendment extended for 2 years the period during which such service can be counted under subsection (a), so that the subsection would apply to service performed after 1950 and before 1957 (but only where the individual was employed by that organization before the enactment of the bill).

Subsection (b) of such section 403 presently provides that service performed for such an exempt organization after 1950 and before 1955, where the organization filed the waiver certificate but the employee failed to sign the list of concurring employees, may be deemed to constitute "employment" for old-age and survivors insurance purposes to the extent that the Federal Insurance Contributions Act taxes were paid (and not refunded) with respect to such service, if the employee so requests before 1957. The Senate amendment extended for 2 years the period during which such service can be counted under subsection (a), so that the subsection would apply to service performed after 1950 and before 1957 (but only where the employee was employed by that organization before the enactment of the bill), and also extends for 2 years (until January 1, 1959), the period during which the employee can file his request.

The House recedes.

Amendment No. 100: This amendment added to the House bill a new section 402, which would amend section 521 (a) of the Social Security Act (effective with respect to fiscal years beginning after June 30, 1956) so as to increase the annual authorization for child-welfare services from $10,000,000 to $12,000,000. The House recedes with an amendment providing that such increase shall be effective only with respect to fiscal years beginning after June 30, 1957.

Amendment No. 101: This amendment added to the House bill a new title V, which would establish a United States Commission on the Aging and Aged.

The Senate recedes.

Amendment of title: The Senate amendment conformed the title of the bill to the bill as amended by the Senate. Under the conference agreement the title of the bill is conformed to the bill as agreed to in conference.

JERE COOPER,
WILBUR D. MILLS,
NOBLE J. GREGORY,
DANIEL A. REED,
THOMAS A. JENKINS,
Managers on the Part of the House.

Mr. COOPER. Mr. Speaker, I call up the conference report on the bill (H. R. 7225) to amend title II of the Social Security Act to provide disability insurance benefits for certain disabled individuals who have attained age 50, to reduce to age 62 the age on the basis of which benefits are payable to certain women, to provide for continuation of child's insurance benefits for children who are disabled before attaining age 18, to extend coverage, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The Clerk read the statement.

The SPEAKER. The question is on the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

Mr. COOPER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD at this point on the conference report just adopted and I also ask unanimous consent that all Members of the House desiring to do so may extend their remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. COOPER. Mr. Speaker, we have reached another milestone in improving our social-security program. The conference committee report makes a number of important liberalizations in the system.

First, disability insurance protection is provided under the social-security system to over 35 million persons.

Second, social-security benefits are provided to women beginning at age 62.

Third, coverage under the social-security system is increased by over 250,000.

Fourth, the Federal share of public assistance to 5 million needy aged, disabled, blind, and dependent children is increased.

Fifth, Federal funds are provided for helping to meet the medical-care needs of the 5 million persons on public assistance.

Sixth, the program for aid to dependent children is broadened and strengthened.

Seventh, additional Federal encouragement is provided for helping the 5 milion public-assistance recipients attain self-support and self-care, and to maintain and preserve family life.

Eighth. Federal support is provided for research in social security.

Ninth, Federal funds authorized for child-welfare services are increased $2 million a year.

Tenth, Federal public-assistance funds for the Virgin Islands and Puerto Rico are increased.

Mr. Speaker, these 10 provisions greatly strengthen and improve our social-security program.

I will now describe the provisions in more detail:

I. COVERAGE

(a) Self-employed professional groups: The House-passed bill provided coverage for all presently excluded self-employed professional groups except physicians. The Senate bill in addition excluded osteopaths. The conference agreement follows the House version of the bill.

(b) Farm operators and share farmers: The House bill made no change in the reporting of income requirements for farm operators. The Senate bill permitted the optional method of reporting to farmers on the accrual basis of accounting.

The Senate bill also provided that where annual gross farm income is between $400 and $1,200 the farmer could report either his gross income or his actual net earnings. Where a farmer's gross income is over $1,200 and where his net earnings are less than $1,200, the Senate bill provided that the farmer could report either his actual net earnings or $1,200. Where both a farmer's gross and net income is over $1,200, the Senate bill would have required his reporting his actual net earnings.

Under the conference agreement, a farmer will report two-thirds of his gross income where it is $1,800 or less as his net income. Where his gross income is over $1,800, he may report either his actual net income, or if his net income is less than $1,200 he may report $1,200 as his net income. The conference agreement would also permit members of farm partnerships to use the optional method of reporting.

The conference agreement substantially follows the House-passed bill by providing that rentals will be credited as self-employment income where the owner or tenant of the land participates materially with the individual working the land in the production or the management of the production of an agricultural or horticultural commodity.

Share farmers would be covered as self-employed persons, confirming the current interpretation of the law.

(c) Ministers: The conferees accepted the new Senate provision which would cover ministers outside the United States where they serve a congregation predominantly made up of United States citizens even though their employer may not be a United States employer.

(d) Agricultural workers: The House-passed bill made no change in the coverage requirement for agricultural workers. The Senate bill would have covered such workers where they, first, are paid $200 or more in cash wages in a calendar year by one employer; or, second, perform agricultural labor for an employer on 30 days or more during a calendar year for cash wages computed on a time basis.

Where farmworkers are recruited and paid by a crew leader, the crew leader would have been deemed to be the employer if he is not, by written agreement, designated to be an employee of the owner or tenant and if such crew leader is customarily engaged in recruiting and supplying individuals to perform agricul-

tural labor. Under such circumstances the crew leader would have been deemed to be self-employed.

Under the conference agreement farmworkers who, first, are paid $150 or more in a calendar year by one employer; or, second, perform agricultural labor for an employer on 20 or more days during the calendar year for cash wages computed on a time basis would be covered.

The conferees accepted the Senate provisions relating to crew leaders.

The conferees accepted the Senate provision which would exclude from coverage agricultural workers from any foreign country who are admitted to the United States on a temporary basis.

The conference agreement also provides for an exclusion from coverage of persons producing or harvesting gum resin products as provided in the Senate bill.

(e) State and local employees: The conference agreement accepted the new provisions added by the Senate relating to the States named in the Senate bill except Indiana was deleted from the named States. It is my understanding that this deletion was at the request of the State of Indiana.

(f) Employees of nonprofit organizations: The conferees accepted the Senate version relating to nonprofit organization employees.

(g) Federal employees: The Senate deleted the House provisions granting coverage to Tennessee Valley Authority and Federal Home Loan Bank employees. The conference agreement would grant coverage to these employees.

(h) United States citizens employed by foreign subsidiaries of American corporations: The conferees accepted the Senate provision which would extend coverage to United States citizens employed by a foreign subsidiary of a domestic corporation where the corporation owns not less than 20 percent of the voting stock of the foreign subsidiary. At the present time there is a 50 percent ownership requirement.

(i) Adjustment of benefit provisions for newly covered persons: The conferees accepted the Senate provisions relating to insured status, the drop-out of years of low or no earnings, and starting and closing dates.

II. BENEFITS FOR PERMANENTLY AND TOTALLY DISABLED PERSONS

The conferees for the most part accepted the Senate version of the provisions granting benefits to the permanently and totally disabled.

The conference agreement deletes the provision of the Senate bill whereby individuals who refuse to undergo surgical or medical service in connection with rehabilitation would have been deemed to have done so with good cause.

III. RETIREMENT AGE FOR WOMEN

The House-passed bill would have reduced the retirement age for women from age 65 to age 62. The Senate bill would have provided full benefits at age 62 for widows and surviving dependent mothers only. Other women beneficiaries would be provided reduced annuities if they retire before age 65.

The conference agreement follows the Senate bill.

IV. SUSPENSION OF BENEFITS FOR CERTAIN ALIENS WHO LEAVE THE UNITED STATES

The conferees accepted the Senate provision suspending benefits to aliens who leave the United States with amendments making the suspension inapplicable if such a person has been a resident of the United States for 10 years or has paid contributions for 10 years or where there is a reciprocal treaty relating to benefits. The Senate provision was also amended to provide such a person would have to be outside the United States for 6 months before his payments would be suspended.

V. FORFEITURE OF BENEFITS UPON CONVICTION OF CERTAIN CRIMES

The Senate bill would have terminated an individual's benefits if he has been or is convicted of treason and certain other crimes under the Internal Security Act.

The conference agreement amends this provision to provide that benefits may be terminated only by a court.

VI. EXCLUSION FROM COVERAGE OF PERSONS LISTED BY THE SUBVERSIVE ACTIVITIES CONTROL BOARD

The conference agreement would exclude persons listed by the Board from coverage.

VII. FINANCING

The House-passed bill would have increased social security taxes by one-half of 1 percent on each the employer and employee, effective January 1, 1956. The self-employment tax would have been increased by three-fourths of 1 percent.

The conference agreement follows the Senate version whereby taxes would be increased one-fourth of 1 percent on each the employer and employee, effective January 1, 1957. The increase for the self-employed would be three-eighths of 1 percent. Similar increases would be made in each of the scheduled increases in taxes now contained in the law.

The conferees accepted the Senate provision establishing a separate trust fund for these increases which would be used only for the payment of disability insurance benefits.

The conferees also accepted the Senate provision providing for an increase in interest received by the Trust Fund.

VIII. PUBLIC ASSISTANCE AMENDMENTS

The House-passed bill did not contain any amendments to the public-assistance titles of the Social Security Act. The Senate bill would have increased the maximum amount matchable under the old-age assistance aid to the blind and the permanently and totally disabled to five-sixths of the first $30 plus one-half of the remaining amount up to a maximum of $65 if the States complied with a "pass-along" provision.

Under the conference agreement, matching would be on the basis of four-fifths of the first $30 plus one-half of the next $30 up to a maximum of $60.

The maximum amount matchable in the aid to dependent children program would be increased by $2.

The Senate bill provided for a new medical care program with 50–50 matching up to a maximum of $8 for adults and $4 for children recipients. The conference agreement reduces this amount to $6 and $3, respectively.

The Senate bill would have provided that in determining need a State could disregard up to $50 in earned income. The conferees deleted this provision. The conferees also deleted the Senate provision to the effect that there should be no discrimination based on sex in determining need.

The conferees accepted the Senate provision authorizing grants to States, public and nonprofit organizations for research and demonstration projects.

The conferees also accepted the Senate provision relating to training grants with an amendment providing that the Federal share would be 80 percent for 5 years.

The conference agreement contains the Senate provision deleting the requirement that a needy child must attend school between the ages of 16 and 18, as well as the Senate provision including first cousins, nephews, and nieces within the persons eligible for payments under the ADC program. Parents and other relatives in Puerto Rico and the Virgin Islands would be made eligible for payments under the ADC program.

The Senate bill raised the ceiling on Federal matching for public assistance for the Virgin Islands from $160,000 to $300,000. The conference agreement raises this amount to $200,000.

The conferees accepted the Senate provision raising the ceiling for Puerto Rico from $4,250,000 to $5,312,500.

The conferees accepted the Senate provision increasing the authorization for child welfare programs from $10 million to $12 million a year with a change making the increase effective for the fiscal year ending June 30, 1958. The conferees agreed to delete the Senate provision which would have established a Commission on Aging.

Mr. Speaker, I inserted a press release announcing the conference agreement on H. R. 7225 in the RECORD on Saturday, July 21. This release will be found at page 13889, and it contains a more detailed description of the conference agreement.

Mr. Speaker, we have reached another milestone in our social legislation. A major achievement has been made in providing insurance benefit payments for disabled workers. The lack of disability insurance payments has been a long-recognized shortcoming in our social security insurance program. We have also made another major contribution to the social security program by reducing the age at which women beneficiaries may become eligible for benefits. We have now reached practically universal coverage under the system.

It has been my good fortune to have voted for the original Social Security Act and the many improvements which has been made since that time. I have long fought to add disability insurance benefit payments to the program. I am very happy that these benefits are now being added to round out the protection for our American workers.

Mr. REED of New York. Mr. Speaker, H. R. 7225, the Social Security Act

Amendments of 1956, provides several major changes in the present law. As the ranking Republican Member of the Conference Committee on the part of the House, I would like to summarize these changes.

First, the bill provides for the payment of cash disability benefits at age 50 to covered individuals who are permanently and totally disabled.

Second, it provides for the payment of women's benefits at age 62 instead of the present 65. Widows and surviving dependent mothers would be given full benefits at age 62. Working women and wives would be given reduced benefits if they begin to draw them between age 62 and 65.

Third, additional self-employed persons are brought into the social security system. Among these, lawyers and dentists represent major new coverage groups. In my opinion, it is unfortunate that we have delayed so long in extending coverage to these groups. The bill which I sponsored in 1954 would have covered both lawyers and dentists at that time. Physicians will continue to be excluded under H. R. 7225.

Fourth, social-security taxes will be increased effective January 1, 1957, by ¼ of 1 percent for each the employee and employer, making the rate at that time 2¼ percent each. The self-employment tax will be increased from 2 to 3⅜ percent at the same time.

Fifth, the bill increases present public assistance payments. The matching formula for old-age assistance, aid to the blind, aid to the permanently and totally disabled, and aid to dependent children at the present time for the first 3 of these programs is four-fifths of the first $25 of a State's average monthly payment, up to a maximum of $55. The maximum amount matchable for these 3 programs would be increased from $55 to $60 and the formula would be changed so as to provide matching of four-fifths of the first $30 and one-half of the next $30 up to a maximum of $60. The aid to dependent children formula is presently four-fifths of the first $15 of a State's average monthly payment plus one-half of the next $15 up to a maximum of $30 for an eligible adult and for the first child. Each additional child is subject to a maximum of $21. The amount matchable would be increased by $2.

The increase in cost over present law for the first year amounts to $98 million for aid to the blind, aid to the permanently and totally disabled, and old-age assistance and $48 million for the first year for aid to dependent children. The conferees deleted the pass-along provision from the Senate bill.

I have always been vitally interested in the special problems of the blind and have taken a leading role in developing legislation on their behalf. For this reason, I am glad to call attention to the increased Federal matching for the aid-to-blind program.

Sixth, a new program would be added whereby the Federal Government would match on a 50–50 basis State expenditures on vendor payments in behalf of public-assistance recipients needing medical care up to a maximum determined by multiplying $6 per month times the number of adults and $3 per month times the number of children. This program will cost $65 million in the first year. This new program is one which I first introduced in bill form last year on behalf of the administration.

Of course, Mr. Speaker, there are many other changes provided by H. R. 7225, but I believe that the above summary contains the highlights.

In 1954, during the Republican 83d Congress, when I had the honor to be chairman of the Committee on Ways and Means, I assumed responsibility for sponsoring and leading the battle for the administration's social-security program. That legislation has been one of the landmarks of the Eisenhower administration during its first term. It demonstrated, once and for all, that the Republican Party did not intend to turn the clock back in this area, but would take the lead in placing the retirement and survivorship protection of the American people on a firmer foundation.

That social-security bill which I sponsored and which Congress enacted into law in 1954 provided a number of important improvements in the existing program. First, and, I believe, most important, the basic protection of social-security coverage was finally extended to practically the entire gainfully employed population of the United States. For example, some 6 million farm owners and their families were brought into the system for the first time, an accomplishment of tremendous significance to the farm families of America. I recognize that a great many of the farmers of this country do not retire at age 65 and do not want to retire at that age. As a result, the retirement benefits of the social-security program are of uncertain value to many of these individuals. On the other hand, the survivor benefits of the system are of inestimable value to widows and dependent children upon the unexpected and untimely death of the family breadwinner. It has been my sad experience that my farmer friends and neighbors are certainly as susceptible to crippling injury and sudden death as the result of farm accidents as are individuals in other occupations, and probably more so. The new survivorship protection which we provided in 1954 should bring a new sense of security and peace of mind to our farm homes throughout the land.

These facts are equally true, I think, with regard to the millions of other self-employed individuals who were brought into the system for the first time under my bill in 1954. Personally, I have always wished that there were some practical way by which these individuals, including farmers, could be brought into the social-security system on an optional and not on a compulsory basis. I think that it is unfortunate to force people to take part in this type of retirement and survivorship system if they do not want to or do not need to. On the other hand, it has been demonstrated that an optional social-security system would cost just as much as private insurance, and would, therefore, be out of the reach of those of our people most in need of this basic protection for themselves and their loved ones. By extending the system to all, it has been possible to keep the costs relatively low, and thus within the means of the average individual.

The 1954 amendments also contained a number of other improvements in the existing system. Coverage was broadly extended with regard to farm workers. Moreover, my bill substantially improved the so-called "work clause" which had operated to deny benefits to individuals, otherwise eligible for benefits, who had earnings in excess of $75 a month. Under my bill, the allowable amount of earnings was increased to $1,200 a year. In addition, my bill provided across-the-board increases in benefits for all social security beneficiaries. These increases were modest in amount but helped in some measure to offset the rise in the cost of living which had struck with especial severity at our older citizens.

In comparing the action of Congress in 1954 and the action today with regard to this bill, I feel that certain comments are in order.

I believe that it was most unfortunate that no public hearings were ever held by the Committee on Ways and Means on this bill. This seems extraordinary in view of the billions of dollars involved and, even more important, in view of its significance in terms of human needs, upon which no value in dollars can be placed.

I believe it is unfortunate that the Committee on Ways and Means, as well as this House as a whole, has had no opportunity to determine what other areas of improvement within the social security system might be appropriate. For example, no effort was made to study a possible increase in minimum benefits, even though such an action would have benefited all of our retired workers and not just a selected few. The Republican members of the Committee on Ways and Means made every effort last year to have this and other problems considered but to no avail. Frankly, I believe that the utter refusal by the majority to even consider an increase in the present minimum cash benefits demonstrates a callous disregard of the needs of our older citizens.

In many ways, the bill as agreed to by the conference committee represents a distinct improvement over the House bill. The provision for a separate trust fund with respect to the increased contributions required by disability benefits is a sound one. No one has the faintest conception what cash disability benefits ultimately will cost. The special trust fund will permit the Congress and the public to keep a close check on the finances of this new program. The overall lower cost of the conference bill is a distinct advantage.

I believe that the conferees have done an excellent job in resolving the differences between the House and Senate bills.

Mr. JENKINS. Mr. Speaker, I was a Member of Congress when the first social-security legislation was passed. It was then considered as an old-age pension law. We, in Ohio, had an old-age pension law for a year or two, and, of course, I was somewhat familiar with the principle. I felt that probably the most

deserving persons who should have help under this kind of legislation would be the deserving blind people, and I offered an amendment to the bill in the Ways and Means Committee providing for "aid to the indigent blind." In spite of all my earnestness, the Ways and Means Committee refused to accept my amendment. I then followed the matter up and offered my amendment on the floor of the House. Again, in spite of all my earnestness, the House of Representatives turned me down. The newspapers and magazines saw the fairness of my proposition and as a result, when the bill came before the Senate, my amendment was adopted and became a part of the first social-security law.

I mention this to show that from a humble beginning, where the poor blind woman who held out her tin cup on the street corner could not qualify for help, the principle of "public assistance has spread until today the social-security activities of the Government reach out and include nearly all our people.

Now, Mr. Speaker, I wish to discuss some of the changes in this great and important system made in the legislation under consideration today.

The conferees on H. R. 7225, the Social-Security Act Amendments of 1956, have accomplished successfully a very difficult and complex task.

The bill embraces a great many important changes, both in the old-age and survivors insurance system and also in the public assistance program. I would like to call to the attention of my colleagues some of the most significant of these changes.

First of all, H. R. 7225 contains an entirely new disability insurance program. It provides for the payment of cash benefits at age 50 to individuals who become permanently and totally disabled. The idea of disability insurance has been a controversial one over the years. There have always been sharp differences of opinion, not over the theoretical desirability of such a program, but over whether it could be practically administered and whether it could be financed on a sound basis. I believe that the conference bill provides for about the best approach to this problem that we can achieve at this time. However, we should watch the development of this program with great care.

Secondly, the bill lowers the age at which women can become entitled to benefits. Widows and surviving dependent mothers would be given full benefits at age 62. Working women and wives would be given reduced benefits if they begin to draw them between age 62 and 65. Working women would receive 80 percent of their full benefit should they retire at age 62. If they delay retirement they would be given five-ninths of 1 percent for each month's delay up to age 65. Wives would be given 75 percent of their full benefits should they begin to receive benefits at 62. For each month's delay up to age 65 they would receive twenty-five thirty-sixths of 1 percent. Should a woman accept a reduced benefit, this benefit would continue to be payable and it would not be increased upon their reaching age 65.

Third, the bill extends coverage to additional self-employment individuals, including lawyers and dentists. I believe it safe to say that when this bill becomes law, doctors of medicine will be the only self-employed group not covered by social security.

Fourth, it must be understood that the liberalizations provided by this bill must be paid for in order to keep the finances of the system on a sound basis. As a result, the social-security tax will go up one-quarter percent next January 1, after which it will be 2¼ percent each on employee and employer. The self-employment tax will go up to 3⅜ percent on the same date.

Mr. Speaker, that concludes the changes involving the old-age and survivors' insurance program. Several other changes are provided with respect to public assistance.

For example, with regard to old-age assistance, aid to the blind, and aid to the permanently and totally disabled, the maximum amount which the Federal Government will match is increased to $60 from the present $55. The matching formula is also changed to four-fifths of the first $30 and one-half of the next $30 up to a maximum of $60, instead of four-fifths of the first $25 and one-half of the next $30 up to a maximum of $55, as under present law. In addition, and this is very important, there will be a $2 increase in the amount matchable with respect to the aid to dependent children program.

Finally, the bill provides a new program with respect to matching medical care payments for the needy. Under the bill, the Federal Government will match on a 50–50 basis vendor payments by the States with respect to medical care for public-assistance recipients. The bill provides a ceiling on the program equal to $6 per month times the number of adults and $3 per month times the number of children receiving assistance.

Summarizing the entire bill, it provides: First, disability benefits under OASI; second, lowering the OASI benefit age for women to 62; third, coverage of all self-employed except doctors of medicine; fourth, increased social security taxes January 1, 1957; fifth, increased Federal share under public assistance; and sixth, Federal matching of State payments with respect to the medical care of public assistance recipients.

Mr. ZABLOCKI. Mr. Speaker, I am extremely pleased that the conference report on the Social Security Act Amendments of 1956 contained three major improvements in the law—improvements which will lower the retirement age for women, provide benefits to totally and permanently disabled workers at age 50, and extend coverage to dentists, lawyers, and certain other professional, self-employed groups.

The contents of the conference report are particularly pleasing because I have worked for these major improvements for a number of years.

As early as February 26, 1953, I introduced a bill in the House of Representatives, proposing that the retirement age for women be lowered to age 60 and that totally disabled workers be made eligible for benefits regardless of age.

This bill, H. R. 3554, 83d Congress, was the result of a long and thorough study assisted by outstanding experts on social security.

Two years later, on March 18, 1955, I reintroduced my proposal in an improved form. This time it was embodied in two separate bills: H. R. 1635 which proposed to lower the retirement age for women to age 60; and H. R. 5057, which called for the payment of social-security benefits to totally disabled workers, again without age limitations.

The progress made toward the achievement of these goals in the Social Security Act Amendments of 1956 will prove of tremendous benefit to thousands of American people. It will alleviate the problem of numerous widows, surviving dependent mothers, working women, and wives of workers, who will be able to retire at an earlier age.

At the same time, this new legislation brings new hope and relief to many American families which have been subjected to hardships because the principal wage earner became disabled, and was unable to draw social security benefits until age 65.

I join with my distinguished colleagues in supporting the conference report on the Social Security Act Amendments of 1956 in the firm belief that this constructive and farsighted legislation merits our whole-hearted support.

Mr. RODINO. Mr. Speaker, broadening social security to provide payment to disabled persons at age 50 or over, at the same time lowering women's eligibility age to 62, is a solid achievement of the 84th Congress in providing for the general welfare and, at the same time, strengthening purchasing power for those most in need of such help.

I am proud that I voted for this bill, H. R. 7225, when it passed the House July 18, 1955. I am proud today to have voted for the conference report on the final bill following Senate action July 17, 1956.

Mr. Speaker, this broadening of coverage is a landmark of progress in legislation that is humane and economically wise. As predicted by the veteran Senator WALTER F. GEORGE in the last great speech of his long career, this advance is but a beginning. If our Nation continues in peace and freedom, as we all pray daily that it will, it is as certain as tomorrow's sunrise that future Congresses will further improve the Social Security Act, passed in 1935 against virtually solid Republican opposition and now supported by both parties with only a small hard core of die-hard dissenters.

There is no logic, no justifiable reason for denying benefit payments to insured workers who become totally and permanently disabled at 49 or 48 or 38 or 28 years of age.

The line of age 50 was chosen in taking this first step toward complete coverage for disability because members of the House Ways and Means Committee felt that the area from age 65 to age 50 was all that could be successfully proposed in the first legislative action by Congress.

Lest anyone leap to the conclusion that this is in any sense a raid on the Public Treasury or on taxpayers, let me say at once that it is a pay-as-we-go

program, that the additional cost of insuring workers against permanent and total disability is to be met out of an additional one-quarter of 1 percent payroll tax to be paid by the workers themselves and a like amount to be paid by the insured workers' employers, the combined amount to be earmarked and reserved to pay disability benefits. This removes any possibility of draining the old age and survivors' insurance trust fund.

Mr. Speaker, it seems to me that very strong arguments can be made for lowering eligibility for disability payments below age 50, for removing any age qualifications whatever, and for making the eligibility test identical with the test for the payment of survivors benefits; namely, earnings in insured employment for the same number of years and quarters and amounts as now required for eligibility under the old-age and survivors insurance provisions of the act.

If a young worker has been working in insured employment for 10 years, during which both he and his employer have been taxed and have been paying into a fund to cover him, his dependents and survivors against the hazards of old age, death, and disability, it seems to me quite likely that permanent and total disablement of that worker at age 30 is quite likely to confront him, his wife, and young children with a more difficult and potentially more tragic situation than is likely to arise upon disablement at or after age 50, when dependency is likely to be less frequent and for shorter periods, since most of the children will have grown up beyond the dependency cut-off age of 18, or will be approaching that age.

At whatever age disability occurs, the insured worker and the members of his family are confronted with expenses beyond normal living expenses for able persons either of working age or in retirement. Medical care, surgery, therapy, prosthetic appliances, and other devices are often needed in addition to frequent nursing care.

All of these considerations, it seems to me, point to the need for, and the likelihood of, further improvements in the Social Security Act at an early date to lower the disability eligibility age until it is removed altogether and also to provide for the cost of medical, hospital, therapy, appliances and nursing care.

I shall continue to support and work actively for such further improvements.

Mr. Speaker, as so often happens in public policy and legislation, that which is morally right turns out to be economically right. This will be proven again in the 84th Congress' historic extension of the Social Security Act to cover disability and to lower the eligibility age for women.

The payments that can now be made to the totally and permanently disabled and to women upon reaching age 62 will strengthen mass purchasing power in precisely those areas where it is most needed, namely, in families whose income is threatened or has been cut off, and for the necessities of life itself, food, clothing, shelter, fuel, and medical care.

This bill passed the House with bipartisan support, only 31 voted against it, but 23 of those 31 were Republicans.

A year later, in July 1956, all the weight of the present administration through its Secretary of Health, Education, and Welfare was thrown into the fight in an effort to defeat the disability provisions of the bill, with the result that they passed the Senate by the narrow margin of 47 to 45. Forty-one Democrats voted for the George amendment adding disability to the bill as in the House version. Only 7 Democrats voted against it. But 38 Republicans voted against the George amendment adding disability, only 6 Republicans voted for that amendment. In conclusion, I want to quote and endorse the words of Senator GEORGE in closing the debate on his amendment:

Mr. President, I undertake to say that this is the most important question I have ever presented to the American people. Senators may do as they please now. Within the next Congress they will accept this principle. Regardless of promises or obligations, I do not believe that the Senate will so far desert the working people of the United States.

Mr. McCARTHY. Mr. Speaker, before voting on H. R. 7225 with amendments agreed to by the Conference Committee, I want to express concern over the amendment relating to agricultural workers and crew leaders. This is a Senate-approved amendment to section 201 (f) (2) of the measure. I call attention to the statement of the Department of Labor circulated belatedly to members of the Conference Committee which voices strong opposition to the amendment.

The statement declares that the amendment will be most unfortunate for the migratory agricultural workers. The statement predicts that "deductions would be made from the worker's pay envelope without in many cases being recorded with the Social Security Administration, thus defeating the purpose of the amendment and thus depriving the migrant of honestly earned benefits under the Social Security Act."

The statement bases its prediction on the Labor Department's "long experience with the so-called crew leader system, under which approximatly 350,000 migrant workers travel and secure their jobs."

There is a distinction—

The Department points out—

between crew leaders and legitimate labor contractors, who actually employ and pay agricultural workers. These labor contractors are now considered as employers for income tax and social security purposes under rulings of the Internal Revenue Service. Their operations are not affected by this proposed legislation.

Unlike the recognized labor contractor, the crew leader is generally only one step removed from migrant worker status himself. He may be a crew leader today and a migrant worker tomorrow, and vice versa. He is not, except in a few States, licensed, nor is he bonded. He usually has no place of business, no fixed residence, no facilities whatever for keeping records, and in many instances is illiterate.

The crew leader's charge for service averages around 12 percent of the workers' meager earnings. Crew leaders, having no responsibility toward workers or farmers, have been known to abscond with entire payrolls, leaving the migrants and their families destitute, without work, money or transportation.

While many migrants are now recruited directly by the farmers or through the employment service, section 201 (f) (2) would tend to force the workers to come under the crew leader system. The employer would find it more advantageous to have his entire work force under crew leaders and thus avoid employer-employee responsibilities.

This section would give statutory recognition to the crew leader system and would confer upon it a legal status inappropriate to its nature and most unfortunate for the migrant workers. Deductions would be made from the worker's pay envelope without in many cases being recorded with the Social Security Administration, thus defeating the purpose of the amendment and depriving the migrant of honestly earned benefits under the Social Security Act.

Moreover, from the standpoint of labor law administration, a dangerous precedent would be established by this amendment in its recognition of the practice of using a middleman to allow employers to shift their responsibilities for complying with labor legislation. This action might be a step in the direction of removing long recognized responsibilities of employers under other labor laws—workmen's compensation, for instance, or child labor, or the field of minimum wages."

These are telling arguments against this amendment and afford valid grounds for grave apprehension. I believe acceptance of this amendment carries with it an obligation on the part of Congress and especially of the Ways and Means Committee of which I am a member to follow closely the operation of this amendment in practice. If the Labor Department's unqualified forebodings are borne out by experience I believe the Congress should rectify the situation by legislative action. The least favored and least protected segment of our economic society—the approximately one million migratory agricultural workers—should not be left to the even more unhappy state which the Department of Labor declaration implies is in store for them under this amendment.

Mr. HENDERSON. Mr. Speaker, the social security bill of 1956 makes several significant changes in existing social security law:

First. It provides for payment to persons covered by social security who are totally disabled and who have reached the age of 50 years. Payments begin in July 1957. I see a great field of controversy in the determination of when and if a person is totally disabled. Such has been the experience of countless individuals seeking to establish this point to meet the requirements of workmen's compensation and Veterans' Administration laws.

Second. It reduces from 65 to 62 the age which women may qualify for payments as follows:

(a) If they are widows or surviving, dependent mothers of covered workers, they are eligible for full payment.

(b) If they are wives of workers covered by the Social Security Act or covered workers themselves, they may at age 62 elect to receive 80 percent of the payment. It should be pointed out that they then do not become eligible to receive the full amount at a later

date. This would be effective November 1956.

Third. Increased contributions are a part of the law to meet the increased costs. Effective January 1, 1957, taxes would be increased one-fourth of 1 percent for each, the employer and employee, making the rate 2¼ percent on each. The self-employment tax will be increased from 3 to 3⅜ percent.

Fourth. Eligibility for payments under Aid to Dependent Children program is broadened to include first cousins, nephews, and nieces.

Fifth. Beginning in taxable year 1956, coverage is extended to professional groups, except physicians.

Sixth. Formerly farm operators must have earned a net income of $400. Under the new bill where gross income is $1,800 or less, two-thirds of the gross income may be considered as net income for social-security purposes. Where the gross income is over $1,800, it is deemed that the net income is at least $1,200 for computation purposes. This provision is to be effective on the 1957 income.

Seventh. Agricultural workers are covered after they earn $150 or work 20 days or more during a calendar year.

Eighth. Under this bill, the Federal Government also increases funds available for matching State aid in public assistance programs. This would apply to aid for the needy aged, aid to the blind, and aid to disabled dependent children.

Ninth. The new bill would also continue old-age and survivors program aid for dependent childen beyond the age of 18 if such children are disabled.

Mr. ROOSEVELT. Mr. Speaker, the conference report on the amendments to the Social Security Act constitute substantial improvements for our senior citizens. It is with regret, however, that I note that some of the amendments adopted by the Senate were eliminated. Two in particular stand out: First, the provision which would have allowed recipients of old-age pensions to earn up to $50 a month without having their assistance diminished by such earnings. This amendment is so worthy that I intend to fight for it next year. It will add to the dignity of those receiving pensions and it is certainly a justified right. Secondly, I regret the elimination of the Senate provision that there be no discrimination based on sex in determining need. In my State of California, as well as in many other States, there is ample evidence that local authorities try to give less amounts to women than to men and there is certainly no evidence that the cost of living is any higher for men than it is for women.

On the affirmative side, I am happy to see that many of the things which Senator ESTES KEFAUVER and I fought for are included in the final bill. Outstanding, of course, is the reduction in the retirement age for widows and surviving dependent mothers from 65 to 62. Working women and wives will be given graduated benefits from 62 to 65, starting at 80 percent of the full amount they will receive at 65. Of great benefit also is the payment to those permanently and totally disabled of benefits beginning at the age of 50. It is interesting to note that members of the Christian Science Church and other churches who rely on spiritual healing and who refuse rehabilitation services would be deemed to have done so with good cause.

The bill, of course, also extends the social-security coverage to farm operators and share farmers, to ministers and to agricultural workers, as well as employees of nonprofit organizations. However, physicians were eliminated at the insistence of the American Medical Association.

Under the matching formula for pensions, the pensions will be increased from $55 to $60 and, although the final bill does not include the so-called pass-along provision adopted by the Senate which would have required the States to increase the pensions they pay by the same $10 amount, we in California have already taken care of that matter through the State legislature so our pensioners will receive a much-needed and well-deserved $10 increase.

I have a happy feeling that my efforts to help our senior citizens receive adequate pensions, under improved conditions, have been substantially successful. We still have a long way to go and I am pledged to continue the fight.

Mr. SEELY-BROWN. Mr. Speaker, I am advised that this morning the Senate passed a bill to launch a broad new program of Federal aid to depressed areas of the Nation. As has earlier been stated by the President, we must help deal with the pockets of chronic unemployment that here and there mar our Nation's general industrial prosperity. Certainly it is well recognized that economic changes in recent years have often been so rapid and so far-reaching in their effect that areas generally committed to a single local resource or industrial activity, such as the textile industry, have found themselves temporarily deprived of their markets and their jobs. I do believe that for communities so hit, a real sense of responsibility must remain with the people living there, and with their State, but I also am just as firmly convinced that a soundly conceived Federal partnership program can be of real assistance to the people in their efforts to help themselves.

I am well aware of the many problems involved in any legislation of this kind, and that every proper effort must be made to make sure that the legislation as drawn will not encourage further dislocation but will rather direct itself toward being of help and assistance to those communities which are so earnestly striving to help themselves.

I do urge that at the earliest possible moment we in the House be given the opportunity of debating fully and completely this important measure.

Mr. BLATNIK. Mr. Speaker, adoption of the conference report on H. R. 7225 represents the most historic and far-reaching improvements yet to be made in the Social Security System first enacted in 1935. This bill lowering the age at which women become eligible for benefits, providing disability insurance at age 50, expanding coverage to thousands of individuals not now covered, and increasing the Federal old-age assistance payment shares is a major step forward in providing the people of this Nation with a truly adequate and comprehensive social security program. However, there is still much to be done. We still have a long way to go before our present old-age programs, even with the enactment of H. R. 7225, are truly adequate to meet the ever-increasing problems of old age and disability.

Ever since coming to Congress 10 years ago, Mr. Speaker, I have been greatly concerned with the problems facing the older citizens of our Nation. The problem of old age is one of the most serious facing us today. The poet Browning wrote the famous line, "Grow old along with me, the best is yet to be," but if we were to look at hard, cold facts today we could see that growing old brings on problems and complications which would test the strength of the youngest and strongest of us much less that of the older person.

OLD-AGE PROBLEM NATIONAL CONCERN

The problem of old age is of national concern. It touches each of us, young and old alike. Consider for a moment that since 1900 the number of persons over 65 has quadrupled while the total population has only doubled. From 1947 to 1952 the population aged 65 and over, increased an almost unbelievable 17 percent while the total population in that same time increased only 5 percent. By 1975 there will be more than 20 million Americans 65 and over. There are over 14 million today, and the average income for a man and his wife over 65 today—one of the 14 million—is only $1,500. Their average savings are less than $500. Millions of old folks, Mr. Speaker, living on such pitifully small incomes in these days of high costs of living. The situation is becoming, if it isn't already, a national disgrace.

During the last 50 years, our national economy has moved from one based primarily upon agriculture to one of huge industrialization, creating many new and unanticipated social problems, particularly with respect to our older persons who are being shunted more and more to an insecure, dependent and much too hopeless and helpless a position in our society. They are being deprived of work because of their age and being forced to retire prematurely when they have good, active years ahead of them. As a result, many of our older people have inadequate financial resources to maintain themselves and their families as independent and self-respecting members of their communities, are unable to find adequate housing for themselves and their families, are confronted with disabling health and medical problems, are driven by frustration and despair to private and public mental institutions and general hospitals, and are placed in increasing numbers on old-age assistance rolls.

Because of the enormity of the problem even further improvements in the Social Security System should be enacted. The program in operation today is not designed to adequately assist the Nation's older, disabled, and dependent citizens. Basically we are still operating under a 1935 law trying to solve the social-security problems of 1956. We do

all in our power to modernize our laws calling for highway construction, defense measures, and countless others, yet when it comes to the field of social welfare and social security we seem satisfied with things the way they are. It is no more logical to put the tremendous traffic of today on the roads of 1920 than it is to try to solve the problem of today's aged and disabled with programs developed two decades ago. Present law just is not designed to solve the tremendous problem confronting us today.

FURTHER IMPROVEMENTS NEEDED

For instance, lowering the age at which women become eligible for benefits as provided in H. R. 7225, while it is a significant improvement over existing law, does not go far enough. Ever since coming to Congress I have urged that the retirement age in general, for men and women alike, be lowered to age 60. I have introduced a bill, H. R. 4471, with such a provision. I hope the day is not too far off when we truly face up to the problem and lower the retirement age to 60 for everyone.

Allowing disabled persons to obtain benefits at age 50, another provision of H. R. 7225, is a fine, progressive improvement in present law. It is estimated that in the first year of operation disability insurance benefits will be payable to about 250,000 workers, amounting to $200 million in benefits. Under the courageous leadership of Senator WALTER GEORGE this provision was retained in the Senate version of the bill in the face of determined opposition from the administration and an almost solid bloc of Republican votes against it. Actually, one could ask himself why must there be a disability age limit at all. When a person becomes totally disabled, bedridden, and unable to work, he is deserving of assistance. What we seem to be saying in H. R. 7225 is that a disabled person over 50 needs help, but a disabled person under 50 can take care of himself. Such is not the case, and everyone knows it. Yet the solution to the problem is shackled with this completely unrealistic age requirement. Disabled persons of whatever age need and deserve social-security coverage and until such is the case, we will not be adequately discharging our duties to them. My bill, H. R. 4471, would entitle a disabled person to assistance at any age, and I am pleased to see such able leaders as Senator GEORGE, of Georgia, take a similar stand on this issue.

I was extremely pleased to see coverage extended to over 250,000 self-employed individuals and their families under H. R. 7225. This, again, is a great improvement and one I have long striven for. But we see once more the piecemeal approach to the problem. The real solution is to extend coverage to all persons—to enact a truly overall and comprehensive social-security program for all today and not wait another few years to make a change here and a change there. The problem exists right now. We should not postpone the solution which we know to exist. Every moment lost just adds to the misery and tragedy of many of our older and disabled citizens. As Secretary of Health, Education, and Welfare Folsom has said, "Social legislation must change with changing social and economic conditions." These are fine sentiments, but we do not seem to be living up to them.

Apparently there are those who think we are unable to afford, from a financial standpoint, to take such a step toward the solution of the problem. Is it possible that a nation as rich as ours cannot afford to provide security both financial and social to its older citizens who helped make it as rich and great as it is? I cannot believe that such is the case. Headlines blare out the good news that our economy is approaching the $400 billion mark. But how much publicity is given the fact that nearly three-fourths of all Americans over 65 years of age either have no income of their own or receive less than $1,000 a year? This is a sad commentary on our economy. While storage bins burst with surplus food, many of these older folks actually live on marginal or submarginal levels. I am convinced that our economy can withstand the expense of a real Social Security System.

SOCIAL SECURITY AND FREEDOM

In order for this Nation to continue to maintain the kind of liberty and freedom we have become accustomed to, Mr. Speaker, the Government must participate in programs which provide security for the individual against risks over which he has no control. It is not a negative concept of liberty or freedom which gives us our individual and collective strength, but rather the more positive approach involving the existence of those economic and social conditions necessary to enjoy the good life, and to exercise the privileges of free speech, press, and citizenship. We all know that a man who is unemployed, for instance, is far from free—that to him freedom is a hollow word hedged about with the misery which accompanies poverty and insecurity. By the same token we know that our old folks who live on a miserly old-age assistance pension are not really free and able to enjoy the liberties and rights which our form of government provides. Such problems as these led Franklin D. Roosevelt to observe that "in order to preserve our democratic institutions we need to prove that the practical operation of democratic government is equal to the task of protecting the security of the people." One group in America, Mr. Speaker, sorely in need of help in protecting such security is our older and disabled citizens. We must all be aware that millions of them have been watching and waiting to see whether this Congress would accept its responsibilities and enact legislation truly beneficial and helpful to the older folks. Some progress, indeed great progress has been made with the enactment of H. R. 7225. But we should not stop here. Having made such excellent progress this year I am confident that in the not too distant future we will see the dream of a truly comprehensive and adequate social-security program become a reality.

Mr. KNOX. Mr. Speaker, it is my purpose to support the adoption of the conference report on the social-security amendments of 1956, H. R. 7225, and in doing so would like to commend the House conferees in the work they did with the Senate conferees on this important and meritorious legislation.

It is my view that within the limits of the matters germane to the conference a very desirable bill has been brought back to the House of Representatives for final approval. In making this observation I would like to express the opinion that certain improvements that should have been accomplished during this Congress are neglected in this legislation. The improvements that I have in mind that were not taken care of by the bill as agreed to in conference include such meritorious amendments as a liberalized retirement test so that America's aged citizens could lead more productive lives through employment without loss of their social-security entitlement.

I also believe that consideration should have been given to blanketing-in the present aged who are not now covered under social security so that those persons who have reached retirement age, and are not now eligible for benefits through no fault of their own, could begin to receive them. In this connection I would point out to my colleagues in the House that I introduced legislation, H. R. 9272, on February 13, 1956, to provide for the blanketing-in of the present aged on a basis that would guarantee against impairment of the actuarial soundness of the trust fund. If my proposed amendment to the Social Security Act had been adopted, our aged American citizens who met the eligibility requirements could have begun to draw benefits without concern over the iniquitous "needs test" and the humiliation that attends the acknowledgment of poverty that is required in order to be eligible for public assistance today.

In supporting this legislation I would like to make particular reference to four improvements provided by the conference report that I regard as particularly significant and meritorious. The first of these improvements pertains to the reporting of earnings by farm operators and tenant farmers. The legislation as modified in conference would provide a liberalized income reporting method so that small farmers may receive credit for a higher portion of their total income and thus become entitled to larger benefits than would be available to them under existing law. This change will result in more farmers becoming eligible for OASI benefits and the benefits to which they will be entitled will be higher than they would have obtained under present law. Tenant farmers will be regarded as self-employed individuals so that both the tenant farmer and the landowner may obtain coverage under the OASI program.

Agricultural workers would also be benefited under the conference agreement. Such workers would not be subject to social-security taxes if they are only casually engaged in employment and are not paid $150 or more in cash wages in the calendar year by one employer or if they perform less than 20 days of work for an employer during the calendar year. This change will not exclude from coverage those agricultural workers who should have the benefits of the OASI program but will save the employer

of the occasional farmworker from the need of keeping records on casual employees that he hires for a very short time. In this respect another improvement that was adopted by the conferees was the exclusion from coverage of agricultural workers from foreign countries who are admitted to the United States on a temporary basis.

Another amendment that would be made to the Social Security Act by the conference agreement that I regard as particularly significant is the amendment providing disability benefits for the totally disabled individual upon the attainment of age 50. A serious benefit gap has existed in our social-security program to date in that disability benefits are not payable under the OASI system. It has always been my view that the family of a worker who is disabled is as much in need of disability benefits as is the family of a retired worker in need of retirement benefits or the family of a deceased worker in need of survivorship benefits. One of the principal purposes of the social-security program is that its benefits are the means whereby family ties have essentially remained intact where the untimely death of the principal wage earner of the family has occurred. I would point out to my colleagues in the House that the loss of income is just as complete under circumstances of total disability as it is under the circumstances of the death of the principal family provider. For that reason it is appropriate that disability benefits would be payable under this conference agreement.

It is true that the disability benefits provided by the conference agreement are available on a more conservative basis than benefits payable to the retired and to survivors under existing law. However, the conference agreement establishes a separate trust fund and allocates a separate tax payable to that trust fund so that as experience with this new aspect of the social-security program is gained a liberalization of the disability portion of the program may be undertaken if it is warranted. I predict, Mr. Speaker, that the disability benefits that will become payable under the conference agreement on H. R. 7225 will do much to make the old-age and survivors insurance program more adequately meet an urgent need of the American people.

The third aspect of the report filed by the conferees on the social security amendments of 1956 that I regard as particularly significant pertains to the public-assistance titles of the Social Security Act. I am gratified to observe that the amendments provided in the conference agreement to these public-assistance titles will insure to our aged, our disabled, our blind, and our dependent children a liberalized benefit level that more realistically recognizes the cost of even the barest subsistence today. It should be recognized that people who are compelled to avail themselves of public assistance are entitled to an adequate benefit commensurate with the costs of their living requirements in our present-day economy. For that reason I would observe that the benefit increases provided under the conference agreement are most meritorious.

The fourth aspect of the bill to which I would like to specifically refer pertains to the lowering of the retirement age for women under the old-age and survivors insurance program, from 65 years to 62 years. I am convinced that this retirement age should have been lowered even further with respect to women who are unable to obtain work because they have not previously been a participant in the labor market and who are without means of support because of the death of their husbands. The amendment contained in the conference report lowering the retirement age for women is a step in the right direction. Women will now be able to make an election as to whether they will retire or will continue working at an earlier date than is possible under the present law and in this way the old-age and survivors insurance program is made more realistic and more adequate.

I would also like to commend the conferees on the action that they have taken to preclude the payment of benefits to persons convicted of crimes that are traitorous in their nature and that would deny recognition for coverage purposes to employment by communistic-front organizations. I also subscribe to the action of the conferees imposing more stringent limitations on the payment of benefits to aliens. It has always been my view that the old-age and survivors insurance program was established to provide for the welfare of American citizens and I strongly believe that it should be so limited. The payment of benefits to aliens constitutes a drain on the trust fund and results in the denial of benefit increases that might otherwise be possible for our American citizens. An amendment to public-assistance titles that merits the support of all Members of the Congress is the amendment that would provide on a 50–50 matching basis medical-care benefits. This amendment will do much to assure to our aged citizens the medical care that they, perhaps more than any other category of our citizenry, need so direly.

Mr. Speaker, I regret that in the time allotted to me I do not have a more adequate opportunity to discuss this conference report, the social-security program, and the changes that must be accomplished in the future to make the program more fully meet the needs of our American citizens. It is my view that the social-security law more vitally affects our American polity than any other Federal statute. For that reason I think the Congress of the United States should be particularly attentive on a continuing basis to effecting changes and improvements in the law as they prove feasible. I am confident the Congress will undertake such attentiveness and will review the operation of the program to make sure that it is fiscally sound, economically adequate, and humanely equitable.

Mr. Speaker, it is my privilege to urge my colleagues in the House to support the adoption of the conference report on H. R. 7225.

Mr. DONOHUE. Mr. Speaker, for the past 10 years I have repeatedly and emphatically declared in this House my conscientious judgment that the enactment of and continuing improvement in our Social Security System is the greatest bulwark that can be legislatively erected against the danger of domestic inroads upon our people from subtle Communist propaganda and criticism of our so-called capitalist society.

It is, therefore, with the deepest earnestness I express the hope that this conference report will be adopted unanimously. In my opinion, such action will represent the most historic and far-reaching improvements yet made in the Social Security System that was first enacted in 1935.

The bill and conference report lowering the age at which women become eligible for benefits, providing disability insurance at age 50, expanding coverage to thousands of individuals not now within the System, and increasing the Federal old-age assistance payments is a major step forward in providing the people of this Nation with a truly adequate and comprehensive social-security program.

I am particularly gratified that our older citizens are being extended an additional measure, which could still be expanded, of assistance. The problem of reasonably helping our older people is one of the most challenging facing the country today. Since 1900, the number of persons over 65 has quadrupled, while the total population has only doubled. By 1975, there will be more than 20 million Americans 65 and over; there are over 14 million today. The average income for a man and his wife over 65 now is only $1,500. Just think of it for a minute, these millions of our older folks trying to live on such pathetically small incomes in these days of high living costs. At least we are beginning to deal with that deplorable situation, and I trust we will continue to give it even greater sympathetic consideration in our further actions.

Allowing disabled persons to obtain benefits at the age of 50 is a genuinely Christian and humane provision of this new legislation. Indeed, we may well question the justice of setting this arbitrary figure of disability at 50. It is quite obvious that disabled persons of whatever age need and should morally be granted social-security coverage. I look forward to the day when we will realistically realize that age is not a just factor in considering the needs of a disabled person. At whatever age such tragedy occurs, the individual and family members are plagued with expenses beyond normal living for medical care, medicine, correctional appliances, nursing care, and so on. Anyone who has experienced any temporary family sickness at all realizes the tremendous financial burden that accompanies sickness and disability these days.

Let us further appreciate that in setting up this program it is not in any sense an imposition on the Public Treasury or our taxpayers. The additional cost of taking care of these disabled persons is to be met out of an additional one-fourth of 1 percent payroll tax to be paid by the workers themselves and a like amount to be paid by the insured workers' employers, the compiled amount to be earmarked and reserved to pay disability benefits. This process removes

any possibility of depleting the old-age and survivors insurance trust fund.

Mr. Speaker, another outstanding feature of improvement in this current legislation is the lowering of age limit at which women can become entitled to benefits. I refer, of course, to the provision to lower to 62 the retirement age for workingwomen, wives and dependent mothers. Widows and surviving dependent mothers will be given full benefits at age 62. Workingwomen and wives would be given reduced benefits if they began to draw them between ages 62 and 65, in accord with a well-defined formula. This is, indeed, a definite improvement in our long-neglected consideration of American women under this System. It still leaves an obvious inequity by excluding other groups of women from the same benefits.

We all know and experience proves that after the age of 50, or even before, in our modern industrial life, women who lose their jobs or are otherwise unemployed find it extremely difficult to get new positions, far more than men under the same circumstances. Women, therefore, are frequently forced into retirement much earlier than men and therefore need the benefits earlier. These are hard facts which must be dealt with sooner or later, but at least we are taking a step now in the right direction; I hope that we will continue this present promise of progress in this field.

There are, Mr. Speaker, many more sound and beneficial provisions in this bill, such as the extended coverage to certain farmers, ministers, agricultural workers, and self-employed individuals, including lawyers and dentists. All of these provisions have been carefully explained to the House and thoroughly justified. There is no need of repeating them here.

Mr. Speaker, these current improvements in our Social Security System, as spelled out in this legislation, are in entire accord with our Christian principles and traditions. They are within the capacity of this blessed and bountiful Nation to assume. We have been extremely anxious these last 10 years and extremely generous in providing billions of dollars to aid and assist friendly peoples, and even some enemies, all over the world. Some of those expenditures were and are undoubtedly wise in our self-interest, but the wisdom and practicality of certain others become ever more and more doubtful.

To those who question our own ability to reasonably participate in a sound Social Security System at the Federal level, I suggest they take a look at the staggering and astounding amounts of money that we have spent abroad. I ask them, in all sincerity, what will it profit us to spend abroad if we neglect to the point of discouragement and demoralization the welfare of our own people? I would remind them that the primary duty of this National Legislature is concern for the people of the United States.

This social-security measure is truly in accord with the exhortation of the President to legislate for the good of all Americans, and I now urge its unanimous adoption without further delay.

Mr. FORAND. Mr. Speaker, the 84th Congress has just completed action on one of the most significant and humane pieces of legislation in recent history—I refer, of course, to the social security amendments of 1956. The enactment of this landmark legislation is another victory in the long struggle in which my Democratic colleagues and I have engaged, side by side, in providing a degree of self-respecting security for our elderly people, our disabled, and those who have suffered misfortune. I am proud to state that I have for many years worked long and hard to improve and strengthen our social-security program and that the amendments of 1956 achieve many of the objectives which I urged many years ago.

It is therefore appropriate on this occasion for me to review briefly just what has been accomplished by the 1956 social security amendments and indicate those areas where further improvements may yet be made. I am particularly interested in reviewing these accomplishments, Mr. Speaker, because of the vital interest which I have always had in our social-security program and because of the contribution which I am proud to have made, as a member of the Ways and Means Committee and of the Congress, toward enactment of this important legislation.

It will be recalled that in the summer of 1955 the Committee on Ways and Means of the House of Representatives originated and passed by an overwhelming majority this basic legislation. Certain changes were made in the bill by the Senate Finance Committee, and further changes were made on the Senate floor. Insofar as the major provisions of the bill are concerned, I still believe the House version was the soundest approach, but I am happy that the bill which has finally been approved does retain most of the improvements recommended by the House.

The five principal features of the 1956 social security amendments may be summarized as follows:

First, one of the most important provisions of the 1956 amendments was provision for disability insurance protection for the permanently and totally disabled at or after age 50. The inclusion of this provision rounds out the protection of our social-security program and provides one of the most humane actions which could have been taken by the 84th Congress. The gap which existed in our Social Security System prior to approval of these amendments was obvious. Previously, a worker who was insured under the System and who became disabled regardless of his age had to wait until age 65 before becoming eligible for any benefits, a situation which unquestionably was unsound and unfair. Certainly, a breadwinner who is unfortunate enough to become permanently and totally disabled at age 50, and who is a fully insured individual under social security, should not be forced to wait for 15 years before receiving benefits.

I am proud to state that the bill passed by the House of Representatives last year by an overwhelming vote included this humane provision and it was with gratification that I noted it was restored to the bill on the floor of the United States Senate, after having been removed by the Senate committee. It is estimated that some 250,000 individuals may become eligible for benefits during the first year under this provision of the bill, and this basic protection is extended to some 35 million insured persons.

Before leaving this point, Mr. Speaker, I must state that I would have much preferred not to see the age limit of 50 placed in the disability-insurance provision, but I recognized the practical legislative situation which existed. I do intend, however, to work for refinements and improvements in this respect at a later date.

Second, the bill provides for a reduction in the retirement age of widows, workingwomen, and wives, from age 65 to age 62. For a number of years, I have worked for a reduction in the retirement age for women. As the bill passed the House of Representatives last year, the retirement age for all of these categories of women was reduced uniformly from 65 to 62 upon my motion. As the bill came back to us from the Senate, provision was made for reduction in the retirement age to 62 with full benefits for widows, but it provides further for an actuarial reduction in retirement benefits for wives and workingwomen if they choose to retire at age 62 rather than 65. In the case of wives, 75 percent of full benefits may be received by them if they begin receiving them at age 62, and in the case of workingwomen, 80 percent of their full benefits may be received if they retire at 62 rather than 65.

As indicated, under the House version of the bill, all women could retire at age 62 with full benefits. I still think this was by far the better version, but I recognize the practical situation in that the modified version of the bill apparently was the only acceptable version to the Senate during this session.

In this connection I should like to emphasize that it was upon my motion that the Ways and Means Committee in 1955 included the original provision to lower the age limit uniformly for all women to age 62 with full benefits. I repeat that I am very sorry that the version which I recommended in committee and which passed the House was not accepted by the Senate.

Further, in this connection I think it appropriate for me to indicate that in the 83d Congress I introduced a bill—H. R. 2713, on February 6, 1953—which provided for the lowering of the retirement age for women from 65 to 60. I believe that it is fair for me to state that my record shows my vital interest in this matter, and while I am glad that action has been taken to provide for lowering the retirement age to age 62, I still consider that improvements may be made in this area, and it is my intention to press for and support measures at a future date to make such improvements.

Third, coverage was extended to many additional individuals, so that now our social-security program is nearly universal in its coverage. Some 250,000 persons were added, and perhaps many

more, depending upon State and local action. Practically all self-employed professional people are now covered except physicians, who were left out at their request; coverage was made available to more State and local employees; provisions relative to sharefarmers were clarified and amplified; and further additional groups were brought into the System, such as employees of the Tennessee Valley Authority, Federal Home Loan Banks, and others.

Fourth, provision is made for the payment of benefits after age 18 to the dependent child of a retired or deceased worker if the child has been permanently and totally disabled since before age 18. The mother of the child would also be eligible for benefits under this provision so long as she continues to have the child in her care. I think this provision, which originated in the Ways and Means Committee, is one of the most commendable in the entire bill, although it is of narrower application. The situation faced by those persons who are caring for a mentally or physically handicapped child is sad indeed, and their suffering is greater because of their concern as to what may happen when the family income may be cut off by death or retirement of the wage earner. This provision will help ameliorate, to a degree, this situation.

Fifth, a number of improvements were made with respect to grants-in-aid for public assistance, aid to the blind, aid to the permanently and totally disabled, and aid to dependent children. The Federal share for these programs was increased; the program for aid to dependent children was broadened and strengthened; Federal support for research is provided; Federal funds for child welfare are increased; and other changes are made.

I am not entirely satisfied, however, with these changes, important as they are. For the most part, they are a step in the right direction, and will enable our needy aged, blind, disabled, and dependent to have some improvement in their security, but I consider that my own bill on this subject, H. R. 10302, would have been much better. It would have placed these programs on an up-to-date basis, provided even higher assistance levels than is provided in the present amendments, and made other desirable changes. However, the provisions of the social security amendments of 1956 do make improvements in the grant-in-aid programs and I am pleased to see this done.

Mr. Speaker, the foregoing are some of the major provisions of this important legislation. I regard this bill as one of the most forward-looking enactments which any Congress in recent years has approved. I am proud to emphasize that its basic framework was laid out in the bill originated last year by the Committee on Ways and Means and that I am happy to have had the opportunity of working hard for its enactment. I expect to continue to press for further improvements in our Social Security System, which now is reaching a well-rounded program of basic protection, soundly and equitably financed, for all our people.

Mr. BOLAND. Mr. Speaker, I rise in support of the conference report on H. R. 7225 to amend and liberalize the Social Security Act. I am extremely pleased to note that the conferees included the provision which will allow women to become eligible for benefits at age 62 rather than 65 under the present law. This was one of the provisions of the bill that I introduced, H. R. 6783, and was incorporated by members of the Committee on Ways and Means into H. R. 7225 with modifications. Although I would desire to see the age eligibility reduced to 60 for women, I accept the modification to age 62 by committee members and wholeheartedly support the recommendations in the conference report.

I am also pleased that this bill includes dentists and lawyers in the social-security program and that provision has been made for the continuation of monthly benefits for mentally and physically retarded children after age 18.

Mr. Speaker, the hour is fast approaching when the 84th Congress will pass into history. During both sessions these needed and desirable amendments to the Social Security Act have been studied and debated. The House-Senate conferees are to be commended for working out an agreement on this important measure so that we could have this report before us today. I urge my colleagues to overwhelmingly adopt this report so that we may have a liberalized social-security law this year.

Mr. EBERHARTER. Mr. Speaker, the title of this bill is self-explanatory—it is, in effect, a bill to modernize the whole social-security program in keeping with the policies which we on the Democratic side have been supporting and promoting ever since the original Social Security Act was passed.

This bill does many things to help many people—women approaching retirement age whose wait before collecting benefits will now be shortened in a great many cases; people on public assistance and aid to the blind and aid to dependent children who can look for a larger Federal contribution to their monthly benefits; and the sick and ill among the indigent who can look for Federal assistance toward medical and hospital expenses. Furthermore, practically all professional groups except medical doctors are now to be covered by social security. And the disabled have had opened to them under this bill a great new program for receiving social-security benefits at or after the age of 50.

On this occasion, as we prepare to pass this bill, I cannot help but think back a few years.

Mr. Speaker, as you drove down the Boulevard of the Allies, or down Bigelow Boulevard, toward Pittsburgh's Golden Triangle during those autumn days and into the late fall, the billboards called down at you a frightening message that the workers of our country were being victimized by a cruel hoax.

The billboards were Republican Party billboards; the "cruel hoax" to which they referred was social security—the social security law which Franklin Delano Roosevelt had signed into law the year before but which had not yet gone into effect regarding the payroll deductions and benefits under the old-age and survivors insurance program.

The Republican Party was shedding immense — and expensive — billboard tears over the consequences of this terrible New Deal law—and was promising to repeal it.

Now I grant, Mr. Speaker, that all this may sound like ancient history to some. After all, it did happen 20 years ago. To the new voters of today, 20 years may appear to be an eternity—for certainly to their way of thinking it is a lifetime, at least.

OUTSTANDING NEW FEATURES IN 1956 SOCIAL SECURITY BILL

But the voter of any age today—whether he lived through the days I speak of 20 years ago and was aware of their significance, or whether he just heard about them at the family dinner table as the parents reminisced about the exciting and eventful era when this country was pulled from the depths of depression—each such voter knows that we have experienced in the United States in this interval of one generation a great change, actually a social revolution.

And, of course, social security—the social security law which 20 years ago the Republicans werc promising to repeal—has been a cornerstone of the structure of our society and economy.

During these past 20 years, there have been periodic changes and improvements in the social security law. The improvements, in nearly all cases, have been proposed, supported, and enacted primarily by Democrats and opposed, in most instances, by Republicans. So the billboards of 20 years ago are not entirely obsolete, although, of course, it would take a brave Republican, indeed, to campaign for office today on a promise to repeal social security. Rather, we find the Republican Party giving much lip-service to the social security laws, but going in for backstage maneuvers to weaken, if not destroy, the program.

EISENHOWER ADMINISTRATION OBJECTED TO CHANGES

The new benefits are a case in point. The social security bill which is now before us for final action is, in many respects, a truly outstanding one. It incorporates some great new improvements, particularly the principle of paying retirement benefits at age 50 to workers who become totally and permanently disabled. Also incorporated into the bill is a long-overdue provision to permit widows to receive their survivorship benefits at age 62; for working-women to retire at 62; and for wives of retired workers to begin collecting their supplementary benefits at age 62. The Republican administration and its supporters in Congress sought desperately to block these improvements.

This marks the first time since the original social security bill was enacted in 1935 that there has been any break in the 65-year minimum age for retirement benefits. It establishes a new principle, and sets a precedent which, no doubt, will be expanded in the future. I foresee the removal of any age minimum for payment of benefits to the totally disabled

who are eligible by reason of their previous employment and earnings and contributions to the fund.

Now that we have established the precedent of permitting retirement for women at age 62, I foresee further reductions in the future of that age minimum for women, and probably some reduction, too, in the present 65-year minimum retirement age for men under the program.

In addition to these advanced features of the new bill, we have widened the coverage of the program to include lawyers, dentists, optometrists, veterinarians, osteopaths, and others. These groups heretofore had not been sure they wanted to be covered but finally became aware of the tremendous value to them and to their families of social-security coverage—particularly in survivorship benefits should the breadwinner die. Throughout our Nation now families are held together through social security which would in other years have been forced to separate upon the father's death. It has been a great, great thing for America.

REPUBLICAN OPPOSITION TO LOWERED RETIREMENT AGE

While the bill is an outstanding legislative achievement, it has in it some features which are unfair to those women between the ages of 62 and 65 who elect to take advantage of their new opportunity to retire before 65. As a result of Republican opposition to the whole principle of early retirement benefits, a Senate compromise had to be accepted which penalizes workingwomen by deducting from their retirement benefits a certain percentage for each month they lack of being 65 at the time they apply for benefits. This penalty is then supposed to remain in effect even after the woman reaches 65. That is too severe.

A workingwoman who wants to retire at age 62, as this bill permits, would receive only 80 percent of the monthly benefits that she would be eligible for at age 65. For each month that she delays retirement after 62, until she is 65, the benefit will be increased by five-ninths of 1 percent. And while wives of retired workers can now apply for supplementary retirement benefits at age 62, if they do, they receive only 75 percent as much as they would be eligible for at age 65, and so on.

INTEND TO SEEK REPEAL OF PENALTY CLAUSE

These penalty provisions were not in the bill which passed in the House of Representatives last year. Nor were they in the bill which my committee, the Committee on Ways and Means, reported out last year. They were inserted in the bill in the Senate, as the price exacted by conservative Republican elements in the narrowly divided Senate in getting through the principle of retirement for women before 65. I think this limitation was unfair, and I intend next year to seek its repeal. I hope we have a sufficiently large Democratic majority in the Senate, as well as the House, next year, to enable us to overcome such tactics as occurred in the Senate this year on this provision of the social security bill. The House bill would have paid full benefits to all eligible women at 62, with no penalty clause. That is what I am for.

Going back to those billboards of 20 years ago, Mr. Speaker—the billboards along the Boulevard of the Allies overlooking the Monongahela River, and on Bigelow Boulevard overlooking the Allegheny, and across Liberty Bridge and up the Mount Washington roadway, and all over the city of Pittsburgh and the county of Allegheny 20 years ago—billboards proclaiming that the Republican Party would repeal social security because it was a cruel hoax on the worker, a tax on your pay envelope, a drag on recovery from the depression, interference with the private insurance business, a crushing burden on the economy, and so on—going back to those days, Mr. Speaker, we find that they were really not too far back, at that. For in this bill now before us, we experienced a straight out political battle between the two parties over liberalizing and improving the social-security law.

THE FIGHT OVER DISABILITY BENEFITS

It is clear from the debate and votes on the bill that the principle of improving social security to provide more generous retirement benefits at an earlier age is primarily still a Democratic principle, and opposition to that idea is primarily still a Republican principle, and a Republican administration concept.

As you know, Mr. Speaker, the disability provision of the new bill, which is its most outstanding single new feature from the standpoint of social insurance against personal disaster, was put into the bill originally by my committee and by the House over the violent objections of the Eisenhower administration and the Republican leadership. It was retained in the bill in the Senate by the very narrowest of margins, on what turned out to be an almost solid party line vote—the overwhelming majority of the Democrats voting for it and the overwhelming majority of the Republicans voting against it. And the Eisenhower administration, as I said, was 100 percent opposed to it and used every conceivable device to line up Republican votes against it.

The Republicans were saying, in effect, that a 50-year-old worker who is totally and permanently disabled should be required to sit around for 15 years and wait until he is 65 before collecting any of the social-security benefits he had earned during his working career. How indifferent can one be to human needs—to the needs of the average family and worker?

REPUBLICAN PARTY UNAWARE OF PEOPLE'S REAL NEEDS

But we do not have to depend upon the social-security debates and votes alone to see how the amazing attitude displayed by the Republican Party 20 years ago over the "cruel hoax" of social security still dominates that party when it comes to human needs and human problems. We have concrete evidence of the vast differences between the two political parties on all social issues and on human needs each time Congress takes up any important legislation affecting the people generally.

AUTHORIZING SECRETARY OF AGRICULTURE TO PAY THE EXPENSES OF AN ADVISORY COMMITTEE ON SOIL AND WATER CONSERVATION

Mr. POAGE. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 3314) to authorize the Secretary of Agriculture to pay the expenses of an Advisory Committee on Soil and Water Conservation.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas [Mr. POAGE]?

Mr. HAYS of Ohio. Mr. Speaker, I object.

Mr. POAGE. Mr. Speaker, I move to suspend the rules and pass the bill (S. 3314) to authorize the Secretary of Agriculture to pay the expenses of an Advisory Committee on Soil and Water Conservation.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of Agriculture is authorized to pay expenses of an Advisory Committee on Soil and Water Conservation and related matters, but such committee members (other than ex officio members) shall not be deemed to be employees of the United States and shall not receive compensation.

The SPEAKER. Is a second demanded?

Mr. GROSS. Mr. Speaker, I demand a second.

Mr. POAGE. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. POAGE. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, this bill simply authorizes payment of the expenses of advisory committees which are appointed by the Secretary of Agriculture. The bill was requested by the Department.

The total expenditures estimated by the Department are about $5,000 a year. These committees are departmental committees appointed by the Secretary for the purpose of advising on soil and water matters. This pays their expenses when on official duty.

Mr. HOPE. Mr. Speaker, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from Kansas.

Mr. HOPE. Is it not a fact that this bill was a part of the housekeeping bill of the Department of Agriculture bill which the House passed some time ago but which we were told would not be taken up in the Senate on account of other provisions?

Mr. POAGE. Yes. This is one of the items which appeared in the bill we passed and on which the Senate has not acted. The Department has asked for this particular bill.

Mr. MARTIN. Mr. Speaker, if the gentleman will yield, if the gentleman had made that explanation in the first place, it would not have been necessary to have a suspension.

Mr. GROSS. Mr. Speaker, I yield 3 minutes to the gentleman from Ohio [Mr. HAYS].

Mr. HAYS of Ohio. Mr. Speaker, in relation to giving the Department of Agriculture any more money for anything I would like to comment on an article which appeared in the Columbus (Ohio) Citizen of last Sunday. The article is headed, "Hamilton Cattleman Helps To Square Away Pentagon", and tells about the Deputy Defense Secretary, Reuben B. Robertson, of Hamilton, Ohio, who is supposedly putting the Pentagon on a business-like basis. In the same article, it tells about his herd of 55 Black Angus cows back in Hamilton Ohio, and I quote, "the herd was losing so much money we had to sell them," said Robertson, "but I would say that the Military Establishment is in a pretty business-like condition."

I wonder, Mr. Speaker, how anomalous you can get but it is pretty obvious that if Mr. Robertson is the right man to put the Pentagon on a business-like basis then the Secretary of Agriculture, Mr. Benson, has gotten the agriculture in this country in a horrible mess if this great expert, Mr. Robertson, can run the Pentagon but can't afford to keep his farm.

The SPEAKER. The question is on suspending the rules and passing the bill.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

AMENDING AGRICULTURAL MARKETING AGREEMENT ACT OF 1937

Mr. COOLEY. Mr. Speaker, I move to suspend the rules and pass the bill (H. R. 8384) to amend section 8c (2) of the Agricultural Marketing Agreement Act of 1937, as amended.

The Clerk read as follows:

Be it enacted, etc., That section 8c (2) of the Agricultural Marketing Agreement Act of 1937 (7 U. S. C. 608c (2)), as amended, is further amended by inserting the word "cranberries" between the words "and not including fruits, other than olives," and the words "and grapefruit, for canning or freezing" where they appear in said section.

The SPEAKER. Is a second demanded?

Mr. AUGUST H. ANDRESEN. I demand a second.

The SPEAKER. Without objection a second will be considered as ordered.

There was no objection.

Mr. COOLEY. Mr. Speaker, the gentleman from Massachusetts [Mr. NICHOLSON] is the author of this measure which was reported by the Committee on Agriculture. I would be very glad to yield to the gentleman from Massachusetts if he desires me to do so at this time.

Mr. NICHOLSON. Mr. Speaker, when the gentleman from Colorado was up here awhile ago he said he put his bill in in March, and a rule was just reported out. Mr. Speaker, I never did get a rule, and I put mine in in January. But, I want to thank you very much for giving me an opportunity to present this bill.

Friends and neighbors of mine came to my house last Christmas and asked me to put in a bill that might help them overcome the condition that they are now in. The cranberry industry has lost money for the last 2 or 3 years. Every barrel that they pick and screen and put on the market costs them money. So, they wanted a marketing order.

Mr. Speaker, I do not know whether most of us know too much about these marketing orders, but this is only one out of a great many. I was surprised when I looked it up to find that there were marketing orders on citrus fruits; 12 on other fruits; 4 on tree nuts, that is, walnuts and pecans and so forth; and 65 on milk and milk products, which includes cheese and butter, and so forth. They found some fault because the Attorney General got an indictment against this organization a couple of years ago.

Mr. Speaker, all this order does is to allow these cranberry growers to go to the Department of Agriculture and submit plans so that they may get an order to do business. After the Department has had a public hearing on it, they set up rules and regulations by which the farmer must do in order to sell his fruit. Then it is brought back to the growers themselves and if two-thirds agree, the order goes into effect.

Now what is the matter with that?

Mr. MASON. Mr. Speaker, will the gentleman yield?

Mr. NICHOLSON. I yield to the gentleman from Illinois.

Mr. MASON. What we want to know is what is a marketing order that enables them to sell? What is the nature of it?

Mr. NICHOLSON. They go to the Department and get an order. For instance, they might have something to do with the size of the berries, the price of the berries, anything that enters into the sale of the article.

Mr. MASON. You mean they cannot sell without this marketing order?

Mr. NICHOLSON. They can, but the Attorney General may get them for fixing prices. I just read to the gentleman from Illinois a number of orders that were in existence now, and what they were. Everybody has them, I suppose, except the cranberry people. The only change in the law this bill makes is that it puts the word "cranberries" between "olives" and "grapefruit."

Mr. GUBSER. Mr. Speaker, would the gentleman yield?

Mr. NICHOLSON. I yield to the gentleman from California.

Mr. GUBSER. Does this affect cranberries for processing and canning as well as fresh cranberries?

Mr. NICHOLSON. Yes, it does. Mr. Speaker, the district I represent raises more cranberries than the whole of the rest of the world put together, and the growers of cranberries there are composed of men who own from 1 acre up to 20 acres. There are only 2 or 3 big growers, and Members who have been screaming about helping small business have a chance here to get on the small-business wagon and take a ride with them.

Mr. DONDERO. Mr. Speaker, will the gentleman yield?

Mr. NICHOLSON. I yield to the gentleman from Michigan.

Mr. DONDERO. Does the gentleman mean to say that our Thanksgiving and Christmas cranberries come from the gentleman's district?

Mr. NICHOLSON. Yes, if you get the right kind; if you get the best, they come from my district.

Mr. KEATING. Mr. Speaker, would the gentleman yield?

Mr. NICHOLSON. I yield to the gentleman from New York.

Mr. KEATING. Does this proposal contemplate fixing the price of cranberries?

Mr. NICHOLSON. No; it does not contemplate that.

Mr. KEATING. Could that be done under the proposed legislation?

Mr. NICHOLSON. I do not know whether it could or not—yes; they could establish a price for a box or a barrel of cranberries.

Mr. KEATING. Would the gentleman consider that this is a conservative measure?

Mr. NICHOLSON. I certainly would consider it a conservative measure. The people who are in this business are conservative businessmen. The livelihood of a great many of them depends upon this business. As I said in the first place, they have lost money. This may give them an opportunity to get to where they will be making money again.

Mr. THOMPSON of New Jersey. Mr. Speaker, will the gentleman yield?

Mr. NICHOLSON. I yield to the gentleman.

Mr. THOMPSON of New Jersey. I quite agree with the distinguished gentleman from Massachusetts, who grows nearly as many cranberries and nearly as fine ones as we do in my district in New Jersey. This is a serious matter which deserves the support of the whole House.

Mr. NICHOLSON. Mr. Speaker, I have a telegram here from the American Farm Bureau Federation which supports the passage of this bill to include cranberries. It is addressed to the Honorable JOHN MCCORMACK, a Member whom we all respect and admire and who thinks that this is a good bill.

Mr. PHILBIN. Mr. Speaker, will the gentleman yield?

Mr. NICHOLSON. I yield to the gentleman from Massachusetts.

Mr. PHILBIN. I want to compliment the distinguished gentleman from Massachusetts for the excellent work he has done on this matter. I am in full agreement with everything he has said, and I intend to support his bill.

Mr. NICHOLSON. I thank the gentleman from Massachusetts.

Mr. BROWN of Ohio. Mr. Speaker, will the gentleman yield?

Mr. NICHOLSON. I yield.

Mr. BROWN of Ohio. The gentleman from Massachusetts has been a very able legislator and has served his country well in the Congress of the United States. He has presented a bill worthy of our consideration. It is in the best interest

of the people he represents. I congratulate him on the statement he has made here today.

Mr. NICHOLSON. I certainly thank the gentleman from Ohio.

Mr. HAYS of Ohio. Mr. Speaker, will the gentleman yield?

Mr. NICHOLSON. I yield.

Mr. HAYS of Ohio. The gentleman spent one evening telling me about the cranberry industry and how difficult it was for the small growers to make any money. If this bill does anything to help them, I am for it.

Mr. NICHOLSON. I thank the gentleman from Ohio.

Mr. DODD. Mr. Speaker, will the gentleman yield?

Mr. NICHOLSON. I yield to the gentleman from Connecticut.

Mr. DODD. I want to help the gentleman from Massachusetts. I am in favor of this measure. I think it is a sound one. I have had the opportunity to observe the gentleman now for two sessions. I think he is a remarkable and able legislator.

Mr. RIVERS. Mr. Speaker, will the gentleman yield?

Mr. NICHOLSON. I yield to the gentleman from South Carolina.

Mr. RIVERS. I want the gentleman to know I am going to vote for his bill. I do not know all the provisions in it, but I am certainly for it.

Mr. HALE. Mr. Speaker, will the gentleman yield?

Mr. NICHOLSON. I yield to the gentleman from Maine.

Mr. HALE. As a Representative from the State of Maine which consumes cranberries produced in the gentleman's district, I want to commend the gentleman for bringing this bill to the floor.

Mr. MILLER of Maryland. Mr. Speaker, will the gentleman yield?

Mr. NICHOLSON. I yield.

Mr. MILLER of Maryand. Can the gentleman tell us what the position of the Department of Agriculture is on his bill?

Mr. NICHOLSON. I do not have the least idea.

Mr. MILLER of Maryland. Can the gentleman give us some information as to why segments of the canning industry are opposed to it?

Mr. NICHOLSON. There are segments of the canning industry that are opposed to it. They always have been, because they are in a certain line of business, like canning corn, beans, fish, and a hundred and one other things, and they are afraid we want to get into that business. We have enough troubles with cranberries without inviting other troubles.

Mr. McINTIRE. Mr. Speaker, will the gentleman yield?

Mr. NICHOLSON. I yield to the gentleman from Maine.

Mr. McINTIRE. I join with the gentleman in support of the legislation. I have been very much interested in the bill as it has been processed through the Committee on Agriculture.

Mr. MARSHALL. Mr. Speaker, will the gentleman yield?

Mr. NICHOLSON. I yield to the gentleman from Minnesota.

Mr. MARSHALL. I came over here for the purpose of voting against the gentleman's bill, but he has been so convincing in his arguments that I have changed my mind and am going to support it.

Mr. NICHOLSON. I thank the gentleman very much.

Mr. ALBERT. Mr. Speaker, will the gentleman yield?

Mr. NICHOLSON. I yield to the gentleman from Oklahoma.

Mr. ALBERT. This program has worked well with other products. I see no reason why cranberries should be discriminated against. I am for this bill.

Mr. JOHNSON of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. NICHOLSON. I yield.

Mr. JOHNSON of Wisconsin. I shall support the bill of the gentleman from Massachusetts [Mr. NICHOLSON].

With the exception of a few large cranberry corporations, the cranberry farmers of Wisconsin, as far as I can determine, are wholeheartedly in support of the legislation. As a member of the House Agriculture Committee, I attended all the hearings on the bill and supported the legislation in the committee. I have also informed a great number of my colleagues in the House that this legislation is desired by the great majority of cranberry farmers in my State.

I am glad I had the opportunity to help my colleague [Mr. NICHOLSON] on the bill and I hope it passes.

Mr. NICHOLSON. I would like to thank my good friend and colleague, Mr. JOHNSON, of Wisconsin, for all the assistance he has given me on this bill. He has worked unceasingly with me in an effort to have action taken on this legislation during this session. I am sure that the cranberry growers in Massachusetts as well as the cranberry growers in Wisconsin appreciate his wholehearted support of this bill. The people of Wisconsin can be justly proud in having such a conscientious, hard-working legislator as LESTER JOHNSON representing them in Washington.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. NICHOLSON. I yield to the gentleman from Iowa.

Mr. GROSS. May I say to the gentleman I support his bill because I want to support the farmers of Massachusetts, and I hope the gentleman will help support the farmers of Iowa.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. NICHOLSON. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. The gentleman from Massachusetts is evidencing great leadership in the way he is handling this bill on the floor. I join with the gentleman, and sincerely hope the bill will pass overwhelmingly by a voice vote.

Mr. COLMER. Mr. Speaker, will the gentleman yield?

Mr. NICHOLSON. I yield to the gentleman from Mississippi.

Mr. COLMER. I should like to associate myself with the remarks of the gentleman from Massachusetts [Mr. McCORMACK]. May I add that if this bill passes, as we hope it will, it will be because of the great popularity of the gentleman from Massachusetts [Mr. NICHOLSON].

Mr. REED of New York. Mr. Speaker, will the gentleman yield?

Mr. NICHOLSON. I yield.

Mr. REED of New York. I just want to say that the gentleman from Massachusetts has been my friend over the years, and I would vote for the bill even if it were a bad bill.

Mr. McDONOUGH. Mr. Speaker, will the gentleman yield?

Mr. NICHOLSON. I yield.

Mr. McDONOUGH. I want to inform the gentleman I have enjoyed my association with him as a committee colleague, and I have enjoyed the popularity that he has in the House of Representatives. I think he has earned the support and respect of this House, and I hope his bill passes.

Mr. CANFIELD. Mr. Speaker, will the gentleman yield?

Mr. NICHOLSON. I yield.

Mr. CANFIELD. I am for this bill both on a personal and on a merit basis. The gentleman now in the well of the House who is the sponsor of this bill represents the Cape Cod district. I love to spend my summers in Cape Cod and when I go up to Cape Cod I delight in telling friends up there that I am a personal friend of their Congressman and for me that has been an open sesame.

Mr. NICHOLSON. Mr. Speaker, this takes a two-thirds vote and I hope it is unanimous.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, I yield myself 10 minutes.

Mr. Speaker, we have had such a fine testimonial meeting here that I am rather reluctant to say anything about this bill. It is very disturbing to me to have to oppose my very good friend from Cape Cod, the author of the bill, but there are things that should be of vital concern in connection with this type of legislation. I feel I must say something about the bill, and why I am opposed to its passage even under suspension of the rules. I wish my colleague from Massachusetts well and I am glad that there have been so many fine testimonials for him. But there are principles involved in this legislation which, probably, do not seem of great consequence to some, but it does create a monopoly in the production and processing of cranberries. The gentleman represents a district that produces and controls about 85 percent to 90 percent of the cranberries produced in this country. Under existing law, the cranberry growers have the right to have a marketing order in the marketing and production of fresh cranberries. This bill seeks to give a control over the processing of cranberries throughout the country, and with that control they will not only be able to dictate the price of cranberries under a marketing order for the sale of fresh cranberries, but also for the processing and sale, and quantity of fresh cranberries that goes into processing in this country. The men in the production of cranberries who also now control 85 percent of the processing of cranberries and who are for this bill

were indicted by the Federal Government last April, in 1955. It is a long indictment.

Mr. NICHOLSON. Mr. Speaker, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I cannot yield.

Mr. NICHOLSON. That was in 1954.

Mr. AUGUST H. ANDRESEN. April 8, 1955, is the date of the indictment.

I am sure my friend recognizes the implications connected with his bill, but I am sure he is not aware of the extent of this bill if it is enacted into law, because it does give the growers of cranberries, and 2 large processors, now controlling 85 percent of the processing of cranberries in this country, a complete monopoly, and it removes the effect of the indictment that the present administration has secured against those cranberry producers that now control nearly all of the cranberry production in the country.

Mr. HAND. Mr. Speaker, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield.

Mr. HAND. I would like to associate myself with what the gentleman is saying. This bill is not for the benefit of the small grower but for the benefit of the monopolistic grower, very definitely, and is very detrimental to the interests of the processor. If I am correct in this, this is a bill to exempt from the antitrust laws people who are now violating the antitrust laws.

Mr. AUGUST H. ANDRESEN. That is the effect of it.

Mr. HAND. I yield to no one, in my affection for the gentleman from Massachusetts, but I do not like his bill. I hope it will be defeated.

Mr. AUGUST H. ANDRESEN. One reason for the indictment is that they put the smaller operators out of business and they have succeeded in that.

Mr. BEAMER. Mr. Speaker, will the gentleman yield?

Mr. AUGUST H. ANDERSEN. I yield.

Mr. BEAMER. Is it not true that this is an amendment to the Agricultural Marketing Agreement Act, and we should read the complete act, for it means that if we exempt cranberries the next step will be tomatoes and corn and all the other canned products to which we have referred, and you may have a monopoly in those particular fields. I speak for Indiana and many other areas, that this is merely getting the camel's nose under the tent.

Mr. AUGUST H. ANDRESEN. I thank the gentleman for calling that to my attention. I might point out that our Committee on Agriculture has refused to include other commodities when it came to the processing and canning of those commodities. A year or so ago we refused to give a marketing order, including citrus fruits. Grapefruit was already under the order, but citrus fruits had been excluded. We also refused to amend the law for cling peaches. They can put it into operation for certain fruits and vegetables and asparagus, but they cannot go to the extent that this proposes for cranberries.

Mr. KEATING. Mr. Speaker, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield.

Mr. KEATING. I share with my colleagues great admiration and affection for the gentleman from Massachusetts [Mr. NICHOLSON] but I have been informed by processors in my area, who employ a great many people, that they are very much opposed to this legislation, because it adds cranberries to the list of other items which are already under these orders. These orders are detrimental to the interests of large numbers of our people for the benefit of only a few, so I must oppose this bill.

Will the gentleman point out specifically how such a marketing order will affect those in the canning industry, and elaborate on the reasons for their objections, because the gentleman is a recognized expert on that subject.

Mr. AUGUST H. ANDRESEN. I do not claim to be an expert, and I thank the gentleman for the compliment, but it is the beginning of a long line of requests to amend the law to be included under the provisions of the marketing orders for many other commodities. I do not care whether it is cranberries or some other commodity, we should not give a monopoly to any group in this country, whether processors or canners.

Mr. NICHOLSON. Mr. Speaker, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield.

Mr. NICHOLSON. The big cranberry combine you are talking about does not exist, because 45 percent of the cranberry growers do not have anything to do with that anyway. This bill, as far as I am concerned, is a help only to the small growers throughout Massachusetts. I do not know about New Jersey or Wisconsin.

Mr. AUGUST H. ANDRESEN. I recognize that, for I know the gentleman would never have introduced this if it had not been his idea that it helped the small grower. But if the National Cranberry Association is a small grower—they represent thousands of other growers and they also do the processing, and they, together with the United Cape Cod Cranberry Co. and a few other companies up there in that area, control 85 percent of the production and the processing of cranberries in the United States——

Mr. NICHOLSON. No; they do not.

Mr. AUGUST H. ANDRESEN. I have it here in the indictment. I do not think the attorney general of the State of Massachusetts or the district attorney for that particular district would get an indictment against these defendants if they had not felt justified.

Mr. NICHOLSON. Now, listen——

Mr. AUGUST H. ANDRESEN. I am sorry; I cannot yield; I do not have sufficient time.

Mr. MACK of Washington. Mr. Speaker, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield briefly.

Mr. MACK of Washington. In my district there are a great many cranberry growers and they have plots of from 1 to 5 acres. These people are owners of these cooperative associations that do the packing, so it is small people who really own the packing plants, who do the canning, and they have small tracts, from 1 to 5 acres.

Mr. GUBSER. Mr. Speaker, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield to the gentleman from California.

Mr. GUBSER. I commend the gentleman on the statement he is making.

Mr. Speaker, I wish to compliment the gentleman on his statement in opposition to this bill and state that I thoroughly agree with it.

If the effects of this bill were restricted to fresh cranberries only, I could heartily favor it; but since it includes processed or canned cranberries, I must oppose it. I represent one of the greatest canning centers in the United States. I have learned that the processing and marketing of canned foods represents a cycle which often consumes more than a full year. Under this bill, you would be placing the canning industry in the position of accepting quotas and other marketing conditions on the raw product which they use. This, of course, would have a tremendous effect on the cost of that raw product and the selling price which the canner must receive in order to make a fair profit. Yet, oftentimes the canner must wait a full year before he sells, and during that period of time marketing conditions may have changed, resulting in a selling price not justified by the investment in the raw product.

The principle involved here is serious and, in my opinion, should not be applied to anything but fresh or perishable commodities. This bill could well mean the start of more and more inclusions under Federal marketing orders of canned fruits and vegetables. It would well mean chaos to the great canning industry.

I strongly urge the defeat of this bill.

Mr. LAIRD. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. LAIRD. Mr. Speaker, I regret very much that H. R. 8384 has been brought up under suspension of the rules. By using this procedure all amendments to the pending legislation are barred from consideration by the House of Representatives.

We in Wisconsin have had considerable experience with marketing orders, particularly as they have been applied to milk producers. As I have stated in the House Agriculture Committee and on the floor of the House on several occasions, our experience in Wisconsin with marketing orders makes it imperative that to adequately protect the individual producer of an agricultural commodity several amendments are necessary and should be included in H. R. 8384 before this legislation is enacted into law.

The first amendment which I believe is necessary is a provision guaranteeing to each individual cranberry grower the opportunity of casting his ballot for or against the approval of such a marketing order as proposed by H. R. 8283. Many Members of the House may not be familiar with the procedure that is used in approving or disapproving marketing orders. At the present time

it is possible for a market association or cooperative to cast the ballots for their member producers. In this way the two-thirds vote required for approval does not necessarily reflect the wishes of two-thirds of the individual producers.

In view of the fact that the motion before us today is to suspend the rules and preclude the consideration of amendments, I will be unable to offer my amendment assuring each individual cranberry grower a chance to vote his wishes regarding a marketing order on cranberries for canning or freezing.

The second amendment which I believe is most desirable for the House of Representatives to consider along with this legislation is the addition of a section to this bill which will assure that in the event 66⅔ percent of the cranberry growers individually vote in favor of the establishment of a Federal marketing order, future amendments to said marketing order can be adopted or rejected without affecting the order itself. Presently our dairy farmers in Wisconsin who are operating under Federal milk marketing orders have run into great difficulty because the regulations established by the Department of Agriculture provide that in the event an amendment to an order is rejected by the industry, the entire order becomes ineffective. Our experience in Wisconsin has convinced us that provisions must be written into the law providing that each amendment to a Federal marketing order should stand on its own feet. The rejection of any amendment should not nullify the order.

The two amendments which I have outlined above are necessary to give adequate protection to the individual cranberry growers in the United States. Thirty-four percent of our national cranberry production comes from Wisconsin. I have attempted to poll as many cranberry growers as possible. I did not receive any replies regarding this legislation from many of the growers that I contacted in our State. From my contacts, however, I could tell that there was not a unanimity of opinion regarding this legislation among the growers in my congressional district. It is therefore very desirable that the amendments which I feel are necessary to this legislation be adopted. I shall vote against suspending the rules on this legislation which will bar consideration of these amendments by the House of Representatives today.

Mr. Speaker, under unanimous consent, I include in the RECORD of today's proceedings a letter received from Eatmor Cranberries, Inc., of Wisconsin Rapids, Wis.; 2 letters from Mr. B. C. Brazeau, president of Indian Trail Cranberry Growers, Inc., of Wisconsin Rapids, Wis.; and a wire from Mr. William Huffman, Jr., secretary-manager of the William F. Huffman Farms, Inc., of Wisconsin Rapids, Wis.:

EATMOR CRANBERRIES, INC.,
Wisconsin Rapids, Wis., February 15, 1956.
Hon. MELVIN R. LAIRD,
House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN LAIRD: We are in receipt of your letter of February 7 along with a copy of bill H. R. 8384, relative to including canned and processed cranberries under the Federal marketing order.

We have sent copies of your letter and bill to our directors for their information and, I presume, you will be hearing from them shortly.

It is my understanding that Mr. C. A. Searles, president of our organization, has contacted you favorably regarding this bill.

We wish to thank you for your interest in this matter and informing us of this proposed legislation.

Very truly yours,
EATMOR CRANBERRIES, INC.
LES SORENSON, *Manager.*

INDIAN TRAIL CRANBERRY GROWERS, INC.,
Wisconsin Rapids, Wis., May 31, 1956.
Congressman MELVIN R. LAIRD,
United States House of Representatives
Office Building, Washington, D. C.

DEAR CONGRESSMAN LAIRD: Reference is made to the House bill (H. R. 8384) permitting processing grade cranberries to be included under Federal marketing orders.

We are an agency which could be said to be representing about 24 Wisconsin cranberry growers. Our growers would represent perhaps about 15 percent of the Wisconsin production. We handle the sales for these growers and furnish technical and other services for their growing operations. The writer himself is a cranberry grower, who last year produced a little less than 9,000 barrels. This would be a little less than 1 percent of the national cranberry crop and a little less than 3 percent of the Wisconsin crop.

We wish to register our vigorous opposition to the proposed bill. It is our opinion that the growers in our organization would be solidly against it, and there is considerable opposition in other segments in the State. We consider the measure both unnecessary and undesirable. Some kind of fresh fruit grades for inspection purposes would be a good thing for the industry, but this can be easily accomplished without marketing orders. The difficulty that the cranberry industry has experienced in recent years stems from excessive carryovers. Great strides are being made at the present to eliminate these excesses, and it is entirely possible that the situation will be well in hand even this year.

Very truly yours,
INDIAN TRAIL, INC.,
B. C. BRAZEAU,
President.

INDIAN TRAIL
CRANBERRY GROWERS, INC.,
Wisconsin Rapids, Wis., June 13, 1956.
Hon. MELVIN LAIRD,
House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN LAIRD: I was very much interested in learning of the proceedings at the subcommittee hearing in connection with bill No. H. R. 8384 relating to legislation permitting processing grade cranberries to come under a Federal marketing order. There is one point that was touched upon in a rather indirect manner but which should probably receive considerably more emphasis. The national cranberry industry is unusual in the fact that one cooperative controls well over half the national cranberry crop. A second large cooperative controls another substantial percentage. Together they probably control over three-quarters of the national cranberry crop. The canning of cranberries is dominated by these two organizations, particularly the larger one.

A marketing order could regulate the grading by law in such a manner that many of the independents would not be able to market their fresh fruit in the normal way and would have to seek out processing outlets. These outlets are not readily available outside of these two cooperatives. Thus, a marketing order could have the effect of eliminating many of the independent operators and forcing them to seek out the security of one of the larger cooperatives in order to find a market for the berries graded out of the ordinary channels by provisions of an order. With this situation existing in the cranberry industry, a marketing order could put an end to some of the small and independent businesses. This does not seem to be consistent with the American idea of free enterprise or the democratic principle of protecting the minorities.

The issues connected with this legislation and with marketing orders have never really been put to the growers. I have been told by several people including some of those in favor of this legislation, that a marketing order would be turned down by a grower vote anyway. I believe this to be the case, for I have talked with a number of growers in the State of Wisconsin and have not found any outrightly favoring this procedure. I have heard of a few who are apparently at least in favor of the enabling legislation. However, it must be remembered that those who are promoting this idea have been at work for many months, whereas the opposition has made no attempt to organize as yet. We should like to defeat the idea at this stage rather than have the legislation passed and be put to the expense and effort of developing the opposition at a later stage.

In support of this legislation it has been said that the cranberry industry needs some grading standards. It is true that this would be helpful as a working basis in marketing. However, these are already in the process of being established, and this will be accomplished very satisfactorily without the necessity of any enabling legislation or any marketing order.

Sincerely,
B. C. BRAZEAU.

WISCONSIN RAPIDS, WIS., *May 7, 1956.*
Representative MELVIN R. LAIRD,
House Office Building,
Washington, D. C.:

Please note opposition of undersigned cranberry grower to House bill, H. R. 8384, Federal marketing agreements or Federal marketing orders affecting cranberries or cranberry products not—repeat, not—necessary Federal direction of cranberry marketing not—repeat not—desirable merchandising and sale of cranberries and cranberry products by growers of their sales agencies according to demand of free-market answer to large industry carry-over.

WILLIAM F. HUFFMAN FARMS, INC.
WILLIAM HUFFMAN, Jr.,
Secretary-Manager.

Mr. AUGUST H. ANDRESEN. I yield myself 10 additional minutes, Mr. Speaker.

Mr. ARENDS. Mr. Speaker, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield.

Mr. ARENDS. Like all Members of the House, I have deep love and affection for the gentleman from Massachusetts [Mr. NICHOLSON], but I have had the opportunity to study this. Just recently a gentleman from my district who was former president of the National Canners' Association as well as of the Illinois Canners' Association, talked to me about this and he is quite afraid of what this might lead to eventually if it should be passed, and I think he had justifiable reason for believing as he does. Therefore I find myself in the position of opposing this legislation as it is here now before us under a suspension.

Mr. MILLER of California. Mr. Speaker, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield to the gentleman from California.

Mr. MILLER of California. Is not this equal to giving a green light to the setting up of a monopoly in the whole canning industry if you let them get by with this particular thing to the detriment of the people? Would it not establish a precedent to monopolize other facets of the canning industry?

Mr. AUGUST H. ANDRESEN. There is no question about that because other producing areas with different commodities have come before our committee and have tried to be included under the processing end of the marketing order law, and our committee has refused to permit them to come in.

I think this bill ought to go back to our committee for full and complete hearings on it and the implications in connection with it.

Mr. COOLEY. Mr. Speaker, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield to the gentleman from North Carolina.

Mr. COOLEY. The gentleman from Wisconsin made the statement a moment ago that a rule had been granted by the Committee on Rules. I am not aware that any rule had been granted on this bill. I am certain that if a rule was granted it was not at the request of the chairman of the committee. I am quite sure the gentleman was mistaken about it.

Mr. AUGUST H. ANDRESEN. I think the gentleman must have been in error. I am not aware of any rule having been granted.

Mr. MILLER of Maryland. Mr. Speaker, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield to the gentleman from Maryland.

Mr. MILLER of Maryland. If this legislation were passed, might it not set an example that would be very embarrassing later on with respect to other fruits and vegetables and result perhaps in a great injustice done to our whole canning industry?

Mr. AUGUST H. ANDRESEN. It would become exceedingly difficult to refuse others after we let one commodity get in, and I am not against cranberries.

Mr. BOYLE. Mr. Speaker, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield to the gentleman from Illinois.

Mr. BOYLE. I hope the gentleman is not going to put too much faith in an indictment. I think we generally know that an indictment is scarcely of any probative value. Without going into the controversy as to the merits of this bill, I think we can generally agree that an indictment is not proof of the facts alleged.

Mr. AUGUST H. ANDRESEN. Well, I would hate to have anybody's friends indicted.

Mr. ALLEN of California. Mr. Speaker, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield to the gentleman from California.

Mr. ALLEN of California. Mr. Speaker, I agree with the gentleman in his statement.

Mr. SMITH of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield to the gentleman from Wisconsin.

Mr. SMITH of Wisconsin. Mr. Speaker, I want to associate myself with the gentleman from Minnesota in this matter. I feel that the Wisconsin canners feel as he does about it.

The gentleman from Minnesota [Mr. ANDRESEN] has correctly stated that while this bill seems quite innocuous, there is a principle involved which could do great harm to the canning industry and to the vegetable growers of the country. The simple fact is that this legislation would make it possible for the creation of a monopoly by those who are producing and processing cranberries.

Mr. Speaker, this is not a matter involving cranberries alone. It cuts across the whole canning industry. Under existing law, cranberry growers have the right to have a marketing order in the marketing and production of fresh cranberries. This bill would give them control over the processing of cranberries throughout the country. If such a favorable advantage were given to them, this industry would be in a position to dictate the price not only of cranberries under a market order but also for the processing and sale and quantity of fresh cranberries that goes into processing all over the country. I do not believe that we, today, should make such an eventuality possible.

I am informed that if the bill is approved it would, as I have already stated, make a monopoly possible and under existing conditions this monopoly would be controlled by two canners who already have a monopoly of 90 percent of the production of canned cranberries. This body should be fully advised of the possibilities which exist if this bill is written into law. I trust it will be defeated, notwithstanding my very great affection for the gentleman from Massachusetts [Mr. NICHOLSON].

Mr. WOLVERTON. Mr. Speaker, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield to the gentleman from New Jersey.

Mr. WOLVERTON. Mr. Speaker, I wish also to associate myself with the viewpoint that has been expressed by the gentleman from Minnesota. I am inclined to feel that there is protection at the present time for the producers of cranberries. But this goes a step forward and the opening of this door can lead to a very great deal of fear and possible detriment to the general canning industry. Therefore, I would be opposed to this bill for the reasons the gentleman has given and those I have just given.

Mr. KNOX. Mr. Speaker, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield to the gentleman from Michigan.

Mr. KNOX. Mr. Speaker, I wish to associate myself with the gentleman from Minnesota on this matter. I believe he has made some very important points.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, in conclusion let me say that the test here is whether you favor monopoly in a particular line of activity or you are against it. If you are for a monopoly in cranberries and in the production and the processing of cranberries, then you should vote for the bill. If you are opposed to that, then you should vote against the bill.

Mr. BATES. Mr. Speaker, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield to the gentleman from Massachusetts.

Mr. BATES. The committee has approved this bill and the Department of Agriculture has approved the bill. I do not understand the gentleman's objections. Many other items are already included in present legislation. I do not understand why olives and grapefruit are allowed and cranberries denied the same opportunity.

Mr. AUGUST H. ANDRESEN. I am sorry I have not made myself clear to the gentleman.

Mr. BATES. Is it not correct that the Department of Agriculture is in favor of this bill?

Mr. AUGUST H. ANDRESEN. I believe so, but the Department of Agriculture might also be in error in their judgment as to the merits of this bill.

Mr. HARRISON of Virginia. Mr. Speaker, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield to the gentleman from Virginia.

Mr. HARRISON of Virginia. I wish to associate myself with the gentleman's viewpoint.

Mr. AUGUST H. ANDRESEN. I thank the gentleman.

Mr. HAND. Mr. Speaker, this bill is more important than it seems, and it is unfortunate that it should appear under suspension of rules in the closing hours of the session, so that it cannot receive the attention of the membership that it deserves. Very briefly, the bill exempts from antitrust provisions marketing agreements for processed cranberries. This means most of the market, because most cranberries are now processed. What happens under the proposal is that if two-thirds of the producers, by number or by volume, agree to a marketing order and 50 percent of the handlers likewise agree, everybody is bound by the agreement, and the marketing agreement is thereby exempt from the provisions of the antitrust law. You will note that the language "by number or by volume" means that one large grower could pretty much control the situation, even though a number of small growers might be opposed.

Mr. Speaker, it may well be that some growers may favor this legislation, although they have not told me so, and I do not think it would ultimately be to their benefit. Every conversation or message that I have received from my district opposes the bill. I have not been able to find a list of those favoring it, because another vice of the present proceeding is that we are going forward without having printed hearings on the bill available to us.

The canners and processors of cranberries are all opposed and, of course, it is not in the interest of consumers.

I especially object to this type of proceeding. This bill was introduced in the House on January 12, 1956. During

all the intervening months, no action whatever was taken on it. It is a poor proceeding to attempt to jam it through in the closing hours with 40 minutes of consideration and no hearings available.

The sponsors of the bills, of course, are the National Cranberry Association, who are already in legal trouble as a result of monopolistic practices. These practices force the small independents to pay much higher prices, and makes it difficult if not impossible for them to compete. I have a memorandum which indicates as follows:

> The processing industries, canners and freezers, have vigorously opposed these efforts because they know that the controls provided for in the marketing law were not designed for crops for processing or adapted to canned or frozen fruits or vegetables. Processors also know that the proposed controls would adversely affect the growers of these commodities. The controls could take away the grower's freedom of choice in making up production schedules, limit his activities to historical patterns, and ultimately price his product off of grocers' shelves.
>
> Canners and freezers likewise know that unnecessary production and marketing controls adversely affect consumers by increasing the price of processed fruits and vegetables and by limiting the selection of quality, grade, size, and variety. Most important, the complete absence of any need is a compelling reason for opposing artificial and arbitrary production and marketing controls over canned and frozen fruits and vegetables. The fact is that farmers and canners and freezers have worked out their economic salvation without the necessity for Federal Government intervention.

A marketing order can control quantity and quality, limit production, allocate available fruit, limit supply for each consumer market, and generally apply a system of controls which is contrary to our whole system.

I am persuaded, Mr. Speaker, that this bill is clearly not in the public interest, and I hope it will be defeated, although I have my doubts since the Democratic leader of the House has come out strongly in favor of it.

Mr. COOLEY. Mr. Speaker, I yield 2 minutes to the gentleman from Virginia [Mr. ROBESON].

Mr. ROBESON of Virginia. Mr. Speaker, I, too, have a high regard for the distinguished gentleman from Massachusetts and I have equally an effectionate regard for him.

I happen to represent a district in which are located a great many canners and I share the concern of the gentleman from Minnesota regarding this bill. I also represent a great many people who like to eat a cranberry or two on their turkey. I think we should give more consideration to the merits of a bill of this sort. As of the present time, I am opposed to it and there seems to be a great deal of opposition among the people, whether there is opposition among their Representatives or not. I think we better come back and consider the merits of the bill and what it is we are voting for. I do not know whether this would create a monopoly or not. However, I am not in favor of monopolies if that is the intent of the bill and, therefore, I express opposition to the measure.

Mr. COOLEY. Mr. Speaker, I yield 2 minutes to the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN of Michigan. Mr. Speaker, I hesitate to speak in favor of the bill of the gentleman from Massachusetts, a long time speaker of the house there, a distinguished member of that legislature. He is accused here, and without reason, of doing something he should not do, promoting a monopoly for the cranberry boys, and an indictment is handed out. Now, if this is true, I will say to my colleague, as much as we favor your bill, I do not want to go to jail over the thing. I am worried to death about this monopoly issue. I own a few acres of land, and they put wheat and corn on it. Only last week I got a notice from the Department of Agriculture—I have a friend who does the work on the farm; I just pay the losses—that I must sign up if he or I want to grow some wheat. Who is running that monopoly on the production of wheat? My heart bleeds. Now they want to take in cranberries, which goes well with turkey along about Thanksgiving and Christmas, and turkeys are cheap now. I do not take any stock in that monopoly argument. What are you afraid of? A year ago you were afraid of the Communists in Russia; now you are afraid of the cranberry growers. Think of it. There will be a monopoly here if this bill goes through. That is the talk. Of course it will not get through the Senate. And, if you let the cranberry growers continue to grow and make a little something, then the rest of the fellows, the blueberry growers—we have those in my district—and the blackberry growers and the red raspberry and the black raspberries and all the other raspberries—laugh if you want to—will be telling us what to eat because they will have a monopoly. I do get confused. I have been frightened half to death in the last 6 months and longer, to learn what is going to happen to our country here if we do not give other nations everything they want. And then these three neutralists, I think they call them—did you see that cartoon in the Tribune yesterday, the pigs in the pokes, where we spend all this money for those three nations which are now neutrals? I want to say to my good friends on the Republican side and the farmers who had so much legislation in their behalf, and most of which they did not, do not, want.

May I ask my colleagues who are so fearful of monopoly—why is it that I cannot grow and sell what I wish on the 2 or 3 acres I own? Just who has a monopoly of growing wheat? It does not seem to me they ought to come in here and be squawking about monopoly. I wonder, too, all of you, why so many got up and expressed such great affection and respect for the gentleman from Massachusetts, paid him so many compliments, why they now are disposed to cut his throat on the ground that he is promoting a monopoly. It does not sound right to me.

Mr. COOLEY. Mr. Speaker, I yield 3 minutes to the gentleman from Pennsylvania [Mr. GAVIN].

Mr. GAVIN. Mr. Speaker, it is quite well known that I am not a farmer nor am I an agricultural expert. However, I listened for weeks on agricultural legislation; confusion compounded on confusion that no one can readily understand any legislative proposals whether on cranberries or wheat. I listened to the bleeding hearts for the little farmers; they have had their say for many weeks and all were interested in the results as it concerns their own respective districts. Now my very good friend from Massachusetts, whom I greatly admire, has a little problem that concerns cranberries, so all the agricultural sections of the country move in on him. I note that my colleagues, who represent wheat, corn, cotton, soybeans, peanuts, butter, cheese, or whatever their districts represent, are alert and ready to champion the cause for the products grown in their respective districts. So, what is the matter with my friend presenting his case for cranberries? The way his proposal has been challenged it would appear the Members are indignant that he would even mention cranberries.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, will the gentleman yield?

Mr. GAVIN. I decline to yield to the gentleman from Minnesota. All I want to say to my friend from Minnesota is that you are sometimes wrong. I have listened to you for years. I listened to the gentleman from out in Minnesota tell the House that if you put colored margarine on the market, you would ruin the butter business; put colored oleo on the market and the butter business would be finished. Yet, the facts are that you were wrong; it may be that you are wrong today about the cranberry business. The facts are that the butter business has not gone to pieces, it has increased in volume, and we are consuming more butter now than we ever did. So, maybe the cranberry growers want legislation to protect their industry as does every other branch of our agricultural life. I will support the legislation of the gentleman from Massachusetts.

The SPEAKER. The question is, Will the House suspend the rules and pass the bill?

The question was taken; and on a division (demanded by Mr. AUGUST H. ANDRESEN there were—ayes 119, noes 62.

Mr. HAYS of Ohio. Mr. Speaker, on this I ask for the yeas and nays.

The yeas and nays were refused.

Mr. HAYS of Ohio. Mr. Speaker, I ask for tellers.

Tellers were ordered, and the Chair appointed as tellers Mr. COOLEY and Mr. AUGUST H. ANDRESEN.

The Committee again divided; and the tellers reported that there were—ayes 127, noes 58.

So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

TAX ON ADMISSIONS

Mr. COOPER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 9875) amending the Internal Revenue Code of

1954 to provide that the tax on admissions shall apply only with respect to that portion of the amount paid for any admission which is in excess of $1, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Line 6, strike out "$1" and insert "90 cents."

Amend the title so as to read: "An act to amend the Internal Revenue Code of 1954 to provide that the tax on admissions shall apply only if the amount paid for the admission exceeds 90 cents."

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

Mr. COOPER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee.

There was no objection.

Mr. COOPER. Mr. Speaker, the Senate has amended H. R. 9875. As you will recall that bill which was passed by the House on July 21, 1956, increased the exemption from the Federal excise tax on admissions from 50 cents to $1.

The Senate amendment which goes to the level of the exemption reduces the exemption granted under the House bill from $1 to 90 cents. The Senate report indicates that this action was taken because it was felt that exemption of 90 cents is sufficient to provide relief for the small theaters who are in the most need of relief and to cut the revenue loss to be expected from the bill. It was estimated that the revenue loss which would result from the House bill would amount to $70 million. As a result of the Senate amendment, the revenue loss which can be expected under the bill is $60 million.

I suggest that the House agree to the Senate amendment.

MONEYS RECEIVED FROM NATIONAL FORESTS

Mr. COOLEY. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 3436) to provide that sums paid to States from moneys received from national forests may be used for governmental purposes other than for the benefit of public schools and public roads, and ask for its immediate consideration.

The Clerk read the title of the bill.

The Speaker. Is there objection to the present consideration of the bill?

Mr. ROOSEVELT. Mr. Speaker, reserving the right to object, may I ask for some explanation on this bill? In my State, the public schools receive a good deal of their money from this source, and I would like to get some justification for taking away this money at this time.

Mr. COOLEY. It does not take away any funds from the schools. It provides for an additional use that the money can be used for. But, I would prefer to yield to the author of the bill, the gentleman from Washington [Mr. HORAN].

Mr. HORAN. On February 2 of this year, I introduced this bill. Since 1908, we have been returning to counties where stumpage is cut, 25 percent of the forest receipts. In 1908, and there was then a great need for schools and roads, a rider on the appropriation bill for that year enacted into law and specified that that money had to be spent for schools and roads and for no other purpose. Then in 1911, the Watershed Act, known as the Weeks Act, included the same proviso. It was also inserted in the Bankhead-Jones Farm Tenant Land Acquisition Act. But since that time, Federal and various State laws have made it possible for the counties, even the poorer counties to take care of their schools and roads. There are many of them in my own district and many of them in Pennsylvania and northern California. Some of your poorer counties cannot balance their budget for other governmental purposes. This does not require any appropriation or anything of that sort. They have been getting this money for about 50 years. This merely allows the county government which is some of the best government that we have in this country because it is home folks, to balance their county budget.

Mr. ROOSEVELT. If I understood the gentleman correctly, the individual counties will still be getting the same amount of money, but they will be allowed to use it in their own discretion rather than be compelled to spend it only on schools and roads?

Mr. HORAN. That is right—for schools, roads, and other governmental purposes.

Mr. ROOSEVELT. But presumably, the purpose of this is that they want to convert from schools and to other uses. Is that correct?

Mr. HORAN. Many of the counties are very well fixed as far as roads and schools are concerned, but they are hard put to it to balance the other parts of their budgets.

Mr. ROOSEVELT. Mr. Speaker, I withdraw by reservation of objection.

The SPEAKER. Is there objection to the present consideration of the bill?

Mrs. GREEN of Oregon. Mr. Speaker, I object to consideration of H. R. 3436. The facts concerning this bill should, I believe, be clearly recorded. H. R. 3436 was first introduced on February 2, 1955. Except for an executive meeting, no hearings were held on it in a year and a half. Although hearings were scheduled for June 29 of this year, I have been unable to learn that they were in fact held. Certainly the Office of Education in the Department of Health, Education, and Welfare was not heard; yet it has a crucial stake in this matter and should have been an indispensible witness.

On July 25, this bill was suddenly reported and placed on the consent calendar and, the very next day, was called up. I objected and will continue to object to its consideration under these circumstances. Even the committee report is not yet available. I do not believe that the committee had a report from the Department of Agriculture. I know that it had no report from the Budget Bureau or the Department of Health, Education, and Welfare. In fact, discussions are presently going on between Agriculture and HEW, in an attempt to reach some conclusions as to the merits of this bill. And although there has been no official word, it is my clear understanding that HEW does not favor this legislation.

All of this, of course, concerns only the manner in which the bill has been handled. Far more important are its merits—or rather lack of merits. Under present law, every State in which there are national forests receives 25 percent of the total revenues from these lands for specific use for schools and roads. In my own State of Oregon, these funds are, by statute allocated to the counties on a basis of 75 percent for roads, 25 percent for schools. In Washington, no specific division of the funds is required by law, though efforts are being made to enact such a statute. In Oregon, schools received over one and a half million dollars from this source in 1954. In Washington, schools received $1,229,000 in 1954, $1,617,000 in 1955. Clearly, these are a substantial and important source of help to our hard-pressed schools.

This bill now proposes to make these funds available to the counties for general governmental purposes. Every school official I have talked to—and they are numerous—is vehemently opposed. Every one of them says that, if this were done, the schools would simply lose out. Local property taxes and State taxes bear the bulk of school costs, but each county bears the burden of county government. Understandably, county commissioners would be powerfully influenced to use this money for county expenses. They could then shift virtually all the school costs to the local community and the State. To pass this bill would mean that the schools would lose these desperately needed funds.

A few years ago, a similar provision of law gave to schools in Oregon counties an earmarked share of revenues from the so-called O and C lands in Oregon. An Oregon Senator, since defeated, pushed through a bill like this one, making those school funds available for general county use. What was the result? In almost every case, the schools suffered. One county took the money from the schools and spent it instead on a new courthouse. In another county, the superintendent of schools tells me that, since the law was changed, schools have received absolutely no money from this previous source of funds. Our former Senator may have been willing to sacrifice the schools in this way; I am not.

The Washington State Commissioner of Education has advised me that, contrary to statements made on the floor of this House, Washington's schools badly need this money. Every school official I have talked to in Oregon says the same thing—and says further that if this bill goes through, they will lose this revenue.

I am not unmindful of the problems our counties face in trying to meet their costs of Government. I am not unsympathetic to their needs. As a citizen, I

will give them my wholehearted support in any wise program to meet these problems. But this is emphatically not the way to do it. It is a false and foolish solution to rob our schools in order to pay for our courthouses. In this prosperous country, our schools are already inexcusably starved for funds. Is it really true that we must sacrifice our children still further, take money from their schools to meet our other obligations of Government? I do not believe it. This is asking our children to bear our burdens for us. It is just plain wrong, and no amount of argument will make it right.

The people closest to this problem are the local school people in our States and counties. They are the ones who, every day, have to face this terrible problem of trying to give our children a decent education without enough money to do the job. To show how they feel I would like to include here the telegrams I have received just since this bill came up today:

EUGENE, OREG., *July 26, 156.*

Congresswoman EDITH GREEN,
House of Representatives,
House Office Building,
Washington, D. C.

The Oregon county school superintendents in annual session this date unanimously adopted a resolution opposing loss of school revenue from Federal forest land receipts.

ERROL C. REES,
President, Oregon County School Superintendents Association.

SALEM, OREG., *July 26, 1956.*

Hon. EDITH GREEN,
Oregon Representative in Congress,
Office of Representatives,
Washington, D. C.:

Without time for study, I would oppose any last-minute measure that would decrease in slightest money now being distributed directly to Oregon public schools through timber sales.

REX PUTNAM,
Superintendent, Public Instruction.

EUGENE, OREG., *July 26, 1956.*

Hon. EDITH GREEN,
House of Representatives,
House Office Building,
Washington, D. C.

Please oppose any contemplated change in Federal forest fund distribution.

RITA H. SIMMONS,
Wheeler County School Superintendent,
Fossil, Oreg.

EUGENE, OREG., *July 26, 1956.*

Congresswoman EDITH GREEN,
House of Representatives,
House Office Building,
Washington, D. C.:

I oppose any change at the present time in the distribution of the Federal forest funds.

VEDA E. COUZENS,
Union County School Superintendent.

MEDFORD, OREG., *July 26, 1956.*

Representative EDITH GREEN,
House of Representatives,
Washington, D. C.:

Oppose the proposed change in the present apportionment of national forest receipts at this time.

OFFICE OF COUNTY SCHOOL SUPERINTENDENT, JACKSON COUNTY,
ALF B. MEKVOLD.

SALEM, OREG., *July 26, 1956.*

MRS. EDITH GREEN,
Congresswoman, Washington, D. C.:

I oppose any change at this time in the redistribution of Federal forest land.

AGNES C. BOOTH,
Marion County School Superintendent.

EUGENE, OREG., *July 26, 1956.*

Hon. EDITH GREEN,
House of Representatives,
Washington, D. C.:

Eugene schools appreciate greatly your efforts to save school share Federal forest receipts. Eugene received approximately $100,000 annually equal two mills property tax. Advise if we can help you.

CLARENCE HINES.

SEATTLE, WASH., *July 26, 1956.*

Hon. EDITH GREEN,
Member of Congress,
House of Representatives,
Washington, D. C.:

We urge your strong opposition to H. R. 3436. Detrimental to public education.. Under this legislation schools in Washington would have lost $1,616,932 last year, even more this year.

Mrs. Arthur Skelton, President, Washington State Congress of Parents and Teachers; H. Allan Anderson, President, Washington State School Directors Association; Winfield Fountain, President, Washington Education Association; Fred Delamare, Vice President, Washington Public School Business Personnel Association; Mrs. Mary Pierce, President, Washington County Superintendents Association; Pearl A. Wanamaker, Washington State Superintendent of Public Instruction.

AGRICULTURAL RESEARCH CENTER

Mr. COOLEY. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (S. 2585) to authorize an exchange of land at the Agricultural Research Center, and ask for its immediate consideration.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of Agriculture is hereby authorized to convey by quitclaim deed to the Powder Mill Development Co., Inc., a parcel of land containing approximately 1,375 square feet and located on the northerly side of Selman Road, Prince Georges County, Md., and separated from the Agricultural Research Center, Beltsville, Md., by Selman Road and Cherry Hill Road, in exchange for that parcel of land now owned by the Powder Mill Development Co., Inc., containing approximately 3,126 square feet and located on the southerly side of the said Selman Road, Prince Georges County, Md., and adjoining other lands of the Agricultural Research Center, Beltsville, Md.: *Provided,* That the lands so acquired from the Powder Mill Development Co., Inc., may be acquired subject to such reservations and outstanding interests as the Secretary determines will not interfere with the use thereof in connection with the Agricultural Research Center, Beltsville, Md.

Mr. DORN of South Carolina. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DORN of South Carolina: On page 2, immediately after line 11, insert the following:

"SEC. 2. The provisions of section 2 of the Watershed Protection and Flood Prevention Act (68 Stat. 666) providing that no appropriation shall be made for certain plans unless such plans are approved by resolutions adopted by the appropriate committees of the Senate and House of Representatives, and the provisions of section 5 of such act requiring transmittal of a copy of such plans and the justification therefor to the Congress, shall not apply with respect to the Coneross Watershed Project in the State of South Carolina."

Mr. COOLEY. Mr. Speaker, I do not suppose there is any objection to the amendment.

The SPEAKER. The question is on the amendment offered by the gentleman from South Carolina.

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AUTHORIZATION FOR APPROPRIATIONS TO ATOMIC ENERGY COMMISSION

Mr. DURHAM. Mr. Speaker, I move to suspend the rules and pass the bill (H. R. 11709) to amend Public Law 506, 84th Congress, second session, to increase the authorization for appropriations to the Atomic Energy Commission for acquisition or condemnation of real property or any facilities, or for plant or facility acquisition, construction, or expansion, and for other purposes, as amended.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 101 of Pub-Law 506, 84th Congress, 2d session, is hereby amended by striking the figure "$295,495,000" and inserting in lieu thereof the figure "$319,595,000."

SEC. 2. Section 101 (c) 2 of Public Law 506, 84th Congress, 2d session, is amended by striking the figure "$15,900,000" and inserting in lieu thereof the figure "$25,000,000."

SEC. 3. Section 101 (c) of Public Law 506, 84th Congress, 2d session, is amended by adding at the end thereof a new subsection, reading:

"10. Project 57–c–10, amended reactor development project, $15,000,000."

The SPEAKER. Is a second demanded?

Mr. HINSHAW. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second is considered as ordered.

There was no objection.

Mr. DURHAM. Mr. Speaker, H. R. 11709 is a bill to amend Public Law 506, 84th Congress, 2d session, enacted earlier this year, to authorize an increase in the Atomic Energy Commission appropriation for fiscal year 1957, of $24,100,000. Public Law 506 authorized $295,495,000.

This increase in appropriation must be authorized in conformance with section 261 of the Atomic Energy Act of 1954, as amended.

Appropriations hereby authorized would be used for "acquisition or condemnation of real property or any facilities, or for plant or facility acquisition, construction or expansion, and for other purposes."

Subsequent to the enactment of Public Law 506, the Atomic Energy Commission determined that additional appropriations would be needed to carry on expanded activities on two highly impor-

tant research and development programs.

One program is a recently initiated, high-priority undertaking requested by the military. It will be necessary for the AEC to construct new laboratory facilities on a modest scale at two of its important weapons research laboratories. In addition certain facilities, including instrumentation, must be constructed at one of its test sites. This activity is estimated to cost $9,100,000.

The second important program, requiring additional funds is the important civilian reactor development program. The AEC has determined that it will need an additional $15 million during fiscal year 1957 to finance its research and development commitments already made to private industry. Under its current civilian power reactor development program, the AEC also envisions the possible necessity of constructing fuel element fabrication and reclaiming facilities, and to undertake additional development work in cooperation with private industry if any such new proposals are made.

I would add, at this point, the above-mentioned $15 million requested by AEC to design and construct new types of power reactors was requested by AEC subsequent to the submission of its original fiscal 1957 budget. It has no relationship to the accelerated civilian power program proposed in the legislation considered by the House last Tuesday (H. R. 12061).

It is vitally important to the AEC that this authorizing legislation be passed. As you recall, the second supplemental appropriation bill passed by the House last Tuesday night contained a proviso appropriating the $24,100,000 required for this program and authorized by this bill and subject to the passage of this bill. If this bill fails to pass neither the Senate Appropriations Committee nor the conferees can approve the appropriation of this money.

The legislation subcommittee of the Joint Committee on Atomic Energy heard testimony from AEC witnesses justifying this increased authorization. The joint committee has favorably reported out H. R. 11709 and recommends that the bill do pass.

I feel I can speak for all of my colleagues on the Joint Committee on Atomic Energy in urging immediate favorable action on H. R. 11709.

Mr. HINSHAW. Mr. Speaker, the gentleman from North Carolina [Mr. DURHAM], has stated the facts with reference to this bill. There are no requests for time on this side.

The SPEAKER. The question is, Will the House suspend the rules and pass the bill, as amended?

The question was taken; and two-thirds having voted in favor thereof, the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

House Resolution 589 was laid on the table.

The SPEAKER. There are a great many bills with Senate amendments. I think they can go over until tomorrow. Unless we get along with some of the rules which have been granted, it will be impossible to get these bills considered in the House. Tomorrow will be too late.

The Chair recognizes the gentleman from Illinois [Mr. DAWSON].

PAYMENT OF TRAVEL AND TRANSPORTATION COST FOR PERSONS SELECTED FOR APPOINTMENT IN CONTINENTAL UNITED STATES AND ALASKA

Mr. DAWSON of Illinois. Mr. Speaker, I move to suspend the rules and pass the bill (H. R. 11515) to amend section 7 of the Administrative Expenses Act of 1946, as amended, to provide for the payment of travel and transportation cost for persons selected for appointment to certain positions in the continental United States and Alaska, and for other purposes, as amended.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 7 of the Administrative Expenses Act of 1946 (60 Stat. 808, as amended, 5 U. S. C. 73b–3) is further amended by inserting "(a)" after the section number and by adding at the end thereof new subsections as follows:

"(b) Appropriations for the departments shall be available in accordance with regulations prescribed by the President, for expenses of travel of persons selected for appointment to positions in the continental United States and Alaska for which there is determined by the Civil Service Commission to be a manpower shortage and for expenses of transportation of their immediate families and their household goods and personal effects and for advances of funds to the extent authorized by section 1 (a) and (b) of this act, from their places of actual residence at time of selection to their first duty station. Such travel expenses may include per diem and mileage allowance for persons selected for appointment as provided for civilian officers and employees by the Travel Expense Act of 1949, as amended. Travel and transportation expenses may be allowed whether the person selected for appointment has been appointed or not at the time of such travel. However, the travel and transportation expenses authorized by this subsection shall not be allowed unless the person selected for appointment shall agree in writing to remain in the Government service for 12 months following his appointment unless separated for reasons beyond his control and acceptable to the department or agency concerned. In case of violation of such agreement, any moneys expended by the United States on account of such travel and transportation shall be recoverable from the individual concerned as a debt due the United States.

"(c) Appropriations for the departments shall be available in accordance with regulations prescribed by the President for expenses of travel while away from their homes or regular places of business of persons who are found qualified to perform in positions for which there is determined by the Civil Service Commission to be a manpower shortage and who are invited by an agency or department to visit it for purposes connected with employment. Such travel expenses may include per diem in lieu of subsistence and mileage allowance as provided for civilian officers and employees by the Travel Expense Act of 1949, as amended.

"(d) The authority of the Civil Service Commission to determine for purposes of this act positions for which there is a manpower shortage shall not be delegated. The provisions of subsections (b) and (c) of section 7 of this act shall expire 5 years from the date of their enactment into law."

The SPEAKER. Is a second demanded?

The Chair hears none.

Mr. DAWSON of Illinois. Mr. Speaker, I have no requests for time.

The SPEAKER. The question is, Will the House suspend the rules and pass the bill, as amended?

The question was taken; and two-thirds having voted in favor thereof, the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

AUTHORIZING CONVEYANCE OF THE WILMINGTON, N. C., RESERVE SHIPYARD

Mr. BONNER. Mr. Speaker, I move to suspend the rules and pass the bill (H. R. 12116) to provide for the conveyance of the Maritime Administration reserve shipyard at Wilmington, N. C., in exchange for certain lands to be conveyed by the North Carolina State Ports Authority to the United States, and for other purposes, as amended.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of Commerce is authorized to convey to the North Carolina State Ports Authority all right, title, and interest of the United States in and to so much of the lands to which the United States has title on the date of conveyance comprising the Wilmington (North Carolina) reserve shipyard, subject to the general laws of the United States, and subject to the provisions and reservations set forth in this act, said lands being located in New Hanover County, N. C., and being the same lands conveyed by North Carolina Shipbuilding Co. to the United States under deeds dated August 18, 1943, and November 3, 1944, said deeds being recorded in the land records of New Hanover County on September 2, 1943, in volume 355 of deeds at page 67 and on November 10, 1944, in volume 359 of deeds at page 446, respectively, consisting of 175 acres, more or less except the building presently being occupied by the Naval Reserve under permit from the Maritime Administrator.

SEC. 2. Such conveyance shall be in exchange for a conveyance to the United States by the North Carolina Ports Authority of a tract of land consisting of approximately 323 acres on the west bank of the Brunswick River in Brunswick County, N. C., more particularly bounded and described as follows:

Tract numbered 1, being in Town Creek Township, Brunswick County, and beginning at a point in the western right-of-way (30.0 feet from its centerline) of North Carolina Highway Numbered 130 where the southern property line of the former State of North Carolina "Governor Russell" tract intersects said right-of-way, said point being approximately 5,270 feet southwardly from United States Highway Numbered 17, 74, and 76 and said point being 575 feet northwardly from a culvert under said Highway 130; and running thence from said beginning point and along said highway and along said western right-of-way north 14 degrees 33 minutes west 1,900 feet to the southeast corner of the O. D. Williams 2-acre tract of land as recorded in Brunswick County registry in book 107 at page 424; running thence with their southern line south 70 degrees west 422 feet to their southwest corner; running thence with their western line north 22 degrees west 295 feet to the southwest corner of their 2.9 acre tract as recorded in the Brunswick County registry in book 107 at page 423; running thence with their western line of said last tract north 22 degrees west 305 feet to their northwest corner, said point being in the eastern line of

the WMFD radio station 29.34-acre tract of land (said line having a call of south 17 degrees 48 minutes west 378.25 feet); running thence south 17 degrees 48 minutes west with said line to its terminus, a distance of 24 feet more or less; continuing thence with the lines of said radio station tract south 62 degrees 48 minutes west 389.48 feet and north 72 degrees 04 minutes west 1,318.7 feet to a point, its southwest corner at the Old River Road, said point being in the western line of aforementioned Governor Russell tract; running thence with the western line of said Governor Russell tract and with said Old River Road south 3 degrees 15 minutes west 1,099.5 feet, south 10 degrees 55 minutes east 271 feet, south 21 degrees 25 minutes east 558.2 feet, south 53 degrees 30 minutes east 351 feet, south 85 degrees 20 minutes east 175.5 feet, south 35 degrees 45 minutes east 495 feet to a point, the southwestern corner of said Governor Russell tract, said point being also in the northern line of the R. M. Powell tract; running thence along their dividing line north 89 degrees east 1,830 feet to the point of beginning, containing 116 acres more or less; and being the southwest portion of the aforementioned Governor Russell tract of land bounded as follows: On the north by the lands of O. D. Williams and Radio Station WMFD, on the south by the lands of R. M. Powell, on the east by State Highway Numbered 130 and O. D. Williams, and on the west by the Old River Road.

Tract numbered 2, being in Town Creek Township, Brunswick County and beginning at a point in the eastern right-of-way (30.0 feet from its centerline) of North Carolina Highway Numbered 130 where the southern property line of the former State of North Carolina "Governor Russell" tract intersects said right-of-way, said point being approximately 5,270 feet southwardly from United States Highway Numbered 17, 74 and Numbered 76 and said point being 575 feet northwardly from a culvert under said Highway Numbered 130; and running thence from said beginning point and along said highway and along said eastern right-of-way in a north and northwesterly direction a distance of 4,920 feet more or less to the southwestern corner of the United States Maritime Commission tract of land; running thence easterly with their southern line 850 feet more or less to the edge of the Brunswick River; running thence southwardly with said river to the southern line of aforementioned Governor Russell tract, said line being also the northern line of the R. M. Powell tract; running thence westwardly along their dividing line 1,100 feet more or less to the point of beginning, containing 101 acres more or less and being that portion of the aforementioned Governor Russell tract bounded as follows: On the north by the United States Maritime Commission tract; on the south by R. M. Powell (Governor Russell's southern line), on the east by the Brunswick River, and on the west by the North Carolina State Highway Numbered 130.

Tract Numbered 3, being in Town Creek Township, Brunswick County, and beginning at a point in the western right-of-way (30.0 feet from its centerline) of North Carolina Highway Numbered 130 where the southern property line of the former State of North Carolina "Governor Russell" tract intersects said right-of-way, said point being approximately 5,270 feet southwardly from United States Highway Numbered 17, 74, and 76, and said point being 575 feet northwardly from a culvert under said Highway Numbered 130; and running thence from said beginning point and along the aforementioned southern line of the Governor Russell tract south 89 degrees west 1,830 feet to the Old River Road; running thence with said River Road south 16 degrees 30 minutes east 635 feet, south 8 degrees east 640 feet, south 27 degrees 15 minutes east 497 feet to R. M. Powell's southwest corner; running thence along his southern line south 71 degrees 30 minutes east 1,200 feet to aforementioned western right-of-way of North Carolina Highway Numbered 130; running thence along said western right-of-way and along a curve to the left to the end of said curve, said point being 850 feet more or less as measured along the arc of said curve; running thence with the tangent of said road north 14 degrees 33 minutes west 530 feet to the point of beginning containing 54 acres more or less; the same being that portion of R. M. Powell's tract of land which is bounded as follows: On the north by the south line of aforementioned Governor Russell tract, on the south by R. M. Powell's southern line, on the east by the State Highway Numbered 130, and on the west by the Old River Road (Powell's western line).

Tract Numbered 4, being in Town Creek Township, Brunswick County, and beginning at a point in the eastern right-of-way (30.0 feet from its centerline) of North Carolina Highway Numbered 130 where the southern property line of the former State of North Carolina "Governor Russell" tract intersects said right-of-way, said point being approxiately 5,270 feet southwardly from the United States Highways Numbered 17, 74, and 76, and said point being 575 feet northwardly from a culvert under said Highway Numbered 130; and running thence from said beginning point and along said highway and along said eastern righ-of-way south 14 degrees 33 minutes east 526.6 feet to a point; running thence north 87 degrees 76 minutes east 1,150 feet more or less to the Brunswick River; running thence northwardly with said river 490 feet more or less to R. M. Powell's northeast corner, said point being in the southern line of aforementioned Governor Russell tract; running thence along their dividing line south 89 degrees 10 minutes west 1,100 feet more or less to the point of beginning, containing 13 acres more or less; said tract being the northern portion of the R. M. Powell tract of land which lies east of State Highway Numbered 130, south of the aforementioned Governor Russell tract, west of the Brunswick River and has a road frontage of 526.6 feet; said above-described tract of land being subject to a lease from R. M. Powell to United States Maritime Commission as recorded in the Brunswick County registry in book 113 at page 222.

Tract numbered 5, beginning at the southwest corner of the Paul S. Austin tract (as recorded in the Brunswick County registry in book 90 at page 231), said point being in the southern line of the former Governor Russell tract of land, said beginning point being also at the intersection of said southern line and the Old River Road and being south 89 degrees 1,830 feet more or less from the intersection of said Russell line with State Highway Numbered 130 at a point approximately 5,270 feet southwardly from the junction of said State Highway Numbered 130 with United States Highways Numbered 17, 74, and 76 at the Brunswick River Bridge area; and running thence from said beginning point and along said old River Road south 16 degrees 30 minutes east 635 feet to a turn in said road; running thence south 8 degrees east 640 feet to another turn in said road; running thence south 27 degrees 15 minutes east 497 feet to the intersection of said road with the centerline of an old tram roadbed, said intersection being the southwest corner of the R. M. Powell tract of land; running thence with the extended southern line of said Powell tract, if said line were extended westwardly, south 71 degrees 30 minutes west 1,000 feet to a point; running thence north 7 degrees 10 minutes west 2,000 feet to a point which is the southern line of the aforementioned Governor Russell tract, said point being south 89 degrees west 700 feet from the beginning point as measured along said Governor Russell line; running thence north 89 degrees east 700 feet to the point of beginning, containing 32 acres, more or less.

Tract numbered 6, beginning at the southwest corner of the Paul S. Austin tract (as recorded in the Brunswick County registry in book 90 at page 231), said point being in the southern line of the former Governor Russell tract of land, said beginning point being also at the intersection of said southern line and the Old River Road and being south 89 degrees west 1,830 feet more or less from the intersection of said Russell line with State Highway No. 130 at a point approximately 5,270 feet southwardly from the junction of said State Highway No. 130 with United States Highway Nos. 17, 74, and 76 at the Brunswick River Bridge area; running thence from said beginning point and along the Old River Road north 35 degrees 45 minutes west 495 feet to a turn in said road; running thence north 85 degrees, 20 minutes west 175 feet to another turn in said road; running thence north 53 degrees 30 minutes west 351 feet to a stone in another turn in said road; running thence south 4 degrees 10 minutes east 640 feet to a point in the aforementioned southern line of Governor Russell tract, said point being south 89 degrees west 700 feet from the point of beginning, as measured along said southern line; running thence north 89 degrees east 700 feet to the point of beginning, containing 7 acres more or less.

Together with the land required for the construction of a suitable railroad connection between the property hereinbefore described and the Atlantic Coastline and Seaboard Railroads in the vicinity of Navassa, N. C.

SEC. 3. The lands to be exchanged hereby shall be appraised by competent appraisers and any difference in value thereof shall be adjusted by a payment by one party to the other; in the event that such adjustment shall be in favor of the North Carolina Ports Authority, there is hereby authorized to be appropriated such sum as may be necessary to carry out the obligation of the United States under this section.

SEC. 4. The conveyance authorized in section 1 hereof shall be subject to the following conditions, rights, reservations, and limitations:

(a) There shall be reserved to the United States the title to all equipment, machinery, supplies, and steel buildings, with the right of ingress and egress without limitation as to time by employees or contractors of the United States or purchasers of any of such equipment, machinery, supplies, and steel buildings to facilitate its removal from the site.

(b) The State Ports Authority of North Carolina shall secure such undertaking from the North Carolina Highway Commission as may be required to secure the closing of the State highway presently crossing the property to be conveyed to the United States and to provide suitable access roads to serve the said property at such time as is required by the Maritime Administration.

(c) The conveyance by the United States shall contain a provision that in the event that the United States shall, through purchase, condemnation, or requisition, reacquire title to said lands, the purchase price to be paid therefor shall not exceed the depreciated cost of improvements placed thereon by the North Carolina Ports Authority and that this condition shall run with the land.

(d) The conveyance by the United States shall contain a provision that during any emergency declared by the President or the Congress of the United States, and upon determination by the Secretary of Defense that the property is useful for any national defense purpose, the United States shall have the right to the immediate, full, and unrestricted possession and control of all or any part thereof upon payment of a rental based on the depreciated costs of improvements

made by the North Carolina Ports Authority without any rental based on the value of the land and that this condition shall run with the land.

SEC. 5. The Secretary of Commerce is authorized to sell such installations, improvements, equipment, machinery, supplies, and other facilities located at the present shipyard which he deems unsuitable or unnecessary for use at the new site to be conveyed to the United States under section 2 hereof. The net proceeds of such sales, after deduction of expenses incurred in connection therewith, shall be available for use in developing the property to be conveyed to the United States herein.

SEC. 6. There is hereby authorized to be appropriated the sum of $9 million, or so much thereof as may be necessary to transfer to the lands conveyed to the United States under section 2 and reerect and install thereon structures and properties reserved to the United States under section 4, and for the design, layout, grading, and preparation for the establishment of a modern shipyard suitable for the construction of such merchant type vessels as may be required in a national emergency.

SEC. 7. The conveyance authorized in section 1 shall not be consummated until an appropriation has been made pursuant to the authorization in section 6 hereof.

The SPEAKER. Is a second demanded?

Mr. GROSS. I demand a second so we can have just a word of explanation on this bill.

The SPEAKER. Without objection a second is considered as ordered.

There was no objection.

Mr. GROSS. May I ask the gentleman whether this is one of the bills that was on the Consent Calendar this morning?

Mr. BONNER. It was one that was passed over. I asked myself that it be passed over so that it could be considered in this manner.

Mr. GROSS. Mr. Speaker, will the gentleman explain the bill briefly?

Mr. BONNER. Yes. At Wilmington, N. C., the Maritime Commission has one of the standby reserve shipyards. The city of Wilmington has grown up around this shipyard. A 7-mile track running through the city supplies the shipyard. The port of Wilmington has grown a great deal. The State port authority offers to give the Maritime Commission more land at the site of the reserve fleet, than there is in this standby yard.

The committee employed an expert builder, an engineer, in fact, the engineer who built this yard, to go down and survey the property and ascertain whether or not it was a fair and proper exchange.

The engineer reported back to the committee—and it is in the hearings—that you could not build modern ships at this shipyard because there was not enough depth in the property and there was not enough available property around it to take care of material; and the spur railroad track could not supply the shipyard with material were it in full operation and also supply the industrial area that has grown up around the shipyard.

Mr. GROSS. May I ask the gentleman if this bill was previously objected to and passed over without prejudice?

Mr. BONNER. No; but since the gentleman has asked that question I would like to give some other facts about it.

The bill contains a proviso that the city will pay some money to the Federal Maritime Commission if it is found there is a difference in the values of the properties to be exchanged and that that should be done.

The committee went down to look at this shipyard. Its present condition is deplorable. It would have to be rebuilt from the ground up.

I yield to the gentleman from Washington [Mr. TOLLEFSON].

Mr. TOLLEFSON. Mr. Speaker, the chairman of the committee has called attention to a committee amendment providing that if after appraisal there is found to be a difference in value of the property in favor of the Federal Government that the State shall reimburse the Federal Government for the difference.

Mr. GROSS. Mr. Speaker, I yield back the balance of my time.

Mr. BONNER. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The questions is: Will the House suspend the rules and pass the bill?

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

AMENDING FAIR LABOR STANDARDS ACT OF 1938

Mr. ELLIOTT. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill S. 3956 to amend the Fair Labor Standards Act of 1938, as amended.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

The Clerk read the bill as follows:

Be it enacted, etc., That this act may be cited as the "American Samoa Labor Standards Amendments of 1956."

SEC. 2. Section 6 of the Fair Labor Standards Act of 1938, as amended, is amended by striking out the period at the end of paragraph (2) in subsection (a), and inserting in lieu thereof a semicolon and the following new paragraph:

"(3) if such employee is employed in American Samoa, not less than the applicable rate established by the Secretary of Labor in accordance with recommendations of a special industry committee or committees which he shall appoint in the same manner and pursuant to the same provisions as are now applicable to the special industry committees provided for Puerto Rico and the Virgin Islands by this act. Each such committee shall have the same powers and duties and shall apply the same standards with respect to the application of the provisions of this act to employees employed in American Samoa as pertain to special industry committees established under section 5 with respect to employees employed in Puerto Rico or the Virgin Islands. The minimum wage rate thus established shall not exceed the rate prescribed in paragraph (1) of this subsection."

SEC. 3. Section 13 of such act is amended by adding at the end thereof the following new subsection (e):

"(e) The provisions of section 7 shall not apply with respect to employees for whom the Secretary of Labor is authorized to establish minimum wage rates as provided in section 6 (a) (3), except with respect to employees for whom such rates are in effect; and with respect to such employees the Secretary may make rules and regulations providing reasonable limitations and allowing reasonable variations, tolerances, and exemptions to and from any or all of the provisions of section 7 if he shall find, after a public hearing on the matter, and taking into account the factors set forth in section 6 (a) (3), that economic conditions warrant such action."

SEC. 4. Section 16 of such act is amended by adding at the end thereof the following new subsection (d):

"(d) In any action or proceeding commenced prior to, on, or after the date of enactment of this subsection, no employer shall be subject to any liability or punishment under this act or the Portal-to-Portal Act of 1947 on account of his failure to comply with any provision or provisions of such acts with respect to work performed in a possession named in section 6 (a) (3) at any time prior to the establishment by the Secretary, as provided therein, of a minimum wage rate applicable to such work."

Mr. ROOSEVELT. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. ROOSEVELT. Mr. Speaker, I fully support and I am happy to see this worthy bill come to passage in the Congress. The work being done in Samoa for the development of a sound industry and to raise the economy of American Samoans does credit to our Government and to the private enterprise devoted to the task. It would only be proper, however, to point out that the Congress has not solved a most pressing problem for which H. R. 11799 was designed. I sincerely hope that all interested groups and particularly organized labor, the Department of State and the Department of Defense will come to a satisfactory agreement in the intervening months before the new Congress assembles. If they do so, legislation can be speeded in the next Congress and I am certain that there can be substantial agreement amongst the members of the Committee on Education and Labor.

The passage of S. 3956 clearly indicates the confidence of this Congress in the good faith and in the high standards of operation and cooperation being displayed by all concerned in the continued improvement and development of those who live in American Samoa.

The bill was ordered to be read a third time, was read the third time and passed.

A motion to reconsider and a similar House bill (H. R. 11799) and H. Res. 600 were laid on the table.

AMENDING CIVIL AERONAUTICS ACT OF 1938

Mr. COLMER. Mr. Speaker, by direction of the Committee on Rules I call up House Resolution 602 and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That, upon the adoption of this resolution, it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R.

8902) to amend subsection 406 (b) of the Civil Aeronautics Act of 1938, as amended. After general debate, which shall be confined to the bill, and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interstate and Foreign Commerce, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. COLMER. Mr. Speaker, I yield 30 minutes to the gentleman from Illinois [Mr. ALLEN] and pending that yield myself such time as I may consume.

The SPEAKER. The gentleman from Mississippi is recognized.

Mr. COLMER. Mr. Speaker, as the reading of the resolution indicates, this is an open rule providing for an hour's general debate on the bill H. R. 8902 to amend subsection 406 (b) of the Civil Aeronautics Act of 1938 as amended.

The purpose of this bill is to assist subsidized air carriers in buying new aircraft. It provides that in determining the subsidy element of rates to be paid to air carriers for the transportation of mail, the Civil Aeronautics Board shall not take into account net capital gains realized by the carriers from the sale or other disposition of depreciable property used in their normal operations provided that the net gain so realized is reinvested in other equipment within a reasonable time to be determined by the Board.

The bill does not affect the taxability of capital gains realized by the air carriers.

Mr. ALLEN of Illinois. Mr. Speaker, all I know about this bill is what I have heard here today. However, after extensive hearings in the other body by the Committee on Interstate and Foreign Commerce, as I understand it, the committee reported it unanimously. The bill then went to the floor of the other body and with the entire membership present it was passed unanimously there.

It came to the House and it is my understanding that the Committee on Interstate and Foreign Commerce here voted it out practically unanimously, with the exception of one Member.

Mr. Speaker, I yield 5 minutes to the gentleman from Massachusetts [Mr. HESELTON].

Mr. HESELTON. Mr. Speaker, I have always understood that we should not refer to actions in the other body. In the course of trying to place facts before the Members of this House I have refrained from doing that and I am not going to violate that rule at this time, even though reference has been made to a vote there and to an alleged attendance of "the entire membership" being present, other than to state flatly that neither assertion is correct.

May I add that there was nothing like unanimity of opinion in the other body on the essential amendment which I hope may be passed upon by the House, an amendment suggested by the Bureau of the Budget, which has the complete and wholehearted endorsement of the General Accounting Office, the Comptroller General, the Vice Chairman of the Civil Aeronautics Board, and also the endorsement of our colleague, the then Chairman of the Civil Aeronautics Board, Hon. Ross Rizley. It is true two other members of the Civil Aeronautics Board have supported this bill but, I submit, with very little persuasiveness.

I do not intend to impose on the House here today with any detailed argument pro or con with reference to the bill. It is now 13 minutes past 3 o'clock. We came in this morning at 10 o'clock. Last night I sat on this floor and heard the statement made that this bill would be called up before any other legislative business. You know what the present situation is.

I regret deeply there are not more Members present to express their own convictions in the Committee of the Whole as to this particular measure, because, in my honest judgment, it is a windfall of the worst kind. It is discrimination on discrimination and if it is passed here over the protest of every department in the Government, we will all live to regret that action. Yet, considering the kind of a program we have had to face this week, certainly those who are not here now cannot be criticized fairly.

I am sorry that there are only 30 minutes on each side to debate the complex and difficult issues in this matter, but perhaps that is not unusual, because if you will ask one of the boys to bring you the hearings on this bill you will find at the back end of a hearing labeled "Civil Air Policy" there are a few pages devoted to this bill. If you examine those hearings and ask some questions, I do not think my colleagues on the subcommittee will dispute the fact that they were under certain pressure the morning of the hearing.

I want to pay tribute to the gentleman from Mississippi [Mr. COLMER]. Yesterday he took this floor and admitted that the membership of this House voted on a bill without knowing what they were doing. He admitted that the amendment he offered had been hastily drawn; that the error had not been discovered at the time, and he said: I regret this mistake exceedingly.

And, this is the significant thing I want to repeat to the few of you who are here at this time:

> And, while it illustrates the difficulty of legislating in this hurried fashion in these dying days of this Congress, I must take full responsibility for the error.

And, that is characteristic of that gentleman. He is willing to stand up and take the responsibility publicly for an unfortunate incident yesterday afternoon. It is in the RECORD of yesterday at page 14461, rollcall 119, 92 for and 299 against. And, he added:

> Therefore, the vote just taken was not a fair test of the sentiments in this House on the public-housing question.

We should, and I know we do, respect and honor that sort of complete honesty which always characterizes the gentleman's conduct here, even when we disagree with him on an issue before us.

I submit to you that on this matter which does not have the support officially of a single agency of the Federal Government but has the active opposition of people who have wide experience, who have established reputations of competency, who know what they are talking about should receive something more than 30 minutes consideration on a side, particularly when I happen to be the only one from the committee, as far as I know, who is going to speak in opposition to this bill and to this rule. I assume my colleagues and my friends on the committee will want all their time, and they should have it. But surely who have a right to know the reasons for opposition.

This is not a pleasant position I have this afternoon. I do not enjoy it. I would infinitely rather prefer to have avoided coming to the floor and taking issue on this matter, but I cannot escape that duty and I will not try to do so. I do not care whether there are 1, 2, 3, 5, 10, or 50 people on this floor who may vote in opposition to this proposal or for the amendment I want to submit to you. Now, if a point of order is made, possibly it will not be before you, but I shall offer it. I think we have as much right to consider a serious suggestion of the Bureau of the Budget as to this kind of a bill, divorced from technicalities, as the other body has.

There are a lot more things I wish I had time to say about this bill. But we are confronted with a strict time limitation. While I think that is most unfortunate, we must do the best we can to understand the issues pro and con and the clear, cold facts. If we can do that, this bill will not pass here.

The SPEAKER. The time of the gentleman from Massachusetts has expired.

Mr. HESELTON. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. HESELTON. Is it in order for me, unless I obtain the consent of the gentleman from Mississippi, to offer an amendment to the rule?

The SPEAKER. The only way the gentleman can offer an amendment is if the gentleman in charge of the rule will yield for that purpose and for that purpose only.

Mr. HESELTON. May I inquire whether the gentleman would permit me to offer an amendment which would extend the time 30 minutes?

The SPEAKER. The gentleman's silence indicates refusal.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 5 minutes to the gentleman from California [Mr. HINSHAW].

Mr. HINSHAW. Mr. Speaker, this bill was considered by the Subcommittee on Transportation of the Committee on Interstate and Foreign Commerce and agreed to unanimously by the subcommitte. It was brought to the full committee. The gentleman from Massachusetts [Mr. HESELTON] had a very urgent call somewhere else at the time the vote was being taken, and the vote was unanimous without him. The gentleman has filed a minority report to this bill, which he has the privilege of doing,

of course, and he has the privilege of feeling as strongly in the matter as he would like.

But the bill itself arises because of certain language contained in the Civil Aeronautics Act of 1938 which has been interpreted both by a majority of the Civil Aeronautics Board as it was then constituted and the Supreme Court differently from what I believe was the original intention of the Congress and certainly the Committee on Interstate and Foreign Commerce.

There is one member of the committee present who was a member at the time the Civil Aeronautics Bill was passed, but that language is as follows:

> After saying that the Civil Aeronautics Board in fixing mail pay and subsidy for air carriers shall take into consideration the need of each such carrier for compensation sufficient together with all other revenue of the carrier to enable such carrier to maintain and continue development of air transportation to the extent and of the character and quality required for the commerce of the United States, and the Postal Service and the national defense.

In a case which was brought up on an entirely different subject but affecting that portion of the act the Supreme Court held that—

> Income from all sources such as the sale of flight equipment must be counted in determining the all-other-income provision referred to.

The Board had taken the position that it could disregard for this purpose that part of the income which the carrier received from the sale of its routes. That is in the Supreme Court case. The Board's purpose in doing so was to safeguard the incentive for future voluntary route transfers. However, the Court said there was no justification in the law for this position of the Board.

The Board had prior thereto permitted the sale of flight equipment—not only permitted it, they could not stop it—but any profits that might arise from the sale of flight equipment were considered in a time of open rates—that is, when rates were not fixed to be a part of the other income, but during closed rate periods when the rate was set—that such capital gains from the sale of assets were not considered as other income. The Board believes it is necessary for them in view of this decision of the Supreme Court to open the rates of subsidized carriers and consequently to leave free until another determination has been made this question.

Mr. MASON. Mr. Speaker, will the gentleman yield?

Mr. HINSHAW. I yield to the gentleman from Illinois.

Mr. MASON. Then this bill provides that when they sell outmoded equipment that money shall be considered as capital gains and not as income for tax purposes?

Mr. HINSHAW. No, it is the profit from the sale, not the sale itself.

Mr. MASON. Yes. The profit from the sale shall be considered as capital gains and not as income.

Mr. HINSHAW. That is correct.

Mr. PATTERSON. After the tax is paid.

Mr. HINSHAW. After the capital gains tax has been paid. It has nothing to do with the tax being paid.

Mr. MASON. No, but this substitutes capital gains for the profits on the sale instead of income gains.

Mr. HINSHAW. Yes, not profits from operation.

Mr. MORANO. If the gentleman will yield, provided, of course, that the money is reinvested.

Mr. HINSHAW. That is exactly what I was going to say.

May I add to the gentleman from Illinois [Mr. MASON], provided that the funds realized as profit should be reinvested in other similar equipment within a reasonable period of time.

Mr. MORANO. That is the point I wanted to make.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 3 minutes to the gentleman from California.

Mr. COLMER. Mr. Speaker, I yield 3 minutes to the gentleman from California.

Mr. HARRIS. Mr. Speaker, will the gentleman yield?

Mr. HINSHAW. I yield to the gentleman from Arkansas.

Mr. HARRIS. In order that we can clear up this point so there will be no misunderstanding about it, there is no subsidy here for any capital gain for any other provision which they provide. This bill merely provides that when airline companies have capital gains from the sale of obsolete or secondhand equipment, when applied to the purchase of new equipment, their subsidy will not be reduced as the result of that transaction.

Mr. HINSHAW. That is the effect of it.

Mr. HARRIS. It in no way changes the capital gains provision.

Mr. HINSHAW. That is correct. It in no way changes that provision.

The companies affected by this act are Alaska Airlines, Pacific Northern Airlines, Continental Airlines, Northeast Airlines, Pan American Airlines, Panagra Airlines, Braniff Airlines, 13 local service carriers which I shall not name, 3 helicopter carriers which I shall not name, and about half a dozen local Alaska carriers, and the Hawaiian carriers.

The ones it does not affect at the present time are American Airlines, Eastern Airlines, TWA, United Airlines, Western Airlines, and for the time being Northwest and Delta. I say for the time being because they have been off subsidy for a very brief period and might have to go back on again.

These airplanes which have a value of something like $900 million total will become reduced in value, but on the other hand there is a very strong market at the present time for secondhand airplanes. Their values on the market are much higher than was anticipated at the time. As a matter of fact, it is possible to get more for an airplane than the original cost even after it has been used up, so to speak, through 8 or 10 years of use. There is a reason for that which I shall not go into just now, but on the other hand that is why the capital gains are rising.

The reason why the bill is necessary is that all of these companies are ordering new equipment. The sale of these airplanes and the money realized from them net is expected to be applied to the purchase of new airplanes. There is $1,600,000,000 worth on order of these great jets and turboprop airplanes. Approximately 375 of the 4-engine aircraft that are affected are a part of the Reserve Civil Air Fleet of the United States Military Establishment. We have provided for certain conversion moneys through the defense budget, and these airplanes are all available on 48 hours' notice to the United States Government. We are not required to purchase airplanes by our appropriations in this Congress because these airplanes are being paid for and being used in commerce and the pilots and crews and so forth are all available free to the people of the United States in the event of any emergency.

Mr. MASON. Mr. Speaker, will the gentleman yield?

Mr. HINSHAW. I yield.

Mr. MASON. Why is it that the bill applies only to certain airlines and not to all airlines?

Mr. HINSHAW. Because it only applies to the certain airlines that are still under subsidy.

Mr. MASON. In other words, it applies to the subsidy airlines, but not to those that are not receiving a subsidy.

Mr. HINSHAW. That is right. The rich airlines can do anything they want to do with their capital gains. But it is the subsidized airlines that the Civil Aeronautics Board and the Supreme Court would take the money away from and make it apply against this subsidy.

Mr. MORANO. Mr. Speaker, will the gentleman yield?

Mr. HINSHAW. I yield.

Mr. MORANO. Is it not true that the fleet of airplanes, which the gentleman just referred to represents an element in our national security and represent an overseas fleet?

Mr. HINSHAW. Of course, there is a great element of our national security involved here.

Mr. MORANO. And it represents a very important element in this fight for economic penetration which is being carried on by the Soviets.

Mr. HINSHAW. Yes, sir; as a matter of fact it is expected that the Soviet Government will come out very shortly, as the British Government has, with the Vickers Viscount and offer an Ilyushin or something like that, a big turbojet transport on the world market.

Mr. MORANO. Exactly. Does that not mean, while I am one of those who believes that, perhaps, Russia will never drop the hydrogen bomb on us and that she would rather fight us in the air by peaceful economic penetration, that that is the way they can do it by winning the air with these jets?

Mr. HINSHAW. That is right. This is a highly meritorious measure and should be adopted.

Mr. COLMER. Mr. Speaker, I yield 2 minutes to the gentleman from Virginia [Mr. GARY] and I ask unanimous consent that he may proceed out of order.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. GARY. Mr. Speaker, I want to commend the United States Coast Guard for the very remarkable performance of its search and rescue service in connection with the collision this morning of two great ocean liners, the Italian Line *Andrea Doria* and the Swedish vessel *Stockholm*. It has been my privilege to have been very closely identified with the Coast Guard since I have been a Member of the Congress. In my opinion it is one of the most efficient agencies of the Government. It has a magnificent record of service and certainly in this catastrophe it has lived up to its highest traditions.

Mr. CANFIELD. Mr. Speaker, will the gentleman yield?

Mr. GARY. I yield.

Mr. CANFIELD. I, too, am thrilled by the way the Coast Guard responded to last night's S. O. S. On a lesser scale, however, it can be said and it should be said that the United States Coast Guard is engaging in sea and air rescue work daily and nightly. "Semper Paratus" is the Latin motto of the Coast Guard. That means "always prepared." The Coast Guard last night lived up to the highest tradition of that motto and we have many, many reasons to be proud of this dedicated service.

Mr. GARY. I thank the gentleman. It was a remarkable performance. I think the United States of America can be proud of the very fine service rendered on this occasion.

Mr. GREEN of Pennsylvania. Mr. Speaker, will the gentleman yield?

Mr. GARY. I yield.

Mr. GREEN of Pennsylvania. Mr. Speaker, I want to add my congratulations to the excellent job that was done by the United States Coast Guard in connection with this collision. I had occasion last night to be awakened and I was advised at 3 o'clock in the morning that the mayor of Philadelphia and his wife were aboard the Italian liner. I was in contact with the Coast Guard all through the night and I cannot praise them too highly. The mayor of Philadelphia has made a telephonic broadcast from the *Ile de France* and he has the highest praise for the excellent job done by the Coast Guard, and everybody in connection with the rescue.

Mr. GARY. I thank the gentleman. Other services as well as commercial and private vessels did cooperate but I mention particularly the United States Coast Guard because it was the directing agency and it deserves great credit for its performance.

Mr. COLMER. Mr. Speaker, I yield to the gentleman from Pennsylvania [Mr. WALTER].

Mr. WALTER. Mr. Speaker, I only want to take a minute or two of the little time that is left before adjournment in order to put my colleagues on notice that in the other body an attempt is being made to increase at this time the number of immigrants that this country admits annually under regular immigration quotas. This attempt is being made while only a few hours have gone by since the Senate passed S. 2663, a bill designed to provide assistance in certain economically depressed areas. In that bill, it is stated that this country suffers from substantial and persistent unemployment or underemployment.

One of the States most painfully affected by unemployment is the State of Pennsylvania. The coal regions present an appalling picture of mines caving in, unattended buildings collapsing, homes being ruined by lack of money to keep them in good repair—and above all—of miners living on a gradually diminishing pittance provided by public and union welfare funds.

Within the current decade, immigration to the United States has by far outnumbered the quotas established by the Congress. This country has admitted since the end of the war well over half a million refugees and displaced persons, in addition to immigrants reaching us from all corners of the world both under the quota and outside of the quota. Our nonquota admission of immigrants exceeds twice the number of immigrants entering under the quota. The liberal provisions of the law admitting outside of the quota all natives of independent countries of the Western Hemisphere, and all wives and children of United States citizens, regardless of their place of birth, has made our entire immigration quota simply a basis from which we operate. Immigration from Mexico was in the past fiscal year 5 times higher than only 4 years ago and it is rising rapidly in the current fiscal year.

There is now before the Senate a bill, H. R. 6888, which passed the House last year. Certain desirable amendments were recommended to the Senate Committee on the Judiciary by my colleagues on the House Committee and by myself. It is hoped that these amendments, which do not endanger the security, the economy, and the national welfare of this country, will be adopted. But a very dangerous action has developed in the other body. Dozens of amendments have been proposed to the bill H. R. 6888, and each of them tries to emulate the other one in an attempt to wreck our quota system.

It is impossible to state with any degree of accuracy at this time how many more immigrants would be permitted to come to the United States under the amendments piled up in the other body. It is unthinkable that the House would go along with a policy designed to pile up unskilled immigrants on top of unemployed workers walking the streets of our congested urban centers. I am certain that my colleagues in the House who are familiar with the situation in their districts, as I am with the situation in my district and State, would join me in rejecting the amendments providing for a numerical increase in the total immigration to this country.

Mr. NICHOLSON. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. NICHOLSON. Mr. Speaker, I would also like to take this opportunity to commend the United States Coast Guard for their outstanding rescue work in the collision between the *Andrea Doria* and the *Stockholm* off Nantucket, Mass., which is in my congressional district.

Through the years, the small Coast Guard stations, cutters and air-sea rescue units have performed innumerable feats of bravery along the coastline in my district. They have saved the lives of hundreds of fishermen whose boats have been wrecked in storms off our coast.

The rescue work of the Coast Guard personnel in this latest sea disaster is unsurpassed in bravery, and I am doubly proud to be a member of the Board of Visitors to the Coast Guard Academy.

AMENDING AERONAUTICS ACT OF 1938

Mr. ALLEN of Illinois. Mr. Speaker, I yield 5 minutes to the gentleman from Minnesota [Mr. JUDD].

Mr. JUDD. Mr. Speaker, I must oppose this bill unless certain amendments are accepted. There has been a lot of discussion for and against it, but not much explanation of it. Let me try to describe what this bill does, although I am certainly not an expert in this field or on the committee.

All these years under the Civil Aeronautics Act, we have had certain ground rules, by which subsidies for airlines are figured.

Mr. HARRIS. Mr. Speaker, will the gentleman yield?

Mr. JUDD. I yield to my friend from Arkansas.

Mr. HARRIS. In view of what the gentleman said a few moments ago, I assume he is not opposing the rule?

Mr. JUDD. No, I am not now opposing the rule. The only reason I am speaking now is that the rule provides only 1 hour's general debate on the bill and there may not be time then. I appreciate the gentleman's yielding me 5 minutes.

In order to encourage aviation in our country and help the airlines, especially the smaller ones, to get started, our Civil Aeronautics Act of 1938 laid down the policy of paying subsidies to try to ensure a return of about 8 percent on capital investment. The subsidy for each line is figured every year, and to determine what the line has to have in order to be able to attain such a return, the CAB has to figure out what the operating revenue of the line is, how much it has earned from its flights, and, as has already been explained "all other revenue," as the act describes it. That has been held by the Supreme Court to include profits made, or capital gains, on the sale or other disposition of old equipment or other property that is used or is useful in its normal operations.

As the gentleman from California has pointed out, after taking depreciation on their equipment, they can now sell the old planes at a high price, sometimes above original cost. Thus they can sometimes make an enormous profit in the form of capital gains. This bill does

not affect the taxes they must pay on such capital gains; it merely changes the ground rules by which the subsidies are figured.

It would amend section 406 (b) of the Civil Aeronautics Act so that in determining subsidies for air carriers for transportation of mail, the CAB shall not take into account capital gains realized by the carriers from the sale of depreciable property used or usable in the carrier's normal operations, provided that the net gain, after capital gains taxes are paid, is reinvested in similar property—that is, new and presumably better planes.

These old rules have worked well. Our airlines have made spectacular growth under them. Most of the lines, all of the larger ones except about two, have already managed to get off subsidy. Now we come along and propose in this bill to change the ground rules in the middle of the game, so that the ones who are not off subsidy are to get a second dip into the Treasury. That is what it amounts to. They would not have to deduct their capital gains from subsidies received. Their profits from sale of depreciable property would not be considered as revenue in figuring their subsidy.

Mr. HINSHAW. The gentleman is partly right and partly wrong on that. They have changed today and what they have done for a matter of 2 years. There originally was no such thing. In these 2 years the capital gains have been applied on open rate operations but not on closed rate operations.

Mr. JUDD. I recognize that fact.

Mr. HINSHAW. It has been about half and half.

Mr. JUDD. But the further fact is that this amounts to a tremendous windfall for the airlines that are not being subsidized—I mean for the lines that are still on subsidy. It in a sense penalizes the ones that are off subsidy and rewards the ones that are still on subsidy.

Mr. DOLLIVER. Mr. Speaker, will the gentleman yield?

Mr. JUDD. I yield.

Mr. DOLLIVER. The gentleman is entirely wrong when he says this is a windfall to the people not on subsidy.

Mr. JUDD. I corrected it.

Mr. DOLLIVER. That is entirely incorrect.

Mr. JUDD. I corrected my original misstatement. I said it is a windfall for the ones that are on subsidy. That is the reason for my opposition.

Mr. DOLLIVER. I disagree with the gentleman, but I will get some time and explain it.

Mr. JUDD. Mr. Speaker, it is urged that this bill must be passed so that the companies will have greater incentive to modernize, to get new equipment, and so on. What are the companies going to do that are not on subsidy when they have to buy new equipment?

For example, Pan-American is still on subsidy. It has ordered, so I understand, some $260 million worth of new equipment. If this bill is passed it will enable Pan-American to get a much larger subsidy from the Government, because it will not have to take into account in figuring its need for subsidy, the profits from the sale of its old equipment, which may run up to $100 million. Under present rules those profits would be deducted from the amount of subsidy otherwise payable. Under this bill it could keep all the profits for purchase of new equipment and claim the whole subsidy besides.

Mr. PHILLIPS. Mr. Speaker, will the gentleman yield?

Mr. JUDD. No, I am sorry I cannot yield at this time.

TWA has to compete over some of the same routes with Pan American. TWA is getting and would get no subsidy at all. But Pan American would get a larger Federal subsidy than now because it would not have to include as revenue the money it has made as capital gains from the sale of its depreciable property.

It seems to me that to be fair and equitable, either TWA should get back on subsidy or that Pan American should get off subsidy, if airlines hereafter are to be able to disregard in figuring subsidies their capital gains from sale of their property.

The Department of Commerce was asked to estimate what would have been the effect if this bill had been law on the books the last 5 years. It estimated that the Government—the taxpayers, you and I—would have had to pay out $22 million more in subsidies than we did; and that $17 million of it would have gone to one company, Pan American.

There is an even worse result than increased payments to lines now on subsidy. If you pass this bill why should any of them ever again try to get off subsidy? Of course, they would want to stay on subsidy indefinitely.

Under this bill if an airline is on subsidy and sells its equipment at a considerable profit, it can deduct that profit from its income, or not figure it in its income, and thus get a subsidy of the total amount it is estimated to need, not counting that profit. It seems to me that is unfair. We should not change the ground rules in the midst of an operation under which most of the airlines have managed their affairs very well. Most of them are off subsidy. Let us encourage the rest of them to get off subsidy too.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 5 minutes to the gentleman from Missouri [Mr. SHORT].

Mr. SHORT. Mr. Speaker, frankly, I do not know too much about this legislation, though I have carefully read with much interest the enlightening debate had in the other body on July 9.

This bill was most carefully considered by the Committee on Interstate and Foreign Commerce in the other body, it was debated at great length. It passed the Senate 52 to 22—more than 2 to 1. That debate was not only interesting, it was enlightening. Then when it came over to the House from the other body it was carefully considered by the House Committee on Interstate and Foreign Commerce, and with the single exception of the gentleman from Massachusetts, the bill was approved by the House committee.

It is my understanding that this legislation will enable a lot of the little lines—some of the larger ones, too—those mostly in need, to sell old equipment that has become obsolescent or obsolete, that they can take that money and apply it on new equipment, bring their planes and equipment up to date without having to be charged with capital gains on the funds they derive from the sale of old or wornout equipment.

We all have a great deal of pride in our Air Force and our commercial airlines. I do want to bring out one point. In time of emergency, when we get into war—we have gone through this experience before—we have depended a great deal upon our commercial airlines, not only for certain equipment, for transportation purposes and all that, but for the pilots and the crews, the mechanics as well as the pilots and navigators, who contributed much to the defense of our Nation in time of war. For the little it would cost it seems to me to be money well spent to pass legislation of this kind that would allow feeder lines all over the country, and some of the larger airlines, to sell old dilapidated or wornout equipment and to modernize their planes in order to keep this Nation strong, not only in a commercial sense in time of peace but as a defense in case we should become involved in war.

Mr. ROONEY. Mr. Speaker, will the distinguished gentleman yield?

Mr. SHORT. I yield to the gentleman from New York.

Mr. ROONEY. Is not one of the facets of this subject the matter of the dignity of this country in its representation abroad insofar as our air equipment is concerned?

Mr. SHORT. I am glad that the gentleman brought out that very significant point.

Mr. ROONEY. Is it not to the best interest of the people of the United States to have our American airlines operating in international travel use the best in safe and modern equipment so as to compete with foreign airlines?

Mr. SHORT. There is no doubt about that. The gentleman from New York has traveled on every continent, he has visited our diplomatic posts abroad, and has had talks with representatives of foreign governments in practically every country he visited. I do not care whether it is Europe, Asia, Africa, or South America, it always gives me a little pride and satisfaction to hear these people in foreign countries look with great admiration at our great airliners abroad and with pride to the accomplishments of the United States.

Mr. MORANO. Mr. Speaker, will the gentleman yield?

Mr. SHORT. I yield to the gentleman from Connecticut.

Mr. MORANO. Is it not also true that the foreign-flag airlines are completely backed by their governments and supported by their governments?

Mr. SHORT. That is right.

Mr. MORANO. Entirely.

Mr. SHORT. Entirely is my understanding.

Mr. MORANO. And our overseas airlines have to compete with that type of operation.

Mr. SHORT. They face more or less the same kind of competition that our maritime activities and our merchant marine do.

Mr. ALLEN of Illinois. Mr. Speaker, will the gentleman yield?

Mr. SHORT. I yield to the gentleman from Illinois.

Mr. ALLEN of Illinois. Is it not also true that when we have good equipment, money comes back to the Treasury through the transportation tax and the hauling of additional passengers in the airline service? I have been told that as much will come back through taxation by having good equipment as this would benefit any airline.

Mr. SHORT. That also is very true, and you should not overlook the safety factor—the lives that will be saved by having the most up-to-date and modern equipment to prevent the large number of accidents that we have witnessed in recent months.

Mr. ALLEN of Illinois. Mr. Speaker, I yield the remainder of the time to the gentleman from Connecticut [Mr. PATTERSON].

Mr. PATTERSON. Mr. Speaker, I ask unanimous consent to revise and extend my remarks at this point in the RECORD and to include letters and editorials.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. PATTERSON. Mr. Speaker, just to get the RECORD straight here for a moment, I want to refer to the statement made by the gentleman from Minnesota. The gentleman from Minnesota made a comparison between TWA and PAA with respect to a subsidy. Now, the difference is this. TWA has a very lucrative run, especially overseas. It operates between New York, England, France, Germany, Italy, Switzerland, Spain, Portugal, and the Azores, while Pan American on the other hand has a run which is not lucrative at all. It flies from New York into the Congo, from New York into Iceland, into Norway, and during the bad seasons, naturally that route is not traveled at all. Another aspect that I think the gentleman should take into consideration is the fact that TWA, which you have taken as an example, also has the right of operation right here in the States, which is definitely lucrative. Surely the gentleman knows, using the airlines as much as he does, that it is impossible, for instance, on a weekend to get a reservation from Washington to New York or to Boston or Pittsburgh, and all of these other airlines which are not subsidized have these density routes. Certainly they are very lucrative. On the other hand, the smaller feeder lines that are coming in here, which are part of our great transportation system, naturally have to be helped.

Mr. DAWSON of Utah. Mr. Speaker, will the gentleman yield?

Mr. PATTERSON. I yield to the gentleman from Utah.

Mr. DAWSON of Utah. Is it not a fact that by giving them this extra profit you are, in effect, increasing their subsidy? Why do we not keep this on a strict subsidy basis rather than letting them take this extra profit derived from the sale of obsolete equipment and building up their profits?

Mr. PATTERSON. There is absolutely no excess profit as far as the subsidized lines go.

Mr. SHORT. Mr. Speaker, will the gentleman yield?

Mr. PATTERSON. I yield to the gentleman from Missouri.

Mr. SHORT. I think we should keep in mind that none of these profits derived from the sale of old equipment will be allowed unless all that money is spent for new equipment. It cannot be paid out in dividends. They have to take the funds that they derive from the sale of the old, obsolete equipment and invest all that in new planes—the latest, most up-to-date equipment.

Mr. PATTERSON. For instance, one of the lines running into Alaska would have to use the funds derived from the sale to possibly build a hangar, due to inclement weather, and other conditions that they have to operate under up there.

Mr. DAWSON of Utah. Mr. Speaker, if the gentleman will yield further, are they not buying this new equipment now, anyway?

Mr. PATTERSON. I do not think they would be able to buy it unless they are given a lucrative run, or assistance in form of a subsidy if that is what the gentleman is referring to. The purpose of this legislation as I understand it, is to amend section 406 (b) of the Civil Aeronautics Act so in the determination of subsidies to be paid to air carriers the Civil Aeronautics Board shall take into consideration the need of each air carrier for compensation for the transportation and operation sufficient to insure the performance of satisfactory service. Further to continue development of air transportation to the extent demanded by our Government.

Another aspect of this legislation that might be overlooked is the one pertaining to national defense. In time of a national emergency our fleet of civil air transports could be employed in the matter of a few hours because of the modification of the new commercial planes that are now on order with Boeing, Douglas, and Pratt & Whitney. These 45 jet transport aircraft will supplement the Civil Air Reserve Fleet and will decrease the cost to our armed services of maintaining a standby arm of our Air Force.

If we are to lead the world in civil air transportation our carriers must receive assistance if they are to compete in world competition. They must be permitted to retain profits from the sale of equipment in the same manner as the domestic trunk route carriers.

The high level of profit of nonsubsidized trunk carriers is not an indication of greater efficiency than subsidized carriers, but rather the result of the Government granting them density traffic routes for which a subsidy is not required. A great many of our House Members who travel weekly between Washington, New York, Newark, and Boston realize that such domestic route carriers need no subsidy.

Further, Mr. Speaker, a criticism has been voiced that the bill is too broad in that it permits the carriers to reinvest in "other property similar or related in service or use."

The term "property" is defined as "depreciable property used or useful in the carrier's normal operations." If the carrier reinvests the profits from the sale of property in property other than that defined, such profits are subject to recapture and offset against subsidy. The term "property used or useful" is a term which has been the basis on which the CAB has determined the carriers investment base for computing the return element in mail rates since 1938. Under the terms of this bill it will continue to judge whether the carriers have properly invested profits from equipment sales.

Some terribly important and distressing news has recently filtered through the Iron Curtain: Russia is now building up a large commercial air force.

At this moment Russian slave laborers are toiling in factories to create this force. They are assembling the most modern jet engines known and installing them in more planes equipped with the latest devices for speed and comfort. They are being paid next to nothing for their sweat. And so within 2 years, according to reports, Russia will have the fastest and cheapest Air Force in the world, all at government expense.

What does this mean? First of all, it means that the United States, long respected as the greatest airpower in the world, may become a poor second. Unable to match the jet speed and comfort of the Red planes at their cheap labor costs, our great airlines will ground operations. Thousands of people employed in all the varied phases of the aircraft industry will become unemployed. A great fountain of wealth will be turned off. Our leadership and prestige in the free world will be crushed. Communist propaganda will be able to spread all over the world.

Most important, our military defense will be gravely imperiled. Not many people realize how vitally commercial carriers are needed to transport troops and equipment in times of crisis. In the event of a crisis in the Middle or Far East, for instance, thousands of American soldiers and massive piles of equipment would have to be moved long distances immediately. Otherwise, local Red aggression would be in complete control before we could make a first line of defense.

Right now, however, our military planes can transport only one airborne division to such an area in time to be of aid. We must have a sizable commercial force of the type Russia is now building to move our men and equipment in time. Otherwise, all other great defense preparations will sit helplessly on American shores, while Red carriers pour in troops and equipment to enslave millions of freedom-loving peoples.

In short, the Russian buildup means one thing—a much larger commercial air force is needed on the home front. At the moment our great commercial airlines lead the world. They are the largest, fastest, and most efficient in history. The Russian carrier menace, however, threatens to undermine this leadership and as a result the whole free world.

So we must aid our airlines in their hours of need because alone they cannot compete with Russian Government-

supplied slave labor. We must build up a reserve supply which can be used as carriers of troops and equipment in crucial times. Our airlines must continue to receive increased subsidies to meet the Red threat.

Furthermore, this reserve can be used very well in peacetime. It will not sit rusting in musty hangars at the taxpayers' expense. It can, and must, be used in peace, to transport military troops and equipment to all destinations. If so used, not only will more men be trained in the use of these carriers, but the cost to the taxpayer will be greatly reduced.

An increased commercial air force is not only essential for defense reasons, but represents millions saved monthly in tax dollars. Since our airlines cannot accomplish the needed increase by themselves due to competition, I strongly urge the retention and increase of Government subsidies to help them meet this dangerous Red threat. Each dollar of subsidy we pay will save millions of free world lives and millions of the taxpayers' money.

ANSWER TO A MEMORANDUM CONCERNING H. R. 8902

Recently a representative of a certificated air carrier distributed a fallacious document which, if followed by Congress, would place H. R. 8902 in great jeopardy. In the belief that Congress wants to have available a rebuttal to this memorandum, a rather detailed answer is necessary.

In quotations are the arguments advanced in the incorrect memorandum. Factual answers appear directly below each quotation.

Claim 1:

"H. R. 8902 or S. 3449 will permit subsidized airlines to place all profits from the sale of equipment into a separate account for the purchase of new equipment and these profits could not be taken into consideration in determining the airlines' subsidy needs."

Answer: Subsidized carriers may retain profits after payment of capital-gains taxes under H. R. 8902 only if within a reasonable time such profits are reinvested in other property used or useful in the carrier's normal operations. This bill would aid the subsidized carriers in narrowing the competitive financial gap between them and the nonsubsidized carriers. These carriers, even though their profit level has been substantially above that of the subsidized carriers, have always been permitted to retain their profits from equipment sales to aid them in their financing of new equipment.

Claim 2:

In other words, if an airline which receives $10 million a year in subsidy should realize a profit of $50 million from the sale of equipment, it would be permitted to place the entire $50 million in a separate account toward the purchase of new equipment and still claim $10 million in subsidy.

Answer: The nonsubsidized carrier is even better off than the subsidized carrier, in that there are no restrictions on the manner in which the nonsubsidized carrier may use its $50 million. If you were to follow the implied reasoning of the author of this statement, then the passenger and cargo rates charged to the public by the nonsubsidized carriers should be reduced to reflect the profits which these carriers receive from the sale of flight equipment. Such ratemaking is not recommended as a ratemaking principle nor is it believed that any ratemaking body for public utilities, railroads, buses, or airlines could justify returning to the public profits realized from the sale of flight equipment, in the form of reduced rates. This is just what the author of the above statement would recommend for the subsidized airlines. Having been paid a reasonable subsidy determined to be so by the CAB, for a service rendered, he would now have the CAB confiscate the value of the subsidized airlines assets when they most need them. The scale of justice would not be in balance.

Claim 3A:

Since such profits have been used to reduce Government subsidy in the past, that procedure could not be followed under H. R. 8902 or S. 3449.

Answer: This statement is just not true. Subsidized carriers operating under closed rates retained profits from equipment sales during the entire period from 1939 to 1954 and it has been only during approximately the last 2 years that the CAB changed its ratemaking policy to recapture these profits.

Claim 3B:

Therefore, Government subsidy payments would be increased, at least for the next 2 or 3 years.

Answer: Mr. Harmar Denny and Mr. Chan Gurney, members of the Civil Aeronautics Board, in testifying before the Aviation Committee of the Interstate and Foreign Commerce Committee which is sponsoring H. R. 8902, have this to say regarding the above statement:

Argument against enactment of these bills is advanced on the basis that the United States Government may as a result of the enactment be obligated to make increased subsidy payments to the airline industry. Conceding that this may be so for a few years, it is our opinion that the investment will pay off in the long run because of the greater profitability of our carriers when assured of leadership in world aviation. Admittedly, this is a matter of judgment. But it is a relatively safe judgment to assume that our carriers will do substantially better when equipped with the finest equipment in the world and in sufficient numbers than they will if the equipment programs are restricted by lack of Government support at this time. We believe that, in the long run, these bills will be of material assistance to the subsidy carriers to become self-sufficient.

Claim 4A:

If H. R. 8902 had been in effect for the last 5 years, the total benefits that would have been realized by the airlines would have amounted to $21,900,790. Of that amount, Pan American would have received $17,288,000, while 47 other airlines would have been eligible to share in the remaining $4,612,790.

Answer: It is not difficult for a reader of this memorandum to conclude that the writer will resort to any means at his command to smear Pan American and to defeat this bill. The bill was supported by all the subsidized carriers which include the local service carriers, the helicopter operators, the territorial carriers, the international and overseas operators, and the entire civil transport industry, including the nonsubsidized carriers with one exception—Northwest Airlines, which has its harpoon sharpened for Pan American and is responsible for the above statement. The writer of this statement well knows, that without capital gains from the sale of flight equipment it will be impossible for subsidized carriers to carry out the financing of their reequipment programs. The above statement has cited figures from the minority report as to the amount of capital gains which the Board has taken into account during the 5 years 1951–55 to support an argument that the bill would benefit only Pan American World Airways. Look closely at the list of companies in this part of the report. The vast majority of the carriers listed are local service and territorial carriers. During the period from 1951 to 1955 the workhorse of their operations was the DC–3 twin engine airplane. During this entire period there was no suitable replacement aircraft available for purchase, and it was necessary for them to retain for their growing service all of the aircraft in their possession. Under these circumstances there would, of course, be no sale of flight equipment and hence no equipment sales profit available for the CAB to use to apply to the reduction of subsidy.

Referring again to the figures in the minority report, you will see nothing to indicate whether these carriers sold equipment and retained profits under the Board's policy of permitting carriers to retain profits while operating under closed rates, which policy was in effect prior to 1954. The truth of the matter is that these figures merely demonstrate that certain carriers which were on subsidy during the 1951–55 period were also on open mail rates, and that they sold flight equipment with the firm hope that they would be able to convince the CAB that the profits realized should be retained by the carriers in order to finance the purchase of new equipment during this period.

Pan American, from 1952 through 1955, added to its operating fleet some 45 DC–6B's, 3 DC–6A's, and 7 DC–7B's. It has turned out that Pan American's sale of flight equipment in order to make funds available to purchase this new equipment was a grave mistake as the financial benefits of such sales has inured entirely to the United States Treasury because of the CAB's erroneous policy of confiscating such profits during this period. This historic record of the amount of equipment sales profits which have been taken from the carriers to reduce subsidy is of no relevance in determining who will benefit from the legislation we are here considering for the future. Many of the local service carriers placed orders for new equipment which will cost them between $500,000 and $600,000 per aircraft, and others are considering such orders, and will eventually be required to place them, if they are to continue to develop their services. How can any one say that these small carriers with an average net worth of only $800,000 will not benefit from the sale of their DC–3 fleets in the

financing of the purchase of their replacement fleets? Without the benefit of the profits from flight equipment sales many of them will be unable to finance either by borrowing the necessary funds or by marketing their equity securities. All carriers will benefit from this legislation and should be put on the same footing with the right to dispose of equipment when they see fit and to retain the proceeds to reinvest in new equipment.

Claim 4B:

However, since the bigger airlines have planned large reequipment programs in the near future, the benefits would easily amount to huge windfalls, especially in the case of Pan American.

Answer: Equipment sales profits are no more a windfall to subsidized carriers than to nonsubsidized carriers. The profits which come from the sale of flight equipment in this present period of inflation, or any other period, are the rightful property of the subsidized carriers, just as they are for the nonsubsidized carriers, and have resulted not from anything either the carrier or the Government has done, but are the result of economic forces and inflation. In all industry economic factors of inflation and deflation must be faced. The increase in value of old flight equipment, and the profits realized during inflation or losses incurred during depressions under this bill are for the account of the subsidized carriers which assume the risk. There is no windfall here, but rather a just treatment of the subsidized carrier's property.

Claim 5:

Benefits to be derived from the bills by all airlines, except Pan American, would be negligible because the smaller airlines' subsidy requirements are not as high, they do not have as much equipment for sale at this time, and they will not realize a very big profit when it is placed on sale.

Answer: The true facts are these: Out of some $33 million of subsidy paid in 1955 Pan American received only $1 million. The remaining $32 million went to support the national interest routes of the local-service carriers, the helicopter operators, the territorial carriers, and a few foreign and overseas carriers.

The present-day value of the aircraft fleets owned by the subsidized carriers, other than Pan American, is estimated at $100 million. The author of the above statement does not regard the profits which might be derived from the sale of this equipment as important to the smaller airlines in the financing of their reequipment program. The value of the fleets of the local-service carriers alone in today's market is some $15 to $20 million. This amount can be compared with the total net worth of these companies of only $10,500,000. Permitting these carriers to retain profits from equipment sales would more than double their net worth, triple or quadruple their borrowing power to provide for the financing of new equipment, and would vastly improve their position for financing through equity securities.

Claim 6:

Subsidy-free airlines will not benefit from the passage of either H. R. 8902 or S. 3449, but instead, will be penalized indirectly.

For example, Pan American, which stands to gain the most, has on order new jet airplanes costing in excess of $260 million. In selling its old equipment it will realize a profit up to, or perhaps more than $100 million. Under H. R. 8902, Pan American, in addition, would receive its complete subsidy requirement amounting to millions of dollars. Trans World Airlines, one of its competitors but much smaller in size, must also purchase new equipment if it is to compete effectively. Since TWA operates subsidy free it would receive no Government assistance in financing. Therefore, the Government, in effect, will be giving Pan American, one of the biggest United States carriers, additional financial assistance to compete with a smaller carrier that stands on its own and does not drain tax dollars out of the Federal Treasury.

The effect of H. R. 8902 would be even more discriminatory in the case of Northwest Airlines which competes with Pan American in the Pacific. Pan American's Pacific revenues alone, over its exclusive central Pacific route, amount to nearly $60 million annually, while Northwest's total international revenues amount to only $21 million. Thus, Northwest, operating subsidy free, must also obtain comparable jet equipment to meet the competition, but it must buy its planes without the additional financial benefits that its competitor, which is many times its size, would receive under such legislation.

Answer: Our heart goes out to poor TWA and Northwest which are members of the domestic trunkline group which operate the most lucrative domestic routes and in the year 1955 earned some 10.5 percent on their investment. Such earnings compare with the earnings of the subsidized foreign and overseas carriers of only 4.6 percent. Pan American competes with TWA in the Atlantic and Northwest in the Pacific. Pan American requires no subsidy in either of these areas on the routes which are competitive with these two American competitors. Subsidy is provided only to support those routes which though not economically self-supporting are operated in the national interest. These include the routes to Iceland, Scandinavia, and Africa in the Atlantic area and to Australia and routes in the Far East in the Pacific area.

One should not lose sight of the fact that Northwest and TWA required subsidy until a year or so ago. The aircraft which these carriers will sell to help finance their requirement program were aircraft which were used during the period in which these carriers were receiving subsidy. Profits from such sales for Northwest and TWA are no different than the profits which the present bills would permit the subsidized carriers to retain on the sale of their equipment.

Claim 7:

In case there is a need for legislation of this type for local service carriers and other small airlines, perhaps it could be accomplished by eliminating any big carrier with annual operating revenues in excess of $50 million or even $100 million. Such a limitation would give aid where aid might be needed, but would prevent any of the biggest United States carriers from gaining an even bigger advantage over its smaller but subsidy-free competitors through Government assistance.

Answer: We are considering here legislation dealing with the appropriate treatment of gains on the sale of flight equipment by subsidized air carriers. What is difficult to understand is how anyone can maintain that the principles embodied in this bill are right for an airline with gross revenues of $49 million and wrong for one with gross revenues of $51 million.

One of the glories of this country is that, unlike some others, we do not have different rules of law for different people. We have the same rule of law for everyone. This has been true of our aviation legislation in the past, and we must keep it true in the future.

The memo says the bill should not apply to subsidized carriers with gross revenues exceeding $50 million. What does this mean in plain English? At the moment there is only one such carrier—Pan American World Airways, Inc. The amendment might just as well say that this bill shall apply to all subsidized airlines except Pan American. That is precisely its effect.

Discrimination of this sort is indefensible. Grant that Pan American is now a large company, but it did not start that way. It started in 1927, with a dozen World War I pilots each putting up $25,000, and many long years elapsed before it had revenues of $50 million. It got those revenues by tackling jobs first in South America, then across the Pacific, and finally across the Atlantic, which no one else wanted to tackle at the time, and performing them to the satisfaction of its customers and to the credit of its Government. Pan American is a typical American success story of starting small and growing big, through hard work, under the free enterprise system.

There is no airline whose ability to finance new equipment is of greater importance to the United States. Pan American conducts essential national interest service to parts of the world in the Middle East, in Africa, and in the Orient, in which the United States has the most vital interest. Unlike our domestic airlines it has to compete against foreign-flag airlines, solidly backed by their governments and paying their employees half the American standard of wages or less. It is vital that such a company should always have the very best equipment. Last fall Pan American took the lead in ordering jet transports, the first American built, from the Boeing Airplane Co. in Seattle, the Douglas Aircraft Co. in Los Angeles, and the Pratt-Whitney Engine Co. in Hartford, thereby triggering a flood of orders to our American aircraft and engine builders which now exceeds $1 billion. These airplanes ordered by Pan American and other American flag lines will keep our air transportation in the forefront in time of peace, and would be of inestimable value to the national defense if emergency should occur. Pan American now has the job of financing these orders. Pan American needs what this bill provides just as much as does the feeder airline which is transforming its fleet from DC–3's to F–27's, and it is just as important for the country that it have this.

It is said that if this legislation had been on the books in the past, a large share of the benefit would have fallen to Pan American. This is due in part to

the fact that the feeder airlines were simply not able to sell equipment since they had no available replacement for the DC–3. It is due also to the fact that the CAB kept Pan American on an open mail rate much longer than it did other lines. It is due in part to the simple fact that Pan American provides such a large share of the international service where subsidy is required because of the through traffic and intense foreign competition.

STATEMENT OF GOVERNMENT OFFICIALS COMMENDING PAN AMERICAN'S ORDERS FOR JET AIRCRAFT

Donald A. Quarles, Secretary of the Air Force: "I am delighted to learn that the Boeing and Douglas Companies teamed up with Pratt & Whitney Aircraft have contracted with Pan American World Airways to build and deliver to them a great fleet of modern, long-range jet transports capable of operating anywhere in the world.

"These aircraft will use much of the technical knowledge which has resulted from our efforts to build superior air weapons as well as many engines and other accessories which have been developed as part of our jet Air Force buildup.

"We are naturally pleased that peaceful purposes will be served by these developments.

"This large commercial order which follows satisfaction of our military requirements make three positive contributions to our efforts to maintain our Air Force at all times qualitatively superior through an age of peril.

"1. The civil operator's emphasis on capability coupled with our emphasis on performance will result in a better product at lower cost.

"2. As each of these airplanes will become a part of the Civil Air Reserve Fleet, our emergency lift capacity will be greatly increased at no cost to the Department of Defense.

"3. These large orders just placed by Pan American will strengthen the airframe, engine and accessory industries on which we rely for the development and production of improved bombers and fighters. A strong and vigorous industry is essential to our national security. Commercial aircraft production properly planned will increase the competence and decrease the cost to our armed services of maintaining a dynamic aircraft industry."

Ross Rizley, Chairman, CAB: "Pan American's pioneering-built jet transports will have a significant contribution to make to the commerce, the postal service, and the national defense of the United States. Pan American, Boeing, Douglas, and Pratt & Whitney are to be congratulated on ushering in the jet age and bringing benefits of jet transportation to the public. Such implementation of congressional policy in developing air transportation should now assure continued world leadership for the United States flag.

"The magnitude of this order is best demonstrated by the fact that it is larger than the entire aircraft investment of all United States airlines in 1938, the year the Civil Aeronautics Act became law."

Reuben B. Robertson, Deputy Secretary of Defense: "The Department of Defense is pleased to learn of Pan American World Airways' decision to purchase a fleet of 45 jet transport aircraft from the Boeing Aircraft Co. and Douglas Aircraft to be powered by Pratt & Whitney jet turbine engines.

"The three military services rely, as they have in the past, on the civil air carriers to supplement the available military transportation in times of emergency. These new fleets of jet transports will be a welcome addition to our reserve.

"The great potential lift that these new ships provide as a result of their speed and range should make it possible to more effectively support our overseas forces at no added cost to the taxpayer."

The June 16 issue of Time and Tide published this item:

A journalist who interrogated men of all grades within the BOAC as to how it came about that Pan American Airways, with more than twice the number of aircraft of the BOAC and with twice the work, manages with less administrative staff, got the reply:

"Ours is a nationalized industry with masses and masses of paper work—while Pan American is a private enterprise and has to show a profit; so it streamlines."

This might well serve as an epitaph on nationalization.

Mr. COLMER. Mr. Speaker, I yield 5 minutes to the gentleman from California [Mr. HOLIFIELD].

Mr. HOLIFIELD. Mr. Speaker, I am going to try to explain the way I understand this matter for the benefit of the Members of the House who have not digested this minority report. I want to ally myself with the gentleman from Massachusetts [Mr. HESELTON] and the gentleman from Minnesota, Dr. JUDD, in the position they are taking. I want to draw an analogy which is as follows: Let us take a truckline in your district. That truckline is operating under a subsidy from the United States Government and gets a chance to sell a truck for $2,000 that it has been using. The truckline owner has depreciated it down to a thousand dollars. That leaves $1,000 of capital gains. He pays 26 percent on his capital gains. But under the subsidy arrangement $1,000 would be subtracted from his subsidy. So this is a bill to give a double subsidy to these poor little airlines. If the Members will turn to page 5 of this minority report they will see a list of those who would have received benefits had this law been in effect since 1951. They are: Pan American, $17 million plus; Braniff, $1½ million plus; Delta $1½ million, approximately; and Trans-World $1,295,000. So the little airlines will get about $4 million. Pan American would get $17 million under this bill if this proposal had been in effect since 1951.

Mr. Speaker, every man in the United States who is in business, when he sells some of his equipment for more than the figure to which he has depreciated it, or more than he paid for it, pays a capital-gains tax on it. That is what these people should do. In addition to paying a capital-gains tax on that equipment and getting out on the basis of not having it charged against their subsidy, they are also getting a subsidy from the United States Government.

The man who has a capital gain in private business has to pay the capital gains tax. That is that. But why should not the subsidy of these airlines be reduced the amount of the capital gains if they sell some of their equipment? Why should the taxpayers give them not only the subsidy but the additional capital gains to add to their capital plant investment without going through the regular mill of income tax payment?

Mr. Speaker, if you will get the minority report that Mr. HESELTON has, you will see that a former Member of this House, the Honorable Ross Rizley, now a Federal judge, took the same position that Mr. Joe Adams on the Board took and Mr. HESELTON and Mr. JUDD are taking; that is, that this present formula should not be disturbed and that a gift should not be given to these people. It says in the minority report that there would have been a $21,498,000 gift given during the last 5 years, but if you set this precedent, how many hundreds of millions of dollars will be given in the next 10 or 15 or 20 years? I say, let the CAB formula stay as it is. Let these people have their capital gains on any equipment which they can sell at a profit, above the depreciated price; let them pay capital gains on that just as I have to do in my business and everybody else has to do. Otherwise, let it be subtracted from the amount of the subsidy that the Government would otherwise pay them, and then they will be on a fair and square basis with the rest of the airlines of the country, and they will not get the additional advantage that the airlines which are not on subsidy do not have. The airlines that are not on subsidy today have to buy their new equipment just the same as these people.

Let me explode this myth about being ready to go to war. Every young man in this country is also ready to go to war, too, to protect the Government as well as the equipment that we have. The railroads and trucklines and in effect the people and all resources are available for call if the national interest demands it.

Mr. COLMER. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. HESELTON. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 184, nays 178, answered "present" 1, not voting 69, as follows:

[Roll No. 124]

YEAS—184

Alger	Burnside	Derounian
Allen, Calif.	Bush	Devereux
Allen, Ill.	Byrd	Dies
Arends	Cannon	Dixon
Aspinall	Carlyle	Dodd
Auchincloss	Carrigg	Dollinger
Bates	Cederberg	Dolliver
Beamer	Chenoweth	Dondero
Belcher	Chiperfield	Donohue
Bennett, Fla.	Colmere	Dorn, S. C.
Bennett, Mich.	Cooley	Edmondson
Bentley	Corbett	Elliott
Berry	Coudert	Fallon
Betts	Cramer	Fascell
Blatnik	Cretella	Fenton
Bonner	Crumpacker	Fernandez
Bow	Cunningham	Fisher
Boyle	Dague	Flynt
Brown, Ohio	Davis, Ga.	Fogarty
Brownson	Davis, Tenn.	Friedel
Broyhill	Dempsey	Fulton

Garmatz	McConnell	Sadlak
Gathings	McCormack	Schenck
Gavin	McCulloch	Scherer
George	McDonough	Schwengel
Grant	McDowell	Scott
Gubser	McMillan	Scrivner
Gwinn	Machrowicz	Seely-Brown
Hale	Mack, Ill.	Selden
Haley	Mack, Wash.	Short
Halleck	Magnuson	Shuford
Harden	Mailliard	Sieminski
Harris	Marshall	Sikes
Harrison, Nebr.	Martin	Simpson, Ill.
Harvey	Meader	Simpson, Pa.
Hays, Ark.	Merrow	Smith, Miss.
Herlong	Miller, Md.	Springer
Hess	Miller, Nebr.	Staggers
Hiestand	Mills	Steed
Hill	Morano	Talle
Hillings	Murray, Ill.	Teague, Calif.
Hinshaw	Nicholson	Teague, Tex.
Horan	Norrell	Thompson, Tex.
Huddleston	O'Brien, N. Y.	Thomson, Wyo.
Hyde	O'Neill	Trimble
Ikard	Osmers	Van Zandt
Jackson	Patterson	Velde
Jenkins	Pelly	Wainwright
Johnson, Calif.	Prouty	Westland
Jones, N. C.	Radwan	Widnall
Kearns	Rains	Wier
Kee	Reece, Tenn.	Wigglesworth
Keogh	Rees, Kans.	Williams, Miss.
Kilday	Reuss	Williams, N. Y.
Kilgore	Riehlman	Willis
King, Calif.	Roberts	Wilson, Calif.
Klein	Robsion, Ky.	Withrow
Laird	Rogers, Colo.	Wolcott
Lankford	Rogers, Fla.	Wolverton
LeCompte	Rogers, Mass.	Younger
Lipscomb	Rogers, Tex.	
Lovre	Rooney	

NAYS—178

Abbitt	Frazier	Morgan
Abernethy	Frelinghuysen	Moss
Addonizio	Gary	Moulder
Albert	Gentry	Multer
Alexander	Gray	Mumma
Andersen, H. Carl	Green, Oreg.	Murray, Tenn.
	Green, Pa.	Natcher
Andresen, August H.	Gregory	Norblad
	Griffiths	O'Brien, Ill.
Andrews	Gross	O'Hara, Ill.
Ashley	Hagen	O'Konski
Ashmore	Hardy	Ostertag
Avery	Harrison, Va.	Perkins
Ayres	Hays, Ohio	Pfost
Baker	Hayworth	Philbin
Baldwin	Healey	Pilcher
Barrett	Henderson	Pillion
Bass, N. H.	Heselton	Poage
Becker	Hoeven	Poff
Blitch	Hoffman, Mich.	Polk
Boggs	Holifield	Price
Boland	Holland	Quigley
Bolling	Holmes	Rabaut
Bolton, Frances P.	Holt	Ray
	Holtzman	Reed, N. Y.
Bolton, Oliver P.	Hull	Rhodes, Pa.
	Jarman	Riley
Bosch	Jennings	Robeson, Va.
Bray	Johnson, Wis.	Rodino
Brown, Ga.	Jonas	Roosevelt
Buckley	Jones, Ala.	St. George
Budge	Jones, Mo.	Saylor
Burdick	Judd	Sisk
Byrne, Pa.	Karsten	Smith, Va.
Byrnes, Wis.	Kean	Smith, Wis.
Canfield	Kearney	Spence
Chelf	Keating	Sullivan
Chudoff	Kilburn	Taber
Church	King, Pa.	Thomas
Clark	Kirwan	Thompson, Mich.
Coon	Kluczynski	
Cooper	Knox	Thompson, N. J.
Curtis, Mass.	Knutson	Tollefson
Curtis, Mo.	Krueger	Tuck
Davidson	Landrum	Tumulty
Dawson, Utah	Lanham	Udall
Delaney	Latham	Utt
Denton	Lesinski	Vanik
Dingell	McCarthy	Van Pelt
Dorn, N. Y.	McGregor	Vorys
Doyle	McIntire	Walter
Ellsworth	McVey	Watts
Engle	Macdonald	Weaver
Evins	Madden	Wharton
Feighan	Mahon	Whitten
Fino	Mason	Williams, N. J.
Fjare	Matthews	Winstead
Flood	Metcalf	Wright
Forand	Miller, Calif.	Yates
Ford	Miller, N. Y.	Zablocki
Fountain	Minshall	Zelenko

ANSWERED "PRESENT"—1

Hand

NOT VOTING—69

Adair	Donovan	Patman
Anfuso	Dowdy	Phillips
Bailey	Durham	Powell
Barden	Eberharter	Preston
Bass, Tenn.	Forrester	Priest
Baumhart	Gamble	Rhodes, Ariz.
Bell	Gordon	Richards
Bowler	Hébert	Rivers
Boykin	Hoffman, Ill.	Rutherford
Brooks, La.	Hope	Scudder
Brooks, Tex.	Hosmer	Sheehan
Burleson	James	Shelley
Carnahan	Jensen	Sheppard
Celler	Johansen	Siler
Chase	Kelley, Pa.	Smith, Kans.
Chatham	Kelly, N. Y.	Taylor
Christopher	Lane	Thompson, La.
Clevenger	Long	Thornberry
Cole	Mollohan	Vinson
Davis, Wis.	Morrison	Vursell
Dawson, Ill.	Nelson	Wickersham
Deane	O'Hara, Minn.	Wilson, Ind.
Diggs	Passman	Young

So the resolution was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Hébert for, with Mr. Hoffman of Illinois against.

Mr. Thompson of Louisiana for, with Mr. Baumhart against.

Mr. Adair for, with Mr. Kelley of Pennsylvania against.

Mr. Anfuso for, with Mr. Bowler against.

Mr. Powell for, with Mr. Vinson against.

Mr. Rhodes of Arizona for, with Mr. Preston against.

Mrs. Kelly of New York, for, with Mr. Forrester against.

Mr. Brooks of Louisiana for, with Mr. McDowell against.

Mr. Morrison for, with Mr. Gordon against.

Mr. Passman for, with Mr. Shelley against.

Mr. Mollohan for, with Mr. Sheppard against.

Mr. Bailey for, with Mr. Dawson of Illinois against.

Mr. Carnahan for, with Mr. Diggs against.

Mr. Sheehan for, with Mr. Wickersham against.

Until further notice:

Mr. Bell with Mr. James.

Mr. Patman with Mr. Scudder.

Mr. Burleson with Mr. Phillips.

Mr. Brooks of Texas with Mr. Davis of Wisconsin.

Mr. Priest with Mr. Nelson.

Mr. Dowdy with Mr. Hope.

Mr. Christopher with Mr. Wilson of Indiana.

Mr. Chatham with Mr. Vursell.

Mr. Rutherford with Mr. Jensen.

Mr. Long with Mr. Johansen.

Mr. Celler with Mr. Hosmer.

Mr. Deane with Mr. Smith of Kansas.

Mr. Donovan with Mr. Siler.

Mr. Durham with Mr. Gamble.

Mr. Thornberry with Mr. Young.

Mr. Barden with Mr. Chase.

Mr. Bass of Tennessee with Mr. Cole.

Mr. Boykin with Mr. Clevenger.

Mr. Rivers with Mr. O'Hara of Minnesota.

Messrs. MILLER of California, GARY, HAGEN, PHILBIN, CURTIS of Missouri, CURTIS of Massachusetts, BALDWIN, and Mrs. FRANCES P. BOLTON changed their vote from "yea" to "nay."

Messrs. O'NEILL and FOGARTY changed their vote from "nay" to "yea."

The result of the vote was announced as above recorded.

The doors were opened.

Mr. HARRIS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 8902) to amend subsection 406 (b) of the Civil Aeronautics Act of 1938, as amended.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 8902, with Mr. WALTER in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. HARRIS. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, I hope I may have the attention of my colleagues for a few minutes in order to try to clear some of the atmosphere. I have heard the rumors and the talk going through this Chamber during the rollcall on the rule. I have heard it as it has passed from one lip to another, passing the word around as to what they interpret this bill will do. That is the reason I ask, as sincerely as I ever asked my colleagues in this House, to listen to me for just a few moments.

I have, in my experience, as I know you have, tried to understand what is in a bill when we bring it to this House for consideration. The fact that some feel, because the word has been passed around, that this is a bill designed for a particular company or a special group makes me feel that I should say to you that this bill is designed to help all airline companies on subsidy, all airlines that serve the public, that serve the people of the United States and throughout the world provide the safest and most efficient air service that is possible. This is not a bill designed for any one group or individual.

As the gentleman from California [Mr. HINSHAW], a member of the committee, said during the debate on the rule, this bill will apply to all 13 local service air carriers operating throughout the United States. That is No. 1—and I want to get it straight. It is designed to help local airlines service carriers who are on subsidy serving the people in the more rural areas of the country, continue to provide efficient and safe service to the public. Braniff, Continental, and what are the others? Mr. HINSHAW, you have them there.

Mr. HINSHAW. Northeast, Allegheny, Alaska, Pacific, Continental, a half dozen local carriers in Alaska, plus the foreign carriers, Pan-Am, Panagra, and Braniff.

Mr. HARRIS. All of these are carriers who are operating under the provisions of the Civil Aeronautics Act. All of these are carriers that are trying their best. They have a good record, notwithstanding the fact that we have had some terrible air tragedies, but the overall record is exceptionally good.

This bill is to permit these carriers to apply the capital gains they realize from the sale of old, dilapidated, second-hand aircraft and equipment to the purchase of new aircraft in order that they may give safe and more efficient service to the public without having it taken away from them in open-rate hearings before the Board by the reduction of their subsidy, which is for the purpose of operation.

Mr. HAYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield.

Mr. HAYS of Ohio. I heard the list read and I wondered about this. There is one foreign carrier of ours that I know about, TWA. The reason they are not on the list is that they are not on subsidy?

Mr. HARRIS. They are not on subsidy. That is the reason they are not on the list.

Mr. DOLLIVER. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from Iowa.

Mr. DOLLIVER. The gentleman was recounting a few moments ago the local service carriers that are involved in this legislation. Would the gentleman care to have me read them?

Mr. HARRIS. All 13 of them in the country are involved. They touch every district and every State in the United States.

Mr. DOLLIVER. I have a list of them which I will furnish the gentleman to put in the RECORD if he cares to do so.

Mr. HARRIS. Perhaps we had better take the time to read them so everybody will know who they are: Allegheny, Bonanza, Central, Empire, Frontier, Lake Central, Mid-West, Mohawk, North Central, Ozark, Piedmont, Continental-Pioneer—you know they merged—Southern, Southwest, West Coast, and Wiggins.

All are small, local-service airlines.

Mr. Chairman, when the Civil Aeronautics Act was passed in 1938, section 406 (b) contained this language:

> The need of each * * * air carrier for compensation for the transportation of mail sufficient to insure the performance of such service, and, together with all other revenue—

Now, remember those words—

> of the air carrier, to enable such air carrier under honest, economical and efficient management, to maintain and continue the development of air transportation to the extent and of the character and quality required for the commerce of the United States, the Postal Service, and the national defense.

Under the section the Board has administered the program as they thought was intended so that capital gains that might be realized from the sale of property and equipment would not be included as income or as a part of their operating expenses to work so as to reduce their subsidy.

Two years ago, in 1954, the Western Airlines had a case which went to the Supreme Court.

The question there involved was the sale of an air route. The Board determined, as was its policy, that capital gains should not be used as the term "all other revenue" and, therefore, it was not to be applied to their operating expense in connection with their operations. Therefore, it was not to be taken away from them on their subsidy payment.

The case went to the Supreme Court. The Supreme Court decided that the Board's interpretation was not within the intent of Congress and, therefore, even though the words "all other revenue" had been so interpreted by the Board, the Court said then it must be interpreted that any capital gains an airline company received must be considered in the operation of the company as a part of all other revenue. And as a result, their subsidy to that extent must be reduced. Now what this bill does, and I say to my good friend, the gentleman from Minnesota, that this bill does not affect the taxable feature whatsoever. It does not reflect on any air carrier that is not on subsidy because—let us get this part of it straight right now—when an air carrier that is not on subsidy—TWA and Northwest, for example, but Northwest may very well be on subsidy if they get the route across from Minneapolis to Anchorage—but if they have capital gains from the sale of their equipment, they can apply it to the purchase of new equipment or actually pay it out in dividends.

Mr. KEARNS. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to my distinguished friend.

Mr. KEARNS. Is Allegheny Airlines included in this?

Mr. HARRIS. Yes.

Mr. FERNANDEZ. Mr. Chairman, will the gentleman yield just for an observation?

Mr. HARRIS. I yield.

Mr. FERNANDEZ. Actually, what this bill is doing is changing the present situation where we give them money with one hand and then take it away from them with the other.

Mr. HARRIS. In one sense, it can be so construed, but what it means is this: We are in a jet age today where these more expensive planes are coming off the assembly lines. They are big jet operations costing $5 million and $6 million. Local airline services are trying to develop a prototype plane by which they can serve the people of the country safely which will cost $500,000 and $600,000 each. If they do not have some way by which they can meet the high cost of this equipment, we will be endangering the traveling public.

Mr. HESELTON. Mr. Chairman, will the gentleman yield for a question?

Mr. HARRIS. I yield.

Mr. HESELTON. The gentleman referred, and I know fairly, to the Western Airline case. I examined the records in that case. Is it not a fact that the Western Airlines Co. received a route and never flew it? Then they sold it to United Airlines and they had approximately $1.5 million or $2 million of profit and involved in this some of the money was for the sale of slot machines.

Mr. HARRIS. I did not go into the case that carefully. I was merely using the Western Airline case because it was the case that has brought about this dilemma, the sale of equipment was not involved at all. It was an entirely different point of consideration. And then by dictum "all other revenue" regardless of what the source is brought under the decision. That is the reason today the Board must, in construing the Supreme Court decision, provide that the subsidy be reduced to the extent of the capital gains even though it is applied to the purchase of new equipment.

Mr. CURTIS of Missouri. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield.

Mr. CURTIS of Missouri. I notice the Bureau of the Budget originally opposed H. R. 8902 and then made a suggestion that the bill be amended. Is your bill, as amended, to conform to their objection?

Mr. HARRIS. No; well let me explain that very briefly. They came to us with a recommendation. The recommendation was in opposition to the bill. Then our subcommittee held hearings. And do not let anyone think that we did not go into it thoroughly. We do know something about it, notwithstanding the inference earlier this afternoon.

Here are copies of the hearings which we held, complete hearings available to you.

Then the subcommittee reported to the full complete. When we took it up in the full committee we got another letter from the Department, a supplemental letter, in which they changed their prior recommendation and recommended an alternate proposal.

Then we sent the bill back to the subcommittee in an effort to try to comply with what they recommended as nearly as possible. We could not comply, because virtually what they wanted was to make a loan to these subsidized air carriers and have it pay out over a period of 7 years at an 8-percent interest rate. That was ridiculous in my opinion.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from New York.

Mr. ROONEY. As one who for over the past 10 years has served on the Appropriations subcommittee dealing with appropriations for the CAB and airline subsidies, and as one who has had some little to do with the separation of airmail pay from subsidy money and who through the years has had a part in the substantial reduction of airline subsidies, I voted for the rule and I am going to vote for this bill. I think this is simply the question of giving the airlines some incentive to get new equipment. If the proceeds of the sales of their present equipment were to be given to the stockholders of the companies I would not go along on this bill.

Mr. HARRIS. Neither would I.

Mr. ROONEY. But under the terms of this bill, and I have made a careful study of this matter, the proceeds of the sales of this equipment are to be used solely for the purchase of new and similar equipment.

Mr. HARRIS. Yes, and consequently to provide safe and more efficient service to the public.

If these companies that are on subsidy are not permitted under this program to purchase this new equipment it will put them at a disadvantage; and, certainly, with all carriers that serve the public—and that disadvantage will be to the extent that they will not have new equipment, they will not have the safe equipment, they will not be able to go on the market and purchase high-cost new equipment. The inflation we have had over the past several years has "propped up" the cost tremendously. And it will further inure to the benefit of the nonsubsidized carriers as against the subsidized carriers. To that extent we will be endangering, in my opinion, the safety of the people who travel by air.

Mr. SIMPSON of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield.

Mr. SIMPSON of Pennsylvania. Will the gentleman explain to the Committee that the airlines do pay the tax on the capital gains.

Mr. HARRIS. Oh, certainly. I stated that awhile ago. There is no tax feature involved.

Mr. SIMPSON of Pennsylvania. So the Government is not going to lose at all.

Mr. HARRIS. No.

Mr. JUDD. Except by paying the high subsidy.

Mr. COUDERT. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from New York.

Mr. COUDERT. Is it not true that in acquiring the latest and best new equipment, specifically, the jet equipment, the great lines and the small lines are going to have to rely upon the credit and go to the banks and borrow money?

Mr. HARRIS. They must.

Mr. COUDERT. And will not the failure of this bill adversely affect their credit situation and discourage the purchase of new equipment?

Mr. HARRIS. Failure to pass this bill will mean they will have to take it out of their operating revenue; and let me tell you the local service airlines have not paid a dividend, they have not made altogether a million dollars in 1955. How they can stay in business if we are going to treat them in this manner I do not know.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from Minnesota.

Mr. JUDD. Would the gentleman accept an amendment that would exclude from the benefits of this bill airlines that have a gross revenue of over $50 million, and thereby confine it to the small companies that everyone wants to help?

Mr. HARRIS. I doubt if that would be in order because the bigger airlines carry many more people than do the others, and I do not think it would be in the best interest and the safety of the flying public.

Mr. JUDD. But the gentleman knows that if this bill had been the law for the last 5 years the little companies would have got only $400,000; the big companies would have got $22 million and one of them would have got $17 million. The gentleman does not dispute that, does he?

Mr. HARRIS. It was the law until 2 years ago when the Supreme Court decided otherwise.

Mr. PATTERSON. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from Connecticut.

Mr. PATTERSON. I would like to say at this point in the debate I think Aer Floet, which is the Russian line, is going to be subsidized. It is going to be in real competition with our lines and every other line in the world.

Mr. HARRIS. I know there is keen competition in the transport field in this country, the keenest competition I know of in any industry.

The CHAIRMAN. The time of the gentleman from Arkansas has expired.

Mr. HINSHAW. Mr. Chairman, I yield the gentleman 3 additional minutes.

Mr. HARRIS. Mr. Chairman, I know that there is involved here in addition to what we have heard around as to the competitive element of some company, that if we pass this bill it is going to put "me" in less favor than somebody else. Now, that is the fact behind the scene. I know many of you have had the memoranda which has been sent around by one of the companies, the one company that I know of opposing the bill.

Mr. THOMSON of Wyoming. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yeld to the gentleman from Wyoming.

Mr. THOMSON of Wyoming. With regard to these local airline carriers, is my understanding correct that to a large extent they are flying DC–3 equipment, which is no longer being manufactured?

Mr. HARRIS. They have not been manufactured for many years. We have been unable yet to develop a prototype plane they could get economically out in the market because they have not the money. We are trying to say you can add to it with the sale of this equipment.

Mr. THOMSON of Wyoming. If my understanding is correct, because of the difficulty of even getting replacement parts, these local airlines will soon be called upon to replace their airplanes. If this bill is not passed, would we not in effect be putting a premium on flying airplanes which would eventually become unsafe? If we defeat this bill would we not in effect be encouraging these carriers to transport our citizens in obsolete equipment?

Mr. HARRIS. Our committee has been trying to develop a prototype plane in the last few years. We have some coming on but it is going to cost money.

Mr. ROBERTS. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from Alabama.

Mr. ROBERTS. Does not this legislation also involve the national defense aspect?

Mr. HARRIS. Of course, it does involve the national defense aspect because they have to use old antiquated equipment. When these new planes are flying through the air at the rate of several hundred miles an hour you have to have the kind of equipment you can depend on if you are to have safe travel in the air.

I know there is a lot of feeling about this in some instances as to a windfall, but I am telling you in all sincerity it is a responsibility that we ought to understand. We should know what is involved here because the future safety of millions of people who travel by air is involved and I just do not want any of them traveling under unsafe conditions.

Mr. CARLYLE. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from North Carolina.

Mr. CARLYLE. Is it not true these companies that receive this benefit were given a permanent certificate in the last few years?

Mr. HARRIS. Yes, in the last Congress. The Congress certificated all 13 carriers in order for them to receive this benefit.

Mr. CARLYLE. Until that time they had to get a new certificate every 2 years?

Mr. HARRIS. Yes. Some of them were operating on a temporary permit.

Mr. CARLYLE. And there are feeder line companies involved?

Mr. HARRIS. Yes.

Mr. Chairman, your Committee on Interstate and Foreign Commerce recommends the adoption of H. R. 8902. The effect of the bill is to permit the subsidized airlines to use any profits they make from the sale of their obsolete equipment and property as part payment for the acquisition of more modern equipment and property. The principle embodied in the bill is one which has been followed in the past by the Civil Aeronautics Board except when the particular capital gain is made during the time when the Board is reviewing the subsidy rates of the carrier which realized the capital gain.

Unfortunately, in the case of some carriers these periods of review have been extremely long.

Recently, however, the Board has raised a question as to whether it should not utilize all capital gains made by the carriers to reduce the subsidy to which they would otherwise be entitled under the Civil Aeronautics Act, thus forcing the subsidized carriers to use the capital gain to pay their operating expenses rather than to finance improvements in their equipment and facilities. This question having been brought to the attention of your committee and the corresponding committee in the other body, it became clear that the policy question involved was of sufficient importance and urgency to require consideration and decision by the Congress. The matter has now been studied by both committees, and a bill similar in principle to the one now before the House has been passed by the Senate.

The issue of policy is a reasonably simple one. Should the subsidized airlines be permitted to reinvest any capital gains made upon the sale of their obsolete property and equipment, after payment of the necessary taxes, or should they be required to use those gains for the payment of their ordinary operating expenses? After extensive hearings and careful consideration, your committee has reached the conclusion that the subsidized airlines should be permitted to use the capital gains thus made in the provision of capital improvements. There are many compelling reasons for the committee's decision.

First. The subsidized airlines must be permitted to utilize their capital gains in this fashion in order to prevent discrimination between the subsidized airline concerned and its nonsubsidized competitor. At the present time a large part of the air-transport system operating within the United States receives no subsidy from the Government. Under existing law, these nonsubsidized airlines, which in general are the larger

and older airlines, are permitted to use any profit they make from the sale of their old equipment as part payment for the purchase of new equipment. If a subsidized airline cannot do this, and is required to use its capital gains for operating expenses, it is thus forced to finance entirely through bank loans or other outside sources. Thus, the competitive disparity between the older and stronger nonsubsidized airline and the newer and weaker subsidized airline is increased, and the possibility of the latter eliminating the necessity for subsidy is reduced.

Second. If our international airlines are not permitted to use their net capital gains in the acquisition of new equipment they are placed at a further competitive disadvantage with their foreign-flag competitors. Our international airlines compete with airlines which are largely government-owned and financed. While it has been the policy of the United States to have its airlines operated under private ownership and through private financing, we must recognize that this imposes upon our airlines a competitive handicap. If they cannot use their net capital gains as a part payment for new equipment, we increase this handicap, contrary to the public interest.

Third. The policy of the Civil Aeronautics Act of 1938 is designed to encourage our carriers to operate the finest and most modern air transport equipment available. This policy is maintained in the interest of providing for the shipping and traveling public the best air transport service available, and of providing for the military forces a fleet of the most modern and efficient transports as an auxiliary for the national defense. Any policy which forces an airline to utilize any profit it makes from the sale of old equipment for the payment of operating expenses impairs the incentive of that airline to sell its old equipment and buy new.

Fourth. Not only does this policy impair a carrier's incentive to dispose of the old equipment, but in many cases it would make it impossible for the carrier to acquire new equipment except at exorbitant rates of interest. As the Members know, the air transport industry of the United States is preparing for its most revolutionary development. The industry has committed itself to purchase more than $2 billion worth of operating property and equipment by 1960. This includes 199 jet transports and 224 turbo props. The local-service airlines have placed orders for about 30 new and modern aircraft to replace the DC–3's which they have been operating during most of the 10 years of their existence. Our territorial carriers are promoting the development of new aircraft designs which will improve their services in the territories, particularly under the difficult conditions presented in Alaska. In providing for these new developments the carriers are following precisely the policy laid down by Congress in the Civil Aeronautics Act. The financial burden which will be imposed upon the airlines by these developments is perfectly obvious, since the total investment of the airlines in 1955 was only $1,400,000,000. Part of this development is being provided by the resources of airlines which are not now subsidized, but the subsidized airlines must participate equally. It would be contrary to the public interest, and contrary to the policy of the Civil Aeronautics Act, to deprive these carriers of the use of gains they make on the sale of their old equipment for the financing of this new development.

The carriers which will be affected by this legislation fall into four major categories:

First. The local-service airlines. As the Members know, the local-service carriers are those carriers which have been established during the past 10 years whose efforts are devoted to providing service to the smaller communities throughout the Nation. Your committee is proud of their record of achievement during these 10 years. There is no group which makes such earnest efforts to provide a good service to their communities, or who make such strenuous efforts to operate their airlines with maximum efficiency in order to reduce the subsidy paid to them. By any standards, the amount of that subsidy is being reduced. However, their efforts to eliminate or reduce much further the subsidy burden will be thwarted unless they can acquire new and more efficient aircraft. A number of new aircraft have been ordered. They cost approximately $540,000 each, as contrasted with their present DC–3's, which cost in the neighborhood of $125,000. The idea of preventing these carriers from utilizing any book profits they may make from the sale of their old equipment for the purchase of new seems to me to be plainly contrary to the public interest.

Second. The second class of carriers are those serving our Territories, particularly Alaska. Here again we have a class of subsidized carrier which has been struggling with inadequate equipment. They are small airlines, and those of us who are familiar with the scope and character of the service they provide are proud of them, too. Any governmental policy which thwarts their efforts to improve their service through better equipment is a bad one, and the Congress should prevent its adoption.

Third. The third group of carriers are our international carriers, whose responsibility it is to maintain American-flag service all over the world against foreign competition, which is heavily subsidized and largely government-owned. This country is fortunate in being able to say that its international air transport system is the finest in the world, notwithstanding the effectiveness of the foreign competition which they face. It is among this class of carriers that reequipment requirements are the heaviest burden in terms of dollars. They must be equipped with jet transports. They cannot maintain their position in the absence of the most modern equipment, and no obstacle should be placed in their path toward the achievement of those ends.

Fourth. The fourth class of carriers are the newest. Our helicopter operators in three metropolitan centers have been authorized by the Civil Aeronautics Board to conduct helicopter services. Their contribution to more efficient and convenient transportation within these congested areas is just beginning. They are heavily subsidized at the present time, by reason of inadequate equipment. No matter how hard they work, no matter how efficient they become, no matter how much traffic they carry—they cannot reduce subsidy substantially without improved helicopters. They are in the process of developing and buying these new helicopters. They, also, must be permitted to use the capital gains from sale of their old equipment to make a part payment on the new.

The House will wish to know the effect of the establishment of this policy upon the amount of subsidy that must be appropriated by the Congress each year for the maintenance of these various classes of carriers. Your committee is prepared to answer this question. We reached the conclusion, as stated in our report, that this bill would, over a period of years, permit the reduction of subsidy. After studying the efficiency of the equipment presently available to these carriers, as well as the efficiency of the equipment which could be designed and acquired, it was perfectly plain that subsidy would be reduced. We also reached this conclusion on the basis of the past experience of the entire industry. As is well known, airline fares are one of the few prices which have not increased during the past decade. This record has been established notwithstanding an increase in the average airline paycheck by some 135 percent, and the cost of other things the airline must buy by some 90 percent. In spite of these increases in the overall costs of airline operation, the domestic trunklines have been able to reduce their unit costs from 31.13 cents per available ton-mile in 1946 to 26.25 cents. This is a 16 percent reduction. This reduction reflects the successive additions of more modern airplanes—the DC–4, then the DC–6, then the DC–7, and the various developments of the Constellation aircraft. With the increased efficiency of those aircraft came unit cost reductions, notwithstanding increases in overall costs. We can expect the presently subsidized airlines, through the acquisition of more efficient equipment, to achieve these same results, and with them corresponding subsidy reductions. As I have pointed out, in many cases no reductions can be anticipated in the absence of new equipment.

While your committee was convinced of the necessity of permitting subsidized carriers to invest their capital gains in new equipment, it considered that this should not be left to the discretion of the carriers. These carriers are subsidized, and it was considered necessary to treat them differently in this respect than a nonsubsidized business. A nonsubsidized business is free to take its capital gains and devote them to any purpose it sees fit, but it was your committee's opinion that this discretion should not be allowed the subsidized airlines. Consequently, it was provided that if a subsidized airline fails to invest these gains in new property or equipment within a reasonable time after the

gains are realized, the gains will be used to reduce the subsidy to which that airline would otherwise be entitled. It will be the responsibility of the Civil Aeronautics Board to administer and enforce this provision.

Mr. Chairman, I commend this bill to the favorable action of the House. It only writes into law a principle by which any thrifty person or corporation should be guided, and that is that your capital should not be used to pay your daily expenses. It should be used to acquire new and improved capital assets.

A criticism has been voiced that the bill is too broad in that it permits the carriers to reinvest in "other property similar or related in service or use."

The term "property" is defined as "depreciable property used or useful in the carrier's normal operations." If the carrier reinvests the profits from the sale of property in property other than that defined, such profits are subject to recapture and offset against subsidy. The term "property used or useful" is a term which has been the basis on which the CAB has determined the carriers investment base for computing the return element in mail rates since 1938. Under the terms of this bill it will continue to judge whether the carriers have properly invested profits from equipment sales.

CAB MAIL RATES

Open rate period: Period of time necessary to complete all the steps in the rate-making procedures—Public hearings, briefs and oral arguments before the Board. This period may extend over a period ranging from a year to 10 years. Pan American's Atlantic division rate case extended from 1946 to 1953 and was settled finally in 1956.

Rates during open rate period: Rates during open rate periods are established on the basis of actual revenues received during the period, actual expenses incurred less any items of expense which the CAB decides are not justified and a return on actual inivestment at 7 percent. As the CAB has construed profits realized from the sale of equipment, during open rate periods, as "all other revenues" such profits are included in revenues and thus are applied to reduce subsidy. Hence all profits from equipment sales realized by Pan American during the period 1946–53 were used to reduce subsidy. During open rate periods carriers are paid on the basis of "temporary rates" which are in effect payments on account, and are adjusted upward or downward when final rates are determined.

Prospective rates: These rates are made for future periods and are based on estimates of revenues and expenses for such future period. Normally the investment base on which return is computed is taken as the investment at the date at which the rate is effective. For prospective periods the rate of return which the CAB has found to be reasonable is 8 percent for domestic operations and 9 percent for international and overseas operations. The difference in rate of return (7 percent as compared to 8 and 9 percent) is to reflect the fact during operations under prospective rates the risk of making a return is entirely with the carriers, while rates made for open rate periods are theoretically supposed to provide a 7-percent return on a "cost plus return" basis. In practice no carrier ever realizes a rate of return even approaching this level during open rate periods.

LOCAL SERVICE AIRLINES

H. R. 8902 is of particular importance to the local service airlines because of the currency of its timing. Five years ago it would not have had a fraction of the importance to the local carriers that it has now because 5 years ago there was no prospect that the local carriers would in the near future commence a new equipment program and there was indeed no really suitable DC–3 replacement upon which to base such a program.

Today, however, the situation is quite different. The DC–3's have now passed the 20th anniversary of their initiation into scheduled flight service. (By coincidence this anniversary fell on the 80th anniversary of Custer's last stand.) There is now at least one suitable new airplane approaching a production status and numbers of used but modern postwar equipment are becoming available for purchase by the local carriers. The next 5 years will undoubtedly witness a major reequipment of the local airlines with both newly designed and used modern aircraft if H. R. 8902 becomes law.

The local service airlines have no extensive capital resources of their own with which to finance a reequipment program. As a matter of fact, as of December 31, 1955, the combined earnings of all 13 local service carriers for the 10 years in which the industry has been operating amounted to a deficit of $326,000. They were, in other words, $326,000 in the hole. The earnings record of the industry has been a most discouraging one so that the flotation of equity capital in major amounts will be extremely difficult unless the benefits of H. R. 8902 become available to the industry. The principal financial resource of every local carrier is, in fact, its flight equipment, and every local carrier will rely principally on the proceeds of the sale of its present flight equipment to finance new and modern aircraft. If the proceeds of the sale of old equipment are confiscated by the Civil Aeronautics Board under mail-rate policies which regard those proceeds as a chargeable setoff against mail pay, then the only resource readily available to the local airlines for financing new equipment has been torn away from them.

Most of the local airlines bought their DC–3's as war surplus and paid approximately $50,000 or $60,000 per aircraft; this is the equivalent of about $3,000 per passenger seat in the aircraft. Inflation and the general development of the air transport market has raised the current worth of even these old aircraft up to more than twice such a purchase price, but new aircraft suitable for local service, such as the "Friendship" transport being developed by Fairchild Aircraft & Engine Co. and already ordered by some of the local carriers, will cost a minimum of $600,000 per plane or about $15,000 per seat. These modern aircraft will have relatively higher earning capabilities than the old DC–3's, and they will certainly be able to pay for themselves over a period of operation in the expanding local air transport business, but money must be available as at least a downpayment on them. As previously pointed out, the only readily available source of such a downpayment is the proceeds of sale of the old units of the local service fleet, and H. R. 8902 thus becomes the immediate pivot point of the whole reequipment program of the local carriers and of the financial progress expected to issue from such reequipment.

THIS BILL WILL BENEFIT ALL CARRIERS, NOT ONLY A FEW

The claim has been made that the benefits of this bill would go to only a few airlines, and primarily Pan American Airways.

This just is not a true statement of the facts. The bill was supported by all of the subsidized carriers which include the local service carriers, the helicopter operators, the territorial carriers, the international and overseas operators, and the entire civil air transport industry, including the nonsubsidized carriers. All subsidized carriers are in the same boat. Without capital gains from the sale of flight equipment, it will be almost impossible for them to carry out the financing of their re-equipment programs.

Figures from the minority report have been cited as to the amount of capital gains which the Board has taken into account in the past, to support an argument that the bill would benefit only a few. I would like to have you look closely at this list. The vast majority of the carriers listed are local service carriers and territorial carriers. During the period 1951 to 1955, the workhorse of their operations was the DC–3 twin-engine airplane. During this purchase, and it was necessary for them to retain for their growing service all of the aircraft in their possession. Under these circumstances there would, of course, be no sales of flight equipment and hence no equipment sales profits available for the CAB to latch on to for us in reducing subsidy.

Looking again at the figures set forth in the minority report, you will see nothing to indicate whether these carriers sold equipment and retained profits under the Board's policy of permitting carriers to retain profits while operating under closed rates, which policy was in effect prior to 1954. The truth of the matter is that these figures merely demonstrate that certain carriers which were on subsidy during the period referred to were also on open mail rates, and that they sold flight equipment with the firm hope that they would be able to convince the CAB that the profits realized should be retained by the carriers in order to finance the purchase of new equipment during this period.

Pan American, from 1952 through 1955, added to its operating fleets some 45 DC–6B's, 3 DC–6A's, and 7 DC–7B's. A comparison of the cost of flight equipment as shown on Pan American's balance sheet in its annual report at December 31, 1951, with its balance sheet as of December 31, 1955, shows a net increase in flight equipment of some $69

million. It has turned out that Pan American's sale of flight equipment in order to make funds available to purchase this new equipment was a grave mistake as the financial benefit of such sales has enured entirely to the United States Treasury because of the CAB's erroneous policy of confiscating such profits during this period. This historic record of the amount of equipment sales profits which have been taken from the carriers to reduce subsidy is of no relevance in determining who will benefit from the legislation we are here considering in the future.

Many of the local service carriers have placed orders for new equipment which will cost them between $500,000 and $600,000 per aircraft, and others are considering such orders, and will eventually be required to place them, if they are to continue to develop their services. How can anyone say that these small carriers will not benefit from the sale of their DC–3 fleets in the financing of the purchase of their replacement fleets? Without the benefit of the profits from flight equipment sales, I am sure that many of them will be unable to finance, either by borrowing the necessary funds or by marketing their equity securities. The figures cited in the minority report are of no relevance in determining who will benefit from this legislation in the future. All carriers will benefit and should be put on the same footing with the right to dispose of equipment when they see fit, and to retain the proceeds to reinvest in new equipment.

BENEFITS TO AIRLINE FINANCING

The Civil Aeronautics Act provides that the Board fix mail rates—including subsidy where required—to permit the carriers, under honest, economic and efficient management, to maintain the type of service required to further the commerce, postal service and national defense.

The Board fixes the rates of return to the subsidized carriers, and can make such adjustments as it finds necessary, in either direction, with the opening of a rate case on the initiative of the Board itself, or the carrier in question.

Subsidy rates for future periods have in the past been fixed by the Civil Aeronautics Board on a basis designed to provide the domestic airlines with approximately an 8 percent return on their investment, and the international aircarriers with a return of some 10 percent. This latter amount has recently been reduced to 9 percent. In both instances, the carriers were permitted to retain capital gains on the sale of flight equipment during these future periods when they were on closed rates. However, the Board has frequently been unable or unwilling to handle rate cases expeditiously, and therefore, carriers kept on an open rate for greatly extended periods of time have had their subsidy reduced by the amount of capital gains. The rates of return, at best, have not been excessive, and some question has been raised as to whether they have been adequate. Stocks of the subsidized carriers are selling generally below their book value, and many of them have experienced serious problems in obtaining equity capital.

The Aviation Securities Committee of the Investment Bankers Association of America, in a report dated June 24, 1954, stated:

When the Civil Aeonautics Act was passed in 1938, the primary purpose of the act was to encourage the sound development of air transportation in the United States. For many years the act was regarded as an exceptionally fine piece of legislation, and it has been most effective in accomplishing its major objective. In recent years, however, the interpretation of the act appears to have taken on an increasingly restrictive character, to such a degree that, in our opinion, the carriers operating services requiring Government financial support are not receiving the income necessary to enable them "to maintain and continue the development of air transportation to the extent and of the character and quality required for the commerce of the United States, the Postal Service, and the national defense."

We believe that investor confidence in the air transportation industry is at one of the lowest points that it has been since the Civil Aeronautics Act was passed in 1938, and and we believe that prompt action by the administration and the Congress is needed to restore investor confidence in this essential industry.

WILL ULTIMATELY REDUCE SUBSIDY REQUIREMENTS

It is difficult to say with any degree of precision exactly what the short term cost of this bill will be in subsidy requirements. Nonetheless, there are good reasons to believe, as the committee stated in its report on this bill, that the ultimate effect will be to reduce subsidy requirements. This, as has been pointed out previously, is confirmed by the experience of the air transport industry in being able to reduce its unit costs as new and more economical equipment has been acquired. It is largely for this reason that the average air fare today stands just about where it did in 1938—which means that, in terms of 1938 dollars, fares have actually been reduced over 50 percent. This has not been the case with other transportation fares. My information is that the average airline pay check has increased some 135 percent in this same period, and that the cost of the things which airlines must buy to operate their business has almost doubled, as represented by a better than 90 percent increase in the consumers' price index from 1938 to 1955.

From 1946 to 1955, the domestic trunklines have been able to reduce their available ton-mile unit costs from 31.13 cents in 1946, to 26.25 cents (16 percent reduction) at the end of 1955, according to CAB Form 41 reports. This reduction reflects the successive additions of DC–4's DC–6's DC–7's and Constellation aircraft to the fleets of the domestic trunklines. There is no reason to doubt that similar reductions will be possible for other carriers when they acquire more suitable aircraft. This, in turn, will mean lower subsidy requirements.

The CHAIRMAN. The time of the gentleman from Arkansas has expired.

Mr. WOLVERTON. Mr. Chairman, I yield myself such time as I may require.

Mr. Chairman, I wish to commend the gentleman from Arkansas [Mr. HARRIS] for the very splendid and spirited statement he has made on this bill now before the House. I can readily understand the feeling that he has shown in presenting this matter to the House, for the reason he knows that the House Committtee on Interstate and Foreign Commerce has given this matter very careful consideration. Copies of the hearings are here in the House and readily available to anyone who may desire to see them. The hearings will show that the committee went out of its way to examine this question from every standpoint. The best that I can say in favor of the legislation is the fact that after that careful study had been made and hearings held, by the committee, the committee reported the bill unanimously with one exception. That individual is as sincere as any of us who voted for the bill but unfortunately he was not present when the vote was taken by the committee, and thus my reason for saying that it was unanimous with one exception.

Let us bear in mind, that the Committee on Interstate and Foreign Commerce of this House that has had jurisdiction over the question of aviation for these many years, and has provided a splendid record of accomplishment, is the committee that has made a study of this question, and through the hearings it developed to the satisfaction of every member of that committee, with the exception of one, that this legislation was necessary and would be helpful in strengthening our air service. I do not know of anything that is more discouraging than to be a member of a committee that has given the study to a matter such as this and then to realize, through no fault of its own, but through lack of understanding on the part of a good many Members who voted against the rule without knowing as fully as they should, what really is at stake. The fact is that a whispering campaign has been carried on throughout this House on both sides of the aisle against this bill. All sorts of statements that cannot be substantiated have been made. A close study of this proposed legislation will reveal that this bill if adopted will be one of the finest and most helpful things that could be done to improve flight equipment and is certain thereby to provide a higher degree of safety, more efficient equipment for use in time of emergency and enable our air transportation to operate more efficiently and thereby sooner be taken off of subsidy.

I certainly hope that the membership of the House will check with the members of the committee who have made a study of this matter in order that they may get the real story that underlies the adoption of this bill by the committee by almost a unanimous vote.

Mr. KLEIN. Mr. Chairman, will the gentleman yield?

Mr. WOLVERTON. I yield to the gentleman from New York.

Mr. KLEIN. I am very happy the gentleman from New Jersey made that statement. There are all kinds of rumors around. Many, many of the Members are misinformed, and I agree with the gentleman. We heard much of the testimony, and the committee reported this bill out almost unanimously, and I hope also that all Members will vote for this bill.

Mr. QUIGLEY. Mr. Chairman, will the gentleman yield?

Mr. WOLVERTON. I yield to the gentleman from Pennsylvania.

Mr. QUIGLEY. I have just taken his advice, and I checked with two members of the committee who are sitting near me, and both of them are opposed to the bill. They explained they were not present when this so-called unanimous consent vote was taken, except one.

Mr. WOLVERTON. I suggest the gentleman talk to somebody who was present and attended the hearings and who knows something of what is in the bill.

Mr. SIEMINSKI. Mr. Chairman, will the gentleman yield?

Mr. WOLVERTON. I yield to the gentleman from New Jersey.

Mr. SIEMINSKI. I voted for the rule and I shall vote for this bill. But, I hope when our time comes you will not forget the individual taxpayer on this basis, that on every tax dollar it is estimated Uncle Sam now takes in, corporations pay 19 and we pay 31 cents. There should be a more balanced spread with less gap.

Mr. WOLVERTON. This bill does not in any way adversely affect that situation.

Mr. HESELTON. Mr. Chairman, will the gentleman yield?

Mr. WOLVERTON. I yield to the gentleman from Massachusetts.

Mr. HESELTON. My good friend has twice referred to a vote that was unanimous, except for one. I do not want to leave any misapprehension. I wish he had mentioned my name, because I was the one. There has been reference to a whispering campaign. I have not whispered about this. I placed in the RECORD every available piece of information I could in a special order, because I wanted the Members to have it. I think my friend will agree with me, and I am sure that another member of my committee will agree, that I left the committee hearing because I did not want to oppose the bill in view of the position the rest of the committee had taken.

Mr. WOLVERTON. I think the best answer I can make to the gentleman is the fact that when I did refer to him I referred to him as one who was as sincere in his viewpoint as those with opposite views. My high regard for him is such that there could never be at this or any other time any intention on my part to in any way, directly or indirectly, say anything that would be discourteous or disparaging to the gentleman, because I have such a high regard for him. I value his friendship and consider him one of the most sincere, conscientious, and able Members of this House.

Mr. Chairman, I yield the balance of my time for such disposition as he may wish to make of it, to the gentleman from California [Mr. HINSHAW].

Mr. HINSHAW. Mr. Chairman, I yield 5 minutes to the gentleman from Massachusetts [Mr. HESELTON].

Mr. HESELTON. Mr. Chairman, I appreciate very much the courtesy of my friend from California [Mr. HINSHAW]. It is utterly impossible for me and would be for anybody else in the few minutes available to meet fully the arguments that have been presented so ably by the gentleman from Arkansas, my friend, the chairman of the committee. However, I am going to try to hit the high spots.

This is windfall legislation of the worst character. I do not believe it is intended as such by the members of the subcommittee or the full committee. That it is windfall legislation is not my opinion alone; that is the opinion and it is in the record expressed by the Vice Chairman of the Civil Aeronautics Board. Everyone could see it who chooses to read it. That is the judgment which was expressed. He was joined by a former colleague of ours, who was then Chairman of the Civil Aeronautics Board, the Honorable Ross Rizley, now a member of the Federal bench.

It does remain an indisputable fact that the Bureau of the Budget is opposed to this legislation. I took the precaution to ask them after the amendment had been adopted if they were still opposed, and they said they were. That, too, is a matter of public record. The General Accounting Office, through Mr. Campbell, expressed opposition before the committee and went into detail as to why that agency was opposed to it. I took the precaution of asking him, following the action of the committee, if he still remained opposed to the legislation as it was amended. I placed his letter in the RECORD and it is available to all Members. He said flatly he was opposed. The fact remains that there is opposition from every Federal agency involved.

There is support individually by 2 members of the Civil Aeronautics Board, and I submit that support is heavily outweighed by the compelling reasons for the opposition which has been expressed fully and publicly.

Why is it described as windfall legislation? Well, because the Department of Commerce presented a tabulation as to who would have obtained the benefits of this bill had it been on the books during the last 5 years. That is in the minority report which is available at the desk if anyone is interested. It occupies 1 full page, page 4 of the minority report.

The sheer fact is that four airlines would have received $21,498,000 in unjustified double subsidy out of the $21,900,790. Those are not my words, they are not my figures, but the figures of the Department of Commerce submitted to this Congress.

A great deal of concern has been expressed as to what would happen to the feeder airlines, the smaller airlines. The sheer fact is that these four big airlines, Pan American with $17,288,000; Braniff, with $1,515,000; Delta, with $1,400,000; and the International line of Trans-World, before it went off subsidies, with $1,295,000, would have been the chief beneficiaries. As I recall the figure, 29 other airlines—it is all in the RECORD—would have received nothing under this bill. Some of you are served by airlines which are off subsidies—American, Eastern, National, Capital, Delta, Northwest, TWA, and United, and others. Mr. Chairman, they will not receive 1 penny if we pass this bill. They have had initiative and foresight and ability enough to take themselves off the Federal Treasury, off the taxpayers' shoulders and no specious or fine spun arguments presented by apologists for subsidies can contradict that fact.

Only yesterday afternoon Capital announced that it was purchasing some 14 new modern jet airplanes for $53 million, on top of 15 turbojets for $15,400,000 more not out of the Federal Treasury but out of funds they have earned. You will not find any lobbyists for that line outside this Chamber with cups in their hands crying about their weaknesses. These lines have demonstrated their independence and their success. Some smaller airlines have gone out and borrowed money ranging from $650,000 up to $2, $3, and $4 millions, not out of the Federal Treasury but from the record of their own earnings and their competence in the business world, as examples of those who show what private enterprise can do and do not spend time and money whining about their lot and scheming to get more and more handouts.

The people who have received the benefit of the most subsidy over the years are the people who are insisting most vocally that they should receive this additional benefit, and they are in large measure among the large airlines of this country. The official figures which I have show that as of July 18 of this year 32 airlines have received $502,915,000 of subsidy from the Federal Treasury. Pan American World Airways, Inc., has received $219,768,000. But it wants more and is working desperately to get it.

It has been pointed out by the General Accounting Office and the Bureau of the Budget that this is depreciation piled on depreciation, that these aircraft have been fully depreciated in many instances. But what they want is double depreciation. That is the sort of thing you are confronted with under the terms of this legislation. Whether it is intended I do not have any idea but you must draw your own conclusions.

The suggestion has been made that safety is involved, the suggestion has been made that these airlines are trying to get rid of old, dilapidated equipment and that somehow or other they are unable to do it. I asked the Vice-Chairman of the Civil Aeronautics Board to tell me what the situation was. On page 13422 of the RECORD of July 18 is a table he furnished. The depreciated cost as of December 31, 1955, of all the aircraft involved was $127,005,000, but the estimated market value was $228,895,000, more than double. Pan American's depreciated loss was $79,147,000; the estimated market value was $130,200,000. No wonder it wants this bill.

The aircraft are being sold all the time. The profits are being realized all the time. Yet they want to go into the Federal Treasury and ask the American taxpayer not just to pay single subsidies but to pay twice, to pay a double subsidy.

If I thought this had any effect whatsoever on the equipment proposition, on the modernizing of equipment, which could not be accomplished without further demands on the overburdened taxpayers. I would not be here before you making this statement.

Some suggestion has been made that there are some airlines interested in

opposing this bill because they are in competition. Why should they not be interested? All they want is a decent break without handicaps imposed by unwarranted legislation. That is true.

Who are those airlines who will not receive one single, solitary dollar or penny out of this bill? American, Capital, Caribbean-Atlantic, Delta, Eastern, National, Northwest, Trans World, United, Western, American Air Export & Import, The Flying Tiger Line, Riddle Airlines, and Slick Airways. I submit we should respect them and their interest in free and fair competition.

So you can see that in spite of all the fine and emphatic words presented in favor of this legislation, there is offered a very serious question as to whether we should endorse it at this dying hour of this session. I hope in the very few minutes you have, you can examine the facts. If you can, the decision here tonight will not be in doubt.

Mr. HINSHAW. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. COUDERT].

Mr. COUDERT. Mr. Chairman, I have the warmest regard for my friend from Massachusetts. I was a little surprised, however, to find that his objection to this bill seems to stem very largely from the fact that one particular carrier would be a substantial beneficiary of this bill. He neglected, however, to advise the House that this one particular carrier is the only certificated carrier that competes only in the world market with subsidized foreign-operated companies, often by governments, to wit, Pan American World Airlines. The others like American and Eastern, that he named, have large and profitable domestic markets. Perhaps they can afford to continue without subsidies. Perhaps they can afford to acquire these new $6 million jets in place of the $2 million piston planes now in use. Pan American Airlines has, as I recall it, made contracts for hundreds of millions of dollars of jets which obviously means its credit is of the utmost importance and that this bill is of great importance to it as well as other lines that have to go to the banks for credit to purchase new equipment. In my humble judgment this bill is necessary for lines which intend to keep equipment up to date and who may have to go into the credit market for the funds to buy new planes of the most modern kind.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. WILLIAMS of Mississippi. Mr. Chairman, I yield 5 minutes to the gentleman from Illinois [Mr. MACK].

Mr. MACK of Illinois. Mr. Chairman, I think it is very important that the members of the committee today understand exactly what we are trying to do. The Subcommittee on Interstate and Foreign Commerce studied this problem for nearly 3 months. We studied it in previous years and, I believe, the committee is familiar with the problem confronting us today. The arguments against this legislation remind me of the man who put vitamin pills in his drink because he wanted to build himself up while he was tearing himself down. That is exactly what the opponents of this bill are trying to do. They say they want to subsidize the local service carriers that go into the remote sections of our country, but they do not want to let them apply their capital gains in the purchase of new equipment. And, in so doing, you are cutting the throat of all the local service carriers in the country. You will not have to worry about having an Allegheny Airlines or an Ozark Airlines, if you do not pass this legislation. The suggestion has been made that we guarantee loans to the local carriers so that they can get the financial assistance that is necessary to carry on their very vital work. The gentleman from Massachusetts has mentioned some reports or some estimate that was made over the past 5 years concerning subsidies and the fact that the larger carriers had gotten the bulk of the benefit. Well, that has been true over the past 5 years, but that will not be true over the next 5 years. The local service carriers today are using equipment which was produced 20 years ago. It is worn out and some of it is even approaching the dangerous stage. It is necessary for every local service carrier in the country to purchase new equipment today because the DC–3 which was built 20 years ago no longer will do the job and even if it would do the job, it would probably cost more money to operate the DC–3's than it would to operate and carry the additional payload in a Martin or a Convair.

Mr. SHORT. Mr. Chairman, will the gentleman yield?

Mr. MACK of Illinois. I yield.

Mr. SHORT. The gentleman from Illinois is a very distinguished, experienced, and fearless flier himself. He is talking a lot of hard sense. He mentioned the Ozark Airlines. That is one of the small feeder lines serving communities in Kansas, Missouri, Illinois, Iowa, Kentucky, and maybe 1 or 2 spots in Indiana. They have mostly old DC–3's, as the gentleman has just pointed out.

Unless they can replace that equipment soon they will simply have to go out of business, and the people in a lot of these fairly good-sized towns will be denied service that they so sorely need.

So, from the standpoint of safety and economy and numbers, bear in mind that to replace these planes costs 2 or 3 times as much as the others.

I want to compliment the gentleman on the fine statement he is making, and I hope the Members of this House will pass this legislation that passed the other body by a vote of 52 to 22, more than 2 to 1, after long exhaustive hearings, after most enlightening and elevating debate over in the other body on the 9th of this month, and which has been seriously considered not just today or yesterday, or a month ago, but for 3 or 4 months by the able Committee on Interstate and Foreign Commerce of this House.

Mr. MACK of Illinois. I thank the gentleman, and I want to tell you that if we do not help these little local air carriers we are going to cut down the total revenue of the trunk carriers, the domestic carriers all over the country, because they will lose a great deal of passenger traffic fed into their terminals by these local lines.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. WILLIAMS of Mississippi. Mr. Chairman, I yield the gentleman 4 additional minutes.

Mr. QUIGLEY. Mr. Chairman, will the gentleman yield for a question?

Mr. MACK of Illinois. I yield.

Mr. QUIGLEY. My question is this: If these local feeder airlines are stuck with this old, wornout, dilapidated equipment, these 20-year-old DC–3's, how are you going to sell them to make all this capital gain?

Mr. MACK of Illinois. I may say to the gentleman that there just happens to be a market for these DC–3's. There is a market in contract carrying and there has been a great expansion in the executive type use of aircraft in this country, an expansion that has amazed us.

Mr. QUIGLEY. But if the DC–3's are not safe for commercial passenger-carrying how can they be safe for the use of the executives of companies?

Mr. MACK of Illinois. I might say to the gentleman that these airplanes can be reconditioned for cargo aircraft and other uses but I hope the gentleman is not going to force Allegheny Airlines to carry passengers in these dilapidated, wornout, 20-year-old DC–3's indefinitely.

Mr. SPRINGER. Mr. Chairman, will the gentleman yield?

Mr. MACK of Illinois. I yield.

Mr. SPRINGER. May I just say to the gentleman that there is a peculiar situation in the matter of aircraft at the present time, apparently a temporary situation, but there is a tremendous demand for second-hand aircraft, a tremendous market, and the craft are selling for a good deal more than they sold for 4 years ago because of the demand.

Mr. QUIGLEY. But I do not see how, if they are not safe for commercial traffic, they can be considered safe for individual use.

Mr. PATTERSON. Mr. Chairman, will the gentleman yield?

Mr. MACK of Illinois. I yield.

Mr. PATTERSON. I wish to call attention to another facet of this replacement program that we should not lose sight of and that is that most of these new planes will be built in this country by Pratt-Whitney, and Boeing on the west coast, and others, and it will create many jobs for our American people and take care of our little manufacturers and subcontractors.

Mr. MACK of Illinois. I thank the gentleman.

I wanted to cover the question of capital gains, but it appears I won't have time. However, I think that the statements that were made regarding capital gains were very, very misleading and were not entirely accurate. Under this bill, capital gains would be applied.

We want to take the subsidized airlines and give them the same opportunity to exist as the nonsubsidized airlines have today, and I believe that this is a very sound proposal.

Mr. FRIEDEL. Mr. Chairman, will the gentleman yield?

Mr. MACK of Illinois. I yield.

Mr. FRIEDEL. Is it not true that the subsidized airlines will have to use this

money for new equipment where the non-subsidized airlines can pay it out to their stockholders in dividends?

Mr. MACK of Illinois. That is exactly correct. This bill will apply only to the subsidized airlines.

Our airline industry today is faced with one of the biggest reequipment programs that we have ever seen.

This year the airlines of this country have on order 308 piston-powered planes, they have on order 244 turboprop planes, they have on order 156 jet-type commercial transports, a total of 708 planes costing over $1 billion.

I want to mention that in 1946 your DC–6 that was used by the commercial airlines cost $587,000. Today they cost $1,494,442. That is three times what they cost in 1946. The Convair in 1947 cost $134,640. It now costs $600,000.

This is legislation to keep these people in business.

Mr. HINSHAW. Mr. Chairman, I ask unanimous consent that all Members may have permission to extend their remarks at this point in the RECORD on the bill under consideration.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. MORANO. Mr. Chairman, we are considering here legislation dealing with the appropriate treatment of gains on the sale of flight equipment by subsidized air carriers. What is difficult to understand is how anyone can maintain that the principles embodied in this bill are right for an airline with gross revenues of $49 million, and wrong for one with gross revenues of $51 million.

One of the glories of this country is that, unlike some others, we do not have different rules of law for different people. We have the same rule of law for everyone. This has been true of our aviation legislation in the past, and we must keep it true in the future.

Opponents say the bill should not apply to subsidized carriers with gross revenues exceeding $50 million. It has been suggested that an amendment should be offered to accomplish that purpose. The gentleman from Minnesota [Mr. JUDD] made that suggestion. What does this mean in plain English. At the moment there is only one such carrier—Pan American World Airways, Inc. They might just as well say that this bill shall apply to all subsidized airlines except Pan American. That is precisely its effect.

Discrimination of this sort is indefensible. Grant that Pan American is now a large company, but it did not start that way. It started in 1927, with a dozen World War I pilots each putting up $25,000, and many long years elapsed before it had revenues of $50 million. It got those revenues by tackling jobs first in South America, then across the Pacific, and finally across the Atlantic, which no one else wanted to tackle at the time, and performing them to the satisfaction of its customers and to the credit of its Government. Pan American is a typical American success story of starting small and growing big, through hard work, under the free-enterprise system.

There is no airline whose ability to finance new equipment is of greater importance to the United States. Pan American conducts essential national interest service to parts of the world in the Middle East, in Africa, and in the Orient, in which the United States has the most vital interest. Unlike our domestic airlines it has to compete against foreign flag airlines, solidly backed by their governments and paying their employees half the American standard of wages or less. It is vital that such a company should always have the very best equipment. Last fall Pan American took the lead in ordering jet transports, the first American built, from the Boeing Airplane Co., in Seattle, the Douglas Aircraft Co., in Los Angeles, and the Pratt-Whitney Engine Co., in Hartford, thereby triggering a flood of orders to our American aircraft and engine builders which now exceeds $1 billion. These airplanes ordered by Pan American and other American flag lines will keep our air transportation in the forefront in time of peace, and would be of inestimable value to the national defense if emergency should occur. Pan American now has the job of financing these orders. Pan American needs what this bill provides just as much as does the feeder airline which is transforming its fleet from DC–3's to F–27's, and it is just as important for the country that it have this.

It is said that if this legislation had been on the books in the past, a large share of the benefit would have fallen to Pan American. This is due in part to the fact that the feeder airlines were simply not able to sell equipment since they had no available replacement for the DC–3. It is due also to the fact that the CAB kept Pan American on an open mail rate much longer than it did other lines. It is due in part to the simple fact that Pan American provides such a large share of the international service where subsidy is required because of the through traffic and intense foreign competition. I am proud to say that I represent the district in which the able, competent, and farsighted president of this company lives. He is Juan Trippe, of Greenwich, Conn. I hope the bill will pass as reported by the committee without amendment.

Mr. HINSHAW. Mr. Chairman, I yield 2 minutes to the gentleman from Iowa [Mr. DOLLIVER].

Mr. DOLLIVER. Mr. Chairman, this debate has gotten into the situation where, I think, it needs to be simplified. Let us look at some of the realities involved. I want to emphasize two or three things about which there seems to be some misconception.

Mr. Chairman, this is not a tax bill. This does not affect the tax basis for any of this money which is received as capital gains in any way. It does not affect that at all. If any impression has been gained in any of this debate that it does affect the tax matter, that is certainly erroneous.

Next, I want to emphasize what has been said that this affects only subsidized lines. It has no effect whatever upon lines that are off subsidy. That is important when you talk about these various airlines. Certain of them are prosperous enough and have good enough routes and enough traffic that they do not require any subsidy from the Federal Government. Some of them have not such profitable lines and those are paid subsidies.

The third thing I want to emphasize is that actually this whole situation has arisen only in the last 2 years. It has arisen by reason, as some of us view it, of a misinterpretation of the intent of the Congress with respect to the original law which was passed in 1938 respecting civil aviation. In the original Civil Aeronautics Act in 1938 "all other revenue" was never meant to mean funds from sale of assets. The effect given to that phrase by the Civil Aeronautics Board and the courts can be rectified by this bill. I hope it is enacted.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. HINSHAW. Mr. Chairman, I yield 2 minutes to the gentleman from Indiana [Mr. BEAMER].

Mr. BEAMER. Mr. Chairman, it is very vital that we remember in these closing days of the 84th Congress it is very apt that we rush through legislation and sometimes, as has happened in the discussion of the rule on this bill, we listen to misinformation and misrepresentation. Unfortunately something happened in the discussion on the rule and the vote on the rule, because I feel confident that many people voted against the rule only because they thought there was something sinister about this particular legislation. Now, there is nothing sinister about it. There is only one thing that I would like to speak on. If you are interested in the little fellow, if you are interested in the 13 small feeder lines, if you are interested in carrying on the advancement of air transportation, and all types of transportation, you will want to support this measure. The large companies, particularly 2 or 3 large companies, are going to benefit, but I say to you not in the same proportion and not in the same percentage that the small companies will benefit. I like to think of the small companies serving my State of Indiana, parts of Illinois and Ohio and Michigan. You can multiply that situation by all the States, and these smaller companies are the people who today are in a pinch. These are the ones that would like to buy new equipment; these are the ones that would like to improve their service in order to render better service to their local communities.

We have passed legislation to permit the building of better airports, and we are going to have better transportation of all types if we can pass this bill, which is strictly a new accounting system. That is about all it is. It is not giving any more money to any one company than the amount to which it is entitled. May I suggest, too, that some of these big companies to which we have been referring are the people who have pioneered in the field of aviation, and they are also the people who today are conducting certain air routes that are not at all profitable. These are money-losing air routes, but, at the same time, they are rendering a service to the community

and to the Nation. It is in this general interest that I support H. R. 8902.

Mr. HINSHAW. Mr. Chairman, I yield such time as he may desire to the gentleman from Maine [Mr. HALE].

Mr. HALE. Mr. Chairman, I rise in support of H. R. 8902, a bill which has received very careful consideration by our committee. The bill reverses what I consider to be a very unfair accounting practice of the Civil Aeronautics Board.

Mr. Chairman, I hope the bill will be passed by an overwhelming vote.

Mr. HINSHAW. Mr. Chairman, I yield myself the balance of the time.

Mr. Chairman, it is easy to receive and to pass on misinformation. It is easy to receive and to pass on rumor of misinformation and hence lead the Members astray in their consideration of a measure of this sort. There comes no windfall to anyone in this legislation. There is no giveaway; no windfall. And, I say that because of this: These subsidized carriers, the carriers that are still subsidized, are the only companies in the United States that cannot make a capital gain and keep it, under the rules of the Civil Aeronautics Board adopted pursuant to a Supreme Court decision. The reason they cannot keep it is because the Civil Aeronautics Board is requiring them to credit that capital gain against subsidy payments received by them. Let us take the large carriers that are not on subsidy. They can make capital gains to suit themselves and either keep them, reinvest them in airplanes, or pay them out in dividends. No one has challenged that statement, and I ask anyone who disputes that to rise and say so. That is a fact. The only carriers who are required to credit capital gains back are the subsidized carriers, the very ones who need it most. They are the ones who need it.

I really think we ought to agree to this bill. We have had long consideration of it in our subcommittee, as to what to do to benefit the subsidized carriers and get them off subsidy so they will not need subsidy any more. This is one of the ways to get them off subsidy and aid them to get new aircraft which will operate cheaper per-seat-mile so they can get off subsidy.

Another thing that the Civil Aeronautics Board is attempting to do is to grant them routes which are profitable. I hope that is understood.

I have much more that I could say, but I should like to yield to anyone who has a question that I might answer at this time, because I am sure that Members have questions.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. HINSHAW. I yield to the gentleman from Minnesota.

Mr. JUDD. The carriers that are not on subsidy have to spend their money to buy new equipment—and it is money that they do not get as handouts from the Government—they have to spend it for new equipment in order to stay in business. That is what they are doing.

Mr. HINSHAW. I would like to point out to my friend that unsubsidized are unrestricted.

Mr. JUDD. Why, of course.

Mr. HINSHAW. At the present time.

Mr. JUDD. And the ones who are still on subsidy want all those benefits that the others have earned by getting off subsidy, plus a larger subsidy. Why do they not get off subsidy and then they can get the same benefits? That is the inducement for them to get off subsidy.

Mr. HINSHAW. They would be very happy to do it, to get off subsidy, if they could.

Mr. SCRIVNER. Mr. Chairman, would the gentleman yield?

Mr. HINSHAW. I yield to the gentleman from Kansas.

Mr. SCRIVNER. I have been trying to work out in my mind just exactly what we are faced with here. We have certain airlines in this country, some of which are subsidized by Federal funds and others which are not. My understanding is that back in 1939 we passed a law relating to subsidies and how the payments should be based; is that correct?

Mr. HINSHAW. That is correct.

Mr. SCRIVNER. And in figuring out what they should get, the question came in of other revenues. Then it was a question of applying that law to all of them, and the Supreme Court, 2 years or so ago, in a decision interpreted "other revenues" in such a way as far as the subsidized carriers were concerned, but it did not apply to the unsubsidized lines.

Mr. HINSHAW. It did not apply to them.

Mr. SCRIVNER. Because they were not subsidized.

Mr. HINSHAW. That is right.

Mr. SCRIVNER. And what you are doing now is saying that in 1939 we passed a law, and we meant what we said in 1939, regardless of what the Supreme Court said that we intended to say.

Mr. HINSHAW. That is right.

Mr. SCRIVNER. And in doing so this other income or "other revenues" is to be interpreted the same for subsidized lines as for unsubsidized lines.

Mr. HINSHAW. The gentleman is 100 percent correct, and I wish every Member of the House could understand it as he does.

Mr. WILLIAMS of Mississippi. Mr. Chairman, I yield the remainder of the time to the gentleman from Georgia [Mr. FLYNT] to close the general debate.

Mr. FLYNT. Mr. Chairman, let me try to make this unmistakably clear to everyone who is listening to the debate on this bill: This bill in no way affects the tax liability of any airline company for any capital gains or losses which it may incur in the sale or disposition of air-transportation equipment and similar property. As a matter of fact, the Committee on Interstate and Foreign Commerce could not bring in such a bill if it so desired. That is exclusively a matter within the jurisdiction of another committee of this House. This goes only to determining "other revenue" in connection with the ratemaking clause of title IV of the Civil Aeronautics Act of 1938, as amended.

Title IV of the Civil Aeronautics Act provides for air-carrier economic regulation. Section 406 deals directly with the setting and fixing of rates for the transportation of mail. Section 406 (a) gives to the Civil Aeronautics Board the authority to fix rates. Secton 406 (b), with which we are concerned today, simply defines the ratemaking elements which the Board must take into consideration in determining the rates to be paid by the United States Government for mail which is transported by the various subsidized airlines affected by this section.

It provides, and it provides wisely, that the Board may fix one rate for the transportation of mail by carrier A and, if the economic condition of that company in the judgment of the Board so authorizes and justifies it, it may set an entirely different rate for carrier B.

All of us hope that the time is not far removed when every airline in this country can be taken completely off subsidy. I say to this Committee as sincerely as I possibly can that the passage of this bill by this House and enactment of it into law will be a step forward into removing every officially operated airline in America from subsidy.

The only purpose of this bill is to restore what was the law before the Supreme Court of the United States rendered a decision which changed the law without going into the full intent of section 406 (b), which defines the ratemaking elements in arriving at the amount of subsidy. This bill will simply rewrite the intent of Congress.

It is my understanding that the amount of profit which an airline company can earn before going off subsidy is up to 8 percent for domestic operations and 9 percent for overseas operations. Whenever the net profit of any airline exceeds the figure of 8 percent on the invested capital of that company, then the subsidy ceases to exist. I think it will be a step forward toward saving the taxpayers' money, toward taking all these airlines off subsidy, to enact this bill into law.

I want to make one more point, that in this day of modern air transportation, the more economical, efficient, and safe air transportation equipment an airline has the better service it will be able to give to the air-traveling public, the safer the transportation they will have, and the more reasonable the rates for air transportation will be to those who use these airlines.

Mr. Chairman, I hope the Committee will approve this bill and that it will pass by an overwhelming majority.

The CHAIRMAN. The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That section 406 (b) of the Civil Aeronautics Act of 1938, as amended, be amended by adding the following at the end thereof:

"In determining all other revenue of the air carrier, the Board shall not take account of losses on the sale or other disposition of property, nor of gains on such sale or other disposition provided that the proceeds shall, within a reasonable time, be reinvested in other property similar or related in service or use."

SEC. 2. This act shall be effective with respect to gains or losses realized on or after January 1, 1956, whether or not the Board shall have entered a final order taking account thereof.

With the following committee amendment:

Strike out all after the enacting clause and insert the following: "That section 406 (b) of the Civil Aeronautics Act of 1938, as amended (49 U. S. C. 486), is amended by inserting '(1)' after '(b)' and by adding at the end thereof the following:

"'(2) In determining "all other revenue" of an air carrier for the purposes of paragraph (1), the Board—

"'(A) shall not take into account any loss on the sale or other disposition of property, and

"'(B) shall not take into account any gain on the sale or other disposition of property, if the net gain (after applicable taxes) is (within a reasonable time to be fixed and determined by the Board) reinvested in other property similar or related in service or use.

For the purposes of this paragraph, the term "property" means depreciable property used or useful in the carrier's normal operations.'

"SEC. 2. This act shall be effective with respect to gains or losses realized on or after January 1, 1956, whether or not the Civil Aeronautics Board shall have entered a final order taking account thereof."

Mr. HESELTON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HESELTON: Page 2, line 11, strike out all of lines 11 through 22, inclusive, and insert in place thereof the following:

"(2) In determining all other revenue of the air carrier, the Board shall not take into account the net gains (after any losses and expenses resulting from the disposition of flight equipment) derived from the disposition of any flight equipment of such carrier, if (A) such carrier notifies the Board in writing that it intends to reinvest in other flight equipment the proceeds derived from such disposition, (B) such proceeds, less all applicable taxes, are placed by such carrier in a funded reinvestment reserve immediately upon the receipt thereof, and (C) within a reasonable period to be determined and fixed by the Board, such proceeds are actually reinvested in other flight equipment by such carrier.

"(3) Hereafter in determining that portion of the carrier's mail rate which is payable by the Board (which portion is hereinafter referred to as 'subsidy') the Board shall compute such carrier's depreciation expense and return on investment after first deducting the net gains not taken into account in determining all other revenue of such carrier from the original cost to such carrier of the flight equipment in which such net gains have been reinvested.

"(4) In the event the Board determines that the carrier no longer requires subsidy, there shall be deducted from all subsidy to be paid to such carrier after the effective date of this amendment, or there shall be otherwise recovered from such carrier, an amount equal to the total net gains not taken into account in determining all other revenue of such carrier minus the total amounts by which such carrier's depreciation expense has been reduced on account of and solely by the application of paragraph (3) above. (Such amount shall be determined as of the date the carrier no longer requires subsidy.)

Mr. HARRIS. Mr. Chairman, I make a point of order against the amendment offered by the gentleman from Massachusetts. The amendment, Mr. Chairman, goes far beyond the scope of this bill. It not only has to do with subsidy payments, but the effect of it would be a loan from the United States Government to the air carriers on a repayment basis of 7 years. Furthermore, it goes beyond the scope of subsidy requirements to the extent that it affects air carriers after they go off subsidy and provides a formula whereby "the total net gains not taken into account in determining all other revenue of such carrier minus the total amounts by which such carrier's depreciation expense has been reduced on account of and solely by the application of paragraph (3)."

The CHAIRMAN. Does the gentleman from Massachusetts desire to be heard?

Mr. HESELTON. Just briefly, Mr. Chairman. I realize it would be advisable for me to concede the point of order since I have sought the advice of a gentleman whom we all respect, the Parliamentarian of the House. However, I have given him a memorandum in connection with it. I am not going to impose upon the Chair or the House to refer to it in detail. I would like to refer, however, to a ruling of John J. Fitzgerald, which is to be found in Cannon's Precedents, section 2993, which seems to me to go to the heart of the matter. It is as follows:

An amendment to a section which is relevant to the subject matter and which may be said to be properly and logically suggested in the perfecting of the section and the carrying out of the intent of the bill would be germane to the bill and thus is in order.

There are other precedents. Whether it is in point or not, I would regret that any doubt might not be resolved in favor of the germaneness of the amendment since it does so directly affect the bill and since it is obviously the sort of amendment that may well be considered and is considered by committees and by the other body all the time.

The CHAIRMAN. The Chair is ready to rule.

The amendment offered by the gentleman from Massachusetts extends beyond the scope of the language contained in section 406 (a) at lines 13 and 14 of the committee amendment.

The language therein contained is very narrow in its scope and applies to one specific phase of the operation.

The amendment offered by the gentleman from Massachusetts extends beyond loss on the sale of property, the matter contained in the amendment; therefore, the entire amendment offered by the gentleman from Massachusetts is not germane and the Chair sustains the point of order made by the gentleman from Arkansas.

Mr. HESELTON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HESELTON to the committee amendment: On page 2, line 16, strike out the word "property" and insert the word "aircraft"; and in lines 18 and 19, strike out the words "property, similar or related in service or use" and insert the words "new and modern aircraft."

Mr. HESELTON. Mr. Chairman, the bill as reported by the committee has the word "property" in it in line 14. It does not refer to aircraft which have been discussed this afternoon at length.

"Property," I suppose, is anything owned by anybody; in other words, anything to which a person has title.

In the Western Airlines case which has been referred to in the debate, the property included a route that had never been used by the airline which was certificated and was sold at a large profit to another airline. It also involved certain assets and privileges, in fact, it involved coin machine privileges which I understand were quite profitable.

The district court of appeals here in the District unanimously rejected the effort on the part of the Western Airlines to have that excluded as part of their other revenue in determining the amount of subsidies they should receive. The Supreme Court affirmed this decision.

Further than that, of course, if this is a tenable proposition, the words of the bill as reported by the committee requiring reinvestment should be changed.

The amendment I have suggested, and I certainly will not belabor it, is that we confine ourselves to the sale of aircraft if we are going to pass this bill and that we permit this particular allowance to be made only if there is a reinvestment in new and modern aircraft. In that we do not open the door to the sale of hotels which are held by some airlines and to other classes of property; that we confine ourselves exclusively to the sale of these so-called dilapidated aircraft which have increased in value over a hundred percent in the last few years according to the CAB. If that is what we want then I submit the amendment is in order and without this amendment the bill could increase the subsidy without justification and should be rejected.

Mr. HARRIS. Mr. Chairman, may I ask the gentleman, Is this language similar, or the effect of it similar, to the provisions of the bill that passed the Senate?

Mr. HESELTON. I do not know. I developed the amendment independently because I wanted to confine this. I do not know what the Senate did.

Mr. HARRIS. May I ask the gentleman another question, and it might be pertinent. Would the gentleman support the bill if his amendment is adopted?

Mr. HESELTON. Absolutely not.

Mr. HARRIS. May I say to my friend that it was not my intention to embarrass him. I asked the question not to be facetious. I was honest and sincere in my question.

Mr. HESELTON. I know that and I never meant any suggestion otherwise. The gentleman is one of my finest friends, I hope and believe. I honor and respect him. But I do want to perfect bad legislation even if I cannot vote for the revised version.

Mr. HARRIS. Mr. Chairman, I can assure my good and warm friend the feeling of friendship he expressed is mutual. I will have to oppose the amendment under the circumstances because, as an example, every airline in the country that operates has to have not only aircraft but they have to maintain hangars, they have to have some place of operation, they have to have a place for maintenance. In many instances it is necessary to make changes and improvements. In instances they may sell old equipment of that kind and of that nature. If that is true, I do not see why

there would be any difference in the treatment of an air company that owns a rather extensive hangar and equipment. It is necessary to maintain the new type of aircraft coming in. In 1959 and 1960 we are going to have these new aircraft coming in, different from all aircraft we have today. They are going to be the jets that cost $5 or $6 million and they are going to have to have new equipment, new ways and methods of maintaining and taking care of them, just as essential as the aircraft itself.

I am not for the application of this to hotels that the gentleman mentioned before. That is the reason we amended the bill after we received the alternate recommendation of the Budget Bureau. We used the term in the bill, that is "used and useful in aircraft service." That is what our bill contains. We had our staff to work it out. We wanted to eliminate this questions of hotels, restaurants, and other properties that might become involved. What we are interested in here is permitting the aircraft companies to use the sale of their old equipment as in use now and when they have capital gains therefrom, to apply on the purchase of new equipment and those things necessary for the operation of that new equipment.

Mr. Chairman, from this viewpoint the gentleman's amendment is unsound and I would ask that it be defeated.

Mr. JUDD. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I do not think there has been too much misinformation around here or any rumors that I have heard which were not justified. There is some difference of opinion on definition of terms. The gentleman from California says this is not windfall legislation, that it does not give any windfall to the airlines on subsidy. What it gives is what I would define as a windfall; but if anyone does not like that word, let us call it an extra bonus. If we vote to allow an airline hereafter to keep all the profits it makes out of the sale of its old equipment on which it has taken depreciation to a point below the sale price, and then to keep its full subsidy, too, if that is not an extra bonus I do not know what to call it.

Under the present ground rules, a line's net profits from such sales are counted as a part of its revenues in computing the amount of its subsidy. It gets a net subsidy of whatever is left after the amount of such capital gains is subtracted from the total amounts necessary to give it an 8 percent return on its capital investment.

The plea has been made that the subsidized airlines must have this bill in order to buy new equipment. But the unsubsidized airlines must buy new equipment, too. Are they not put at an unfair advantage?

May I ask why are some of these lines, especially the big ones, still on subsidy? Why does Pan American, for example, have to have such a huge subsidy year after year? It has been said it is because it has these less profitable routes, less lucrative routes to distant places around the world. In some cases there is certainly some truth in that argument. But it is not the whole story. Pan American has carried on some expensive practices that I think any of you who have kept track of the industry can understand.

For instance, after the Philippines got their independence, they established and tried to build up a line across the Pacific. They started out with one flight a week, with American crews and later two a week. Whatever service the Philippine Airline offered, Pan American doubled it. It finally forced the Philippine Airline to give up its Pacific run. It systematically overscheduled the route, even if some planes carried only 10 or so passengers. It could make up its losses from Federal subsidy. Repeatedly it has used such methods to try to run its competitors out of business, even American competitors. Because other companies are off subsidy, they cannot make up what they would lose if they were to overschedule, from subsidies on that route or routes in other parts of the world. That is one reason for Pan American's need for subsidy.

Mr. Chairman, the net result of this bill might not be to induce the companies to buy new equipment. But it certainly would provide an inducement for them to stay on subsidy forever. Why should they get off subsidy if they can have all of the benefits of being on subsidy and, under this bill, all the benefits of being off subsidy, too?

I do not think it is fair to those who have to buy their new equipment without subsidy, to give an extra bonus of their capital gains, after taxes, to those that still are subsidized.

And, furthermore, it is not fair to the taxpayers, because it is bound to increase the amount the taxpayer has to pay in subsidies.

The Department of Commerce is against the bill, the Bureau of the Budget is against it, the Comptroller General is against it, and half of the members of the CAB are against it. Why are these agencies that are especially interested in sound aviation against it?

I hope that, when the proper time comes, this bill will be recommitted for further study. I think you all know that the Department of Commerce and the CAB are already engaged, have been for the last 2 or 3 months, in a fresh study of this whole situation. If you examine the committee's own report, on page 6 you will find this letter from Secretary Sinclair Weeks, part of which I quote:

> We realize that there are problems facing all of the air transportation industry in terms of the capital needs arising from technological advances which must be implemented if we are to attain our goal of a healthy and unsubsidized air carrier industry in all respects. This problem is one in which the Government has a great interest and a real solution can come only from deliberate judgment based upon analysis of all factors involved and consideration of the needs of all of our air transportation, both subsidized and nonsubsidized. Problems such as these will not necessarily be solved merely by increasing the Government's potential subsidy obligations in a very limited area.
>
> We strongly urge, therefore, that these bills be set aside at this time and that the Board be permitted, and all due speed, to proceed to its investigation and to make its report and its recommendations.

Now, it seems to me that is the sensible and the wise thing to do.

Look what Mr. Adams, Vice Chairman of the Civil Aeronautics Board, has to say:

> I strongly believe that the present method of awarding subsidy on the basis of the need of a particular carrier is abundantly fair to the carrier, prevents waste of Government funds, and contains adequate inducement to the carriers to maintain and develop the quality and quantity of air transportation required in the national interest.

Those are the very three objectives we want and which we are told this new bill is supposed to accomplish. But Mr. Adams says the present law is doing them well already.

Mr. Chairman, Why do we not send this bill back to the committee, and if these interested agencies do not come up with an adequate solution, recommend a plan that requires legislation, take it up again in January?

Mr. HARRIS. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 20 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. HESELTON. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HESELTON. Was the request for this amendment or all amendments?

The CHAIRMAN. This amendment and all amendments thereto.

Mr. HESELTON. But not to another amendment?

The CHAIRMAN. But not to other amendments.

Mr. HESELTON. I thank the chairman.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. HOLIFIELD].

Mr. HESELTON. Mr. Chairman, would the gentleman yield to me for an answer to a question that he asked?

Mr. HOLIFIELD. I yield to the gentleman.

Mr. HESELTON. The gentleman asked me a question that many people are interested in. I quote a letter from Mr. Adams, Vice Chairman of the Board as to what subsidy is. He said:

> It includes a reasonable profit element, after taxes, which now stands at 7 percent on the invested capital for a past period and 8 and 9 percent for a future period, depending on whether domestic or foreign operations are involved.

Mr. HOLIFIELD. Mr. Chairman, I thank the gentleman. The gentleman has said that these domestic subsidized lines are guaranteed a yield of 7 percent and overseas lines a greater yield. The planes that would be sold at this time can be sold at a profit, the used planes, because there is a shortage of planes, and there has been a tremendous increase in the freight and the passenger load.

If they are sold at a profit, that profit, of course, after paying the 26 percent capital gains tax is offset against their existing subsidy to reduce the subsidy, to reduce what the taxpayers have to pay in the form of subsidy.

Airplanes are subject to call for national defense. So are the railroads, so are the truck lines, so are the young men and the young women.

As far as safety of passengers is concerned, if these planes are not safe, the CAB has regulations to keep them from flying. So let us not worry about the safety of these planes. If they are safe, they fly; if they are not safe, they do not fly.

The argument that it will help airlines to get new equipment is an obvious one. Of course it will. It would help truck lines, if applied to them. It would help me in my private business if I could get a favorable ruling, so that they would get a yield from more revenues and from the subsidy, too. It would give them the additional advantage of their capital gains as an offset against a reduction in subsidy.

This means that we are putting in a new formula. I go along with the Secretary of Commerce, Mr. Weeks, with the Bureau of the Budget, and with the administration, as well as the Vice Chairman of the Civil Aeronautics Board, when they say that this goes a little further than we want to go. Let us use the formula which we now have.

They talk about these lines as struggling lines. If you went out to buy one of them, you would find out what you would have to pay. You would have to pay plenty for them. If they need an additional subsidy, let us consider that case based on the merits of the case and not open the door to subsidies, willy-nilly, to all lines, whether they need it or not.

The CHAIRMAN. The Chair recognizes the gentleman from Maine [Mr. HALE].

Mr. HALE. Mr. Chairman, I rise in opposition to the amendment. I think it is very regrettable that the gentleman from Minnesota, Dr. JUDD, elected to have so much to say about the practices of Pan American Airlines, which to him seem so deplorable. I do not know anything about the practices of Pan American Airlines. The last thing in the world I am interested in is trying to defend them. But I am very much interested in the requirement of airlines to purchase new equipment, because if the airlines, in order to keep abreast of the times, in order to serve the public, have got to keep investing enormous sums of money in new equipment, as they do, they need some help. The airlines have got to spend a great deal of money in the next few years, at least the long-distance airlines, for jet aircraft, and the amounts involved there are simply fantastic.

It seems to me that this proposed legislation is one of the best ways of getting the airlines to modernize their equipment. It will encourage them to serve the public better and better meet competition of foreign-owned airlines, which is certainly one of the major problems of our subsidized airlines that operate overseas.

Mr. HESELTON. Mr. Chairman, would the gentleman yield for a question?

Mr. HALE. I yield to the gentleman.

Mr. HESELTON. Does the gentleman object to using the word "aircraft" instead of "property" and confining it to new and modern aircraft?

Mr. HALE. I think the gentleman's amendment is needlessly restrictive. It would probably be aircraft in most cases, but I can imagine that it would be in some instances, for example, spare parts. As far as hotels and so on are concerned, I would be perfectly willing to leave them out.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. HALE. I yield to the gentleman from Arkansas.

Mr. HARRIS. I call the attention of the members of the committee to the fact that the committee in working out this amendment used the term "property used or useful in the carrier's normal operations." That is the language of the committee amendment, which limits it to the necessary property in connection with the operation of their aircraft.

Mr. HALE. The gentleman from Arkansas will recall with what very great care we discussed this very language in the committee.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania [Mr. QUIGLEY].

Mr. QUIGLEY. Mr. Chairman, I rise in support of the amendment.

I take this time to invite the attention of the members of the Committee to the particular line of argument that has been advanced by the proponents of this measure. They tell you in one breath that this bill is designed to aid the small, local feeder carriers, the kind of carriers that serve your community and mine if you are a typical Member of Congress. Then in the next breath they talk about the great equipment expansion program the airlines face in the next 5 or 6 years, and they start talking about $4 million, $5 million, and $6 million jets. If Allegheny Airlines has any intention of buying a $4 million, $5 million, or $6 million jet airliner, it may just as well abandon its idea of serving any of my constituents, because there just is not any place in the central part of Pennsylvania where it will be able to land such planes. There is only one airline that will really benefit from this bill because there is just one airline covered by this bill, that has any farflung plans for spending millions and millions of dollars to equip itself with jet equipment during the next 5 or 6 years. That, in my opinion, is the sole purpose behind the bill. It is brought in here in the closing days with the hope that in the confusion the thing will pass, and that it will be passed with many of us thinking we are helping the local small feeder airlines, when actually we are just passing out a great big bonanza, a great big windfall, to one big airline.

Mr. MACK of Illinois. Mr. Chairman, will the gentleman yield?

Mr. QUIGLEY. I yield.

Mr. MACK of Illinois. Is the gentleman opposed to the purchase of Convairs? I understand Allegheny Airlines purchased some Convairs recently. I want to know if the gentleman is opposed to the improvement of the equipment.

Mr. QUIGLEY. Not at all. I hope they keep improving it. But, before Allegheny thinks about buying jets, they had better check the airports in the 19th District in Pennsylvania, or they may find they may not be able to land these fancy new planes.

Mr. MUMMA. Mr. Chairman, will the gentleman yield?

Mr. QUIGLEY. I yield to the gentleman from Pennsylvania.

Mr. MUMMA. I can give the gentleman some up-to-date information. I learned as late as last night and this morning that the Allegheny Airlines, which the gentleman mentioned, have purchased Martin 404's.

Mr. QUIGLEY. I am glad to have that latest information.

The CHAIRMAN. The Chair recognizes the gentleman from Iowa [Mr. GROSS].

Mr. GROSS. Mr. Chairman, I note that Capital Airlines has ordered and is taking delivery on a substantial number of turboprop, British-made planes, and yesterday or this morning I noted in the papers that this airline has ordered 14 British Comet jet commercial airliners. I should like to know from some member of the committee whether Capital Airlines comes within the scope of this legislation.

Mr. HARRIS. Capital Airlines does not come under the scope of the legislation because it is not a subsidized carrier. It is out of subsidy.

Mr. GROSS. They are not a subsidized carrier?

Mr. HARRIS. That is right.

Mr. GROSS. They are subsidized through airmail contracts, are they not?

Mr. HARRIS. No; they are not subsidized. They have airmail contracts, but they get paid for their service.

Mr. GROSS. I am pleased to hear the gentleman say they are not subsidized because I do not want to hear of any airline in this country being subsidized directly or indirectly by the taxpayers of this country and then going over to Britain to buy their airplanes.

Mr. HARRIS. We have made very great progress in getting our aircraft industry off subsidy in the last several years. We are still making progress every year.

Mr. GROSS. We certainly have helped subsidize the British aircraft industry, and I hope we do not find out some day that we are also using the taxpayers' money to subsidize airlines that buy their planes in Britain or some other foreign country. I want them made in America.

Mr. HARRIS. I repeat again. That is not involved here at all and neither is the question of any tax paid by any company involved. That should be clearly understood. There is much misinformation on that point. No taxes are involved at all.

Mr. VANIK. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield.

Mr. VANIK. I have not heard anything about taxes not being involved in this bill. Were not its purposes supposedly accomplished by the quick depreciation and rapid amortization certificates which almost all airlines receive?

Mr. HARRIS. No; this does not change that policy at all.

Mr. VANIK. Then they get this in addition to the quick amortization privi-

lege which almost all the airlines took advantage of?

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. SISK].

Mr. SISK. Mr. Chairman, I certainly favor the amendment offered by the gentleman from Massachusetts [Mr. HESELTON] because if this bill should happen to pass, I certainly think we should restrict the type of equipment that is to be purchased under the terms of this bill to that type of equipment we have heard a lot of crying about here today—the great need for maintaining the finest and the safest aircraft. So, certainly, it is my hope that the gentleman's amendment will be adopted. Primarily though, I rise to ask the gentleman from Arkansas a question. I listened here all afternoon. The question has to do with the reason for this bill being here. I appreciate the various arguments that have been made by the committee for the bill, but who asked for this bill? Who is in favor of this bill? Who wants the bill? I have not heard of anyone apparently outside the committee, and I might say I have the highest regard for the chairman as well as all members of the committee—it may be entirely justified but I have heard no one who wants the bill.

Mr. HARRIS. I thank the gentleman for his comment. I might say that the Air Transport Association of America is the original sponsor of the legislation because of the Supreme Court decision of 1954 which the Board has invoked in its open-rate proceedings to reducing the subsidy and actually charging it out of the operations of the company.

Mr. SISK. Do I understand that that association is restricted to subsidized airlines only?

Mr. HARRIS. No—all airlines of the country are members of the Air Transport Association.

Mr. SISK. Do I understand that the gentleman means to say that all airlines in the country favor this particular legislation?

Mr. HARRIS. The association represents all the airlines.

Mr. SISK. Both subsidized and nonsubsidized?

Mr. HARRIS. Yes—and the local airlines conference which is composed of about 13 local airline services.

Mr. SISK. Mr. Chairman, I am opposed to the bill and shall vote against it, but with the possibility in mind that it might pass, I hope this amendment is adopted.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota [Mr. MCCARTHY].

Mr. MCCARTHY. Mr. Chairman, I would like to ask one or two questions of the committee: Are there any airlines not now subsidized which will be subsidized following the passage of this legislation?

Mr. MACK of Illinois. No, there are no additions or no new airlines that would be included as a result of the legislation.

Mr. MCCARTHY. What do you mean by being included? If the revenue of certain airlines, as I understand it, rise above a certain point, they are not then eligible for subsidy payments; is that correct?

Mr. MACK of Illinois. That is true, but the Civil Aeronautics Board makes that determination.

Mr. MCCARTHY. That is at the present time. If part of their revenue at the present time is derived from capital gains, it means their revenue for the purposes of determining subsidy will be reduced by that amount and they would be eligible for a subsidy again?

Mr. MACK of Illinois. That is true.

Mr. MCCARTHY. And the effect of this bill is likely to increase the amount of the subsidies paid to the airlines.

Mr. MACK of Illinois. No, it is not.

Mr. QUIGLEY. Mr. Chairman, will the gentleman yield?

Mr. MCCARTHY. I yield.

Mr. QUIGLEY. I think you have to make some provision for the acquisition of new equipment, and believe that this is the best possible means of doing so.

Mr. BEAMER. Mr. Chairman, will the gentleman yield?

Mr. MCCARTHY. I yield.

Mr. BEAMER. I think the gentleman's question can best be answered by saying that the chances are that the passage of this measure will help to remove certain lines eventually and more quickly from the subsidy they are presently receiving.

Mr. HESELTON. That opinion, of course, is completely contrary to the chairman of the CAB, who says that the Board has estimated that it will amount to $46,487,000 in fiscal 1957. This bill will substantially increase the amount of the subsidy.

The CHAIRMAN. The gentleman from Arkansas [Mr. HARRIS] is recognized.

Mr. KEARNS. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from Pennsylvania.

Mr. KEARNS. I appreciate the gentleman's courtesy in yielding.

I would like to extend my remarks in the RECORD at this point and include a statement I made before the Civil Aeronautics Board in behalf of the Allegheny Airlines which is one of the feeder airlines in Pennsylvania. I thank the gentleman.

(The statement referred to follows:)

Members of the Board and Mr. Brown, my name is CARROLL D. KEARNS. For the past 10 years I have served as United States Representative in Congress for the 24th District of Pennsylvania, consisting of Erie, Crawford, and Mercer Counties, and numbering well over 410,000 people.

My interest in the application of the Erie Municipal Airport Authority for an investigation as to the need of air transportation between Erie, Pa., and Detroit, Mich., is longstanding and is very natural inasmuch as I represent, among others, the city of Erie, the third largest city in the Commonwealth of Pennsylvania, and one of the leading cities in diversified industry in the country.

Gentlemen, it is my firm conviction that Erie needs air service to Detroit in order to develop toward its proper position as Pennsylvania's Great Lakes port and the gateway to the west on the Great Lakes.

Erie can develop as it should only if it has behind it a market area which will ship and do business via Erie, instead of the already well-established and well-served centers of Cleveland, Ohio, and Buffalo, N. Y.

The cities of the Pennsylvania hinterland need to diversify their economy because their traditional industries of coal and oil are no longer adequate. In order to diversify new industry must be attracted, especially lighter industry, whose principal offices are in the Midwest. But these industries, particularly the ones supplying the vast automotive industry of Detroit, demand rapid air transportation—preferably nonstop—but in any event one-carrier service. And only one carrier can do this—Allegheny Airlines.

I appear before you this morning to request, therefore, that you give to Erie what it has never had before—a chance to develop as Pennsylvania's Great Lakes port. Cleveland has developed, Buffalo has developed—but Erie—never. The reason for this is basically topographical. The historical layout of the railroad system has never favored Erie. But now new highways are being planned and developed to handle the bulk cargo which will be going in and out of Port Erie.

Erie wants the chance to complement its highway system with one-carrier air service from the Pennsylvania hinterland to Erie, and then on out to Detroit, and west.

That is the gist of my appeal, gentlemen. I thank you for your courteous attention and for the opportunity to appear before you this morning.

Mr. HARRIS. Mr. Chairman, I ask that the amendment be rejected.

The CHAIRMAN. The time of the gentleman from Arkansas has expired; all time has expired.

The question is on the amendment offered by the gentleman from Massachusetts.

The amendment was rejected.

Mr. MACDONALD. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MACDONALD:

Page 2, in lines 14, 16, 18, and 19, strike out "property" and insert "flight equipment."

Page 2, strike out lines 20 through 22, and insert quotation mark at the end of line 19.

Mr. MACDONALD. Mr. Chairman, I am not going to take much of the time of the House because we have just been through this same matter.

The amendment suggested by the gentleman from Massachusetts [Mr. HESELTON] provided that this bill should affect only airplanes.

The amendment I suggest reads: "flight equipment."

I think even those among you who believe in this bill also know that this is a very loosely drawn bill in many ways. I call the attention of the membership to its provisions. It says that this tax benefit—no matter what else it is, it is a tax benefit—goes to "property." In other words, in subsection (b) it says that they shall not take into account any gain on the sale or other disposition of property—I will skip a few lines—"if reinvested in other property similar or related in service or use."

We who travel the airlines know what property it is that can be used by an airline. When we look at the definition further, starting in line 20 which defines this so-called property, it says:

For the purposes of this paragraph, the term "property" means depreciable property used or useful in the carrier's normal operations.

I do not think anyone in the House would dispute the fact that it is useful to have a restaurant at an airport or to

operate a hotel where there are not adequate hotel facilities at or near the airport. I would like to ask some member of the committee whether or not there is any safeguard in this bill which would prevent an airline from setting up a corporation, selling the assets, the airplanes, to that corporation, then leasing back the equipment after they have taken full benefit of this tax allowance which we are giving them?

Mr. MACK of Illinois. I think it is well defined here and would exclude any possibility such as that. This provides that the proceeds from the sale of equipment must be reinvested in similar equipment which is used or useful in flight service.

Mr. MACDONALD. The gentleman goes back to "property used or useful in the carrier's normal operations."

Mr. MACK of Illinois. That is true. That is the wording. It is "used or useful in the carrier's normal operations" and it is intended that all of the money secured will be reinvested in flight equipment or similar equipment. They have to have a little bit of leeway to include the purchase of parts and certain facilities that are necessary.

Mr. MACDONALD. The gentleman in his answer to me uses the words "flight equipment." I take it he is supporting my amendment?

Mr. MACK of Illinois. I have given considerable study to the gentleman's suggestion and, personally, I am in full support of the intent of the gentleman's amendment. I certainly cannot speak for the committee with regard to his amendment. I will say, however, that it is limiting to a large degree the expenditure of this money.

Mr. MACDONALD. I thank the gentleman.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. MACDONALD. I yield to the gentleman from Arkansas.

Mr. HARRIS. May I inquire if the gentleman can advise us as to what the definition of "flight equipment" would be? What would he intend it to include?

Mr. MACDONALD. If I am to believe the statements made by the gentlemen of the committee, it would be carrying coals to Newcastle for me to define "flight equipment."

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

(By unanimous consent (at the request of Mr. HARRIS) Mr. MACDONALD was allowed to proceed for 3 additional minutes.)

Mr. HARRIS. Here is what I am trying to get at, and I may say I am very much impressed with the objective the gentleman wants to accomplish. What I am trying to get at is supporting equipment that is necessary in maintaining aircraft, necessary to flight operations, and so forth, included in the gentleman's amendment?

Mr. MACDONALD. It would be.

Mr. HARRIS. Would the gentleman accept an amendment to his amendment including the words "flight and supporting ground equipment"?

Mr. MACDONALD. Support, referring back to flight equipment?

Mr. HARRIS. Yes.

Mr. MACDONALD. Yes, I would.

Mr. WILLIAMS of Mississippi. Mr. Chairman, will the gentleman yield?

Mr. MACDONALD. I yield to the gentleman from Mississippi.

Mr. WILLIAMS of Mississippi. The gentleman says flight equipment only. Would that make it impossible to include stands and so forth that go with the carrier's normal ground operation?

Mr. MACDONALD. No. If it was normal, say, as in Alaska, to use buoys and hangars which run into the sea, I certainly would include that. This is not a restrictive amendment in the sense that it is a restriction on property. I merely want to have it very clear that the House is passing only on flight equipment and not going into the broad field of what these airlines use as property when related as being used or useful in their carrying operations, because it now includes restaurants, hotels, and so forth.

Mr. WILLIAMS of Mississippi. If it does, it was not the intention of the committee to include it.

Mr. MACDONALD. No. I think the committee will readily agree with me in restricting this to flight equipment.

Mr. HARRIS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, we have discussed at great length in the committee, as the gentleman knows, as to what is sought here and what we intend to do. No one in the committee wants to give a windfall to anyone who might take advantage because they have property they want to dispose of which has nothing to do with the operation of the airline. The gentleman recalls that very well.

Mr. MACDONALD. I am not a member of the subcommittee.

Mr. HARRIS. In our full committee we discussed it, too. I wonder if the gentleman would be willing to ask unanimous consent that his amendment be amended to include "flight equipment and supporting ground equipment."

Mr. MACDONALD. If the word "supporting" is descriptive and if it were clear what the word "supporting" was referring back to, I would accept it, if it meant ground equipment that deals with flight equipment, including gasoline tanks.

Mr. HARRIS. Maintenance, operation, and such?

Mr. MACDONALD. Yes.

Mr. HARRIS. That is what we are worried about.

Mr. MACDONALD. That is what I am worried about, too.

Mr. HARRIS. That is just as necessary as the aircraft that flies the air. If the gentleman would ask and obtain unanimous consent to include "supporting ground equipment," I will accept the amendment.

Mr. WILLIAMS of Mississippi. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from Mississippi.

Mr. WILLIAMS of Mississippi. I think we are all in accord with the purposes sought by this amendment. Some of us are in disagreement as to just how far the amendment goes, of course. I am wondering if on page 2, line 22, the insertion of the word "flight" after the word "normal" would not take care of this entire controversy.

Mr. MACDONALD. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from Massachusetts.

Mr. MACDONALD. Will the gentleman accept this language, "only pertaining to air flight"?

Mr. HARRIS. Well, I do not think I could, because I do not know just what you mean by that.

Mr. MACDONALD. I am further trying to define your word "support," because I think anything that is used to aid equipment and to aid the passengers is a supporting measure in the use by the airlines.

Mr. FLYNT. Mr. Chairman, would the gentleman yield to me?

Mr. HARRIS. I yield to the gentleman.

Mr. FLYNT. I should like to direct this question also to the gentleman from Massachusetts [Mr. MACDONALD] to supplement the question asked by the gentleman from Mississippi.

I think all of us are trying to achieve the same objective at this time. Would it meet the approval of the gentleman from Massachusetts [Mr. MACDONALD] to insert on line 22, page 2, after "normal" the word "flight", so that lines 21 and 22 as amended would read:

> For the purposes of this paragraph, the term "property" means depreciable property used or useful in the carrier's normal flight operations.

Mr. HARRIS. Would the gentleman be agreeable if we said "flight and ground equipment."

Mr. MACDONALD. I should think "equipment pertaining directly to flight equipment".

Mr. HARRIS. I think I understand what the gentleman has in mind. I think he has the same thing in mind we would all like to accomplish. Since it is going to be necessary to work this out in conference, if we get to conference, and since we understand what we would like to do, I am going to suggest that we accept the amendment.

Mr. HOFFMAN of Michigan. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I ask unanimous consent to proceed out of order for 3 minutes.

Mr. CHUDOFF. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. HOFFMAN of Michigan. Mr. Chairman, then I move to strike out the last word and talk about something else.

The CHAIRMAN. The gentleman is recognized for 5 minutes in opposition to the amendment.

Mr. HOFFMAN of Michigan. I only intended to use 3 minutes, but so long as I cannot talk about what I wanted to, which I think would be of great interest, because for a long time I have been trying to learn what is the opposition to NIXON and why they did not want him as a candidate. I have not been able to learn except from some Democrats,

until recently, when Stassen came along. I wished to explain to the House, if I could—I do not really mean explain; that is too presumptuous—but I wished to give to the House my idea of what Stassen was trying to get at and why he is against NIXON. But now somebody has objected to my speaking out of order, so I cannot do that and I will be forced to wait until a little later on.

Now I must talk about this motion to strike the enacting clause from this bill.

Mr. MORANO. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MORANO. I did not understand the gentleman had offered a motion to strike the enacting clause.

The CHAIRMAN. The gentleman is correct. The gentleman from Michigan sought recognition in opposition to the amendment.

Mr. MORANO. Mr. Chairman, I did not hear the gentleman offer a motion to strike the enacting clause.

Mr. HOFFMAN of Michigan. The gentleman should pay attention to the proceedings in the Committee. The Clerk has it.

Mr. MORANO. He did not read it.

Mr. HOFFMAN of Michigan. That is not my fault; maybe he did not think it was worthwhile. Does the gentleman want it read now?

Mr. MORANO. I should like to have it read.

The CHAIRMAN. The gentleman from Michigan sought recognition in opposition to the amendment. He was recognized for 5 minutes in opposition to the amendment and for no other reason. The gentleman will proceed.

Mr. MORANO. Mr. Chairman, in other words, I am correct.

Mr. HOFFMAN of Michigan. I will concede the gentleman is correct. I understand, Mr. Chairman, I had asked permission to proceed out of order and somebody objected.

The CHAIRMAN. The gentleman is correct; somebody objected.

Mr. HOFFMAN of Michigan. And then I sent to the clerk's desk a motion to strike the enacting clause.

The CHAIRMAN. The gentleman did not offer the motion to strike the enacting clause.

Mr. HOFFMAN of Michigan. In order that we may have orderly procedure, I shall offer the motion now and ask unanimous consent to withdraw it, and yield back the balance of my time.

The CHAIRMAN. Without objection, that course will be followed.

Mrs. ROGERS of Massachusetts. Reserving the right to object, Mr. Chairman, I should like very much to ask the gentleman if he does not believe it would be unthinkable not to have the Republican Party unanimously vote to nominate RICHARD NIXON the Vice President of the United States. It would be unthinkable and tragic not to reward complete loyalty and great ability with anything else. The President and the country need him.

Mr. HOFFMAN of Michigan. I would be happy to answer, but I cannot do it now.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts [Mr. MACDONALD].

The amendment was agreed to.

Mr. HESELTON. Mr. Chairman, I offer an amendment to the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. HESELTON to the committee amendment: On page 2, line 24, strike out "January 1, 1956" and insert "August 15, 1956."

Mr. HESELTON. Mr. Chairman, this will be the last amendment I shall offer. It is preliminary to a motion to recommit I shall offer. It will also be the last few words I shall say on this bill.

The bill itself provides for an effective date of January 1, 1956. In my judgment, there is no justification whatsoever for that. Here we are on July 26 at 6:35 in the evening, and we want to legislate back to January 1, 1956. At least we should have the opportunity to legislate a bit ahead, assuming this bill is going to pass. I do not think it is.

I want to stress something the gentleman from Minnesota stressed, only I want to add to it. The reason I am offering a motion to recommit is this: This is in effect an effort to repeal the needs provision for a subsidy. The gentleman from Minnesota quoted Colonel Adams' statement before the committee, but beyond that I want to quote one more sentence or two that he used:

And yet, these bills would in effect disregard the actual need of the particular carrier seeking subsidy support by prohibiting the Board from looking at the profits from the sale of equipment—the very same equipment which through depreciation allowances already might have been paid for by the traveling public and the Government through its award of subsidy.

That is what I have been saying to you all afternoon.

I understood last night that this bill would be the first order of legislative business today, and look at the clock. I say this is no way for us to legislate, whether it is good, bad or indifferent. That is the basic reason why I am offering this motion to recommit, but there is another fundamental reason.

There is a pending proceeding before the Civil Aeronautics Board covering this very thing. Thirty-three of these airlines are parties to it. It was started in April of this year. On July 3 of this year a preliminary report was made. We have the whole situation in the hands of an administrative body. Colonel Adams says this, and it is the basis on which I will offer a motion to recommit.

I consider this kind of proceeding—

He is referring to the one that has been pending 3 or 4 months and will be finished by the time we get back.

I consider this kind of proceeding the best approach to the problem because it looks toward a policy consistent with the scheme of the Civil Aeronautics Act, fully supported by a complete economic record, and geared as closely as possible to the individual needs of the carriers.

I respect my friend who offered the amendment we just adopted, but if there was any perfect illustration of why we should not be asked at 20 minutes of seven, two nights before adjournment, to pass this legislation blindfolded, the example is right there.

Mr. HARRIS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I ask unanimous consent that all debate on the pending amendment close in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Arkansas [Mr. HARRIS]?

There was no objection.

Mr. HARRIS. Mr. Chairman, my very good friend for whom I have the highest regard, the author of the amendment, Mr. HESELTON, of Massachusetts, obviously has some pretty deep feeling about this matter, and he is entitled to his opinion and I respect it. I want that well understood, and he knows it. Apparently, he has some feeling, according to his statement a moment ago, and the manner in which he has expressed his views on this whole proposition of air subsidy. I know that he has had some feeling about it over the years. It is not new. It is not my fault. It is not the fault of the committee. It is not the fault of the leadership or the Membership of the House necessarily that we could not get to this bill until late this afternoon. It was scheduled for the first business under the rule, but there were conference reports and unanimous consent requests and there was other business, and it was necessary, and consequently I do not feel we owe him an apology for not getting this up until when we did this afternoon.

Mr. Chairman, obviously his amendment is for the purpose of further confusion—that is my opinion—further confusing this whole matter. I realize it is pretty difficult sometimes to wade through the confusion and get to the facts. I want to read to you a letter or rather from a copy of a letter that was writen to Mr. HESELTON. It was under date of July 26, 1956. It is signed by Mr. John F. Floberg, Conference of Local Airlines—that is the local service airlines throughout the United States.

Mr. HESELTON. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield.

Mr. HESELTON. Does the gentleman say I received any letter from Mr. Floberg at any time?

Mr. HARRIS. I have a copy of a letter and it is addressed to you.

Mr. HESELTON. I should think he would send it to me—but that is all right.

Mr. HARRIS. I assume the gentleman received it or it would not have been delivered to me. This is a copy and I assume the gentleman has the original. It is as follows:

CONFERENCE OF LOCAL AIRLINES,
Washington, D. C., July 26, 1956.

The Honorable JOHN W. HESELTON,
House of Representatives,
Washington, D. C.

DEAR MR. HESELTON: I see on page 14575 of the CONGRESSIONAL RECORD for July 25, 1956, that you yesterday stated on the floor of the

House that there could not be produced "one scintilla of credible evidence that passage of this bill (H. R. 8902) will benefit anyone but Pan Am and its select companions in unwarranted windfalls, in depreciation on top of depreciation, in double subsidies. If Pan Am can do so, I will admit it and withdraw my minority report on this floor tomorrow."

You will recall that I testified as vigorously as I know how in favor of H. R. 8902 before the Interstate Commerce Committees of both the House and the Senate. I pointed out at that time that the local service airlines had 165 DC–3's, all of which were candidates for replacement by suitable modern aircraft. I likewise pointed out that the financial condition of the local service airlines was such that the only possibility of financing the downpayment on modern replacements would come from the profits that might be realized on a sale of the DC–3's.

Let there be no doubt that H. R. 8902 is the pivot point on which the reequipment programs of the local service airlines presently depend. Whatever the benefits of the bill may be to other large carriers, the enactment of legislation assuring the local service carriers of the availability of the capital proceeds of old flight equipment is essential if we are to forestall preservation of the equipment status quo which carriers with it preservation of the subsidy status quo.

Respectfully yours,

JOHN F. FLOBERG.

Here is a wire from Jess B. Bennett, assistant to the president of the Braniff Airways, Inc.:

JULY 26, 1956.

The Honorable JOHN W. HESELTON,
Member of Congress,
House Office Building,
Washington, D. C.:

Braniff Airways is happy to respond to your inquiry as reported in the CONGRESSIONAL RECORD of yesterday at page 14575, and to say that H. R. 8902 is not exclusively designed for the benefit of Pan American World Airways. Braniff Airways is presently facing an $85 million reequipment program covering turboprop and jet aircraft and will need every cent it can realize from the sale of its existing equipment to finance this huge undertaking. Passage of H. R. 8902 will materially assist in this effort. We strongly urge your support of this measure.

JESS B. BENNETT,
Assistant to the President, Braniff Airways, Inc.

Mr. HESELTON. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I am glad to yield to the gentleman.

Mr. HESELTON. Is that telegram addressed to me?

Mr. HARRIS. Yes; it is.

Mr. HESELTON. Is it not peculiar that these people will give telegrams addressed to me to someone else without giving it to me? I would think they would have the common decency, if they are going to furnish some communication to be used in debate, to see to it that I got the communication addressed to me before it reached the floor.

Mr. HARRIS. Did the gentleman get this wire?

Mr. HESELTON. No.

Mr. HARRIS. I assure the gentleman I had no intention to take any advantage of him.

Mr. MACK of Illinois. Mr. Chairman, if the gentleman will yield, I might say to the gentleman that I talked to the person who wrote this letter today. I was aware that the letter had been written. I inquired of him if it had been delivered or had been received by the gentleman from Massachusetts [Mr. HESELTON], and I understood that it had been directed, sent, and received.

Mr. HARRIS. The other point I want to make very clear that this legislation will do is that it will be of great help to the airline industry all over the country.

Mr. HAYS of Ohio. Mr. Speaker, if the gentleman will yield, all I can say is that if that letter was delivered the same day it was written it is the fastest delivery service that has been rendered since Summerfield has been Postmaster General.

Mr. HARRIS. Mr. Chairman, I ask that the amendment be rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts.

The amendment was rejected.

Mr. JUDD. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JUDD: Page 2, strike out lines 11 and 12, and insert the following:

"(2) In determining for the purpose of paragraph (1) 'all other revenue' of any air carrier having total gross receipts (including amounts not included in all other revenue under the provisions of this paragraph) of less than $50 million during the previous calendar year, the Board."

Mr. WILLIAMS of Mississippi. Mr. Chairman, I reserve a point of order against the amendment.

Mr. JUDD. I thank the gentleman but I do not think any point of order will apply because it is a restrictive amendment.

Mr. Chairman, much has been said about the desire to help the small feeder airlines, and we have just heard a letter and a telegram from the conference on local airlines and from the head of the largest of the smaller airlines.

If this bill is primarily to help the small airlines, my amendment provides an opportunity to demonstrate it. Now is the time to stand up and be counted and really help the small airlines. Because all this amendment does is to provide that the new rules shall apply only to those subsidized airlines whose gross revenues are under $50 million a year.

Most of these small feeder airlines now earn from 2 to 6, maybe some of them $12 million a year. Every one of the small feeders, plus Continental, Northeast, and Braniff are included within this limitation. If we want to help the smaller airlines, just vote for this amendment and then we will not need to kid ourselves that this bill is just designed to help the small companies. That will then be the fact.

Under this amendment the bill will give aid where the aid might be needed. I certainly am not opposed to helping the small lines, but I do not like to help them in a disguised form where they get in effect two subsidies, one hidden. The amendment will give greater help to the small lines to get new equipment, and it will prevent any of the biggest United States carriers from gaining an even greater advantage over their smaller and subsidy-free competitors.

Much has properly been said about the need of the subsidized airlines for adequate credit for their reequipment program. That is just as true for the unsubsidized as for the subsidized. If airlines that now receive a Government subsidy to guarantee them 8 percent return on their capital investment do not have a good credit background I do not know who does. I wish Uncle Sam would guarantee me 8 percent return on whatever business enterprise I might undertake.

I hope the Members will accept this amendment because this amendment will do what the bill was intended to do—help the small feeder lines.

Mr. HARRIS. Mr. Chairman, I could not accept this amendment. It is just as necessary for the international carriers and the large carriers to be safe as it is for the feeder line carriers.

Mr. JUDD. When the gentleman goes home to Arkansas, what line does he ordinarily ride?

Mr. HARRIS. I ride the American Airlines.

Mr. JUDD. Is that a subsidized line? You seem to suggest that it is only safe to ride subsidized lines; or rather, that they must be subsidized if they are to have good, safe equipment.

Mr. HARRIS. American Airlines was developed on a subsidy.

Mr. JUDD. American, United, Eastern, TWA, Northwest, all of these lines are safe. They buy new equipment also, but they are not on subsidy.

Mr. HARRIS. The gentleman will admit, however, in selling any equipment of the Ameican Airlines and others that he mentioned, the capital gains that they receive from the sale of that equipment can be applied to the purchase of new equipment?

Mr. JUDD. Certainly it can.

Mr. HARRIS. It can also be applied to pay dividends to stockholders?

Mr. JUDD. Yes. That is one of the inducements to get off subsidy.

Mr. HARRIS. Then why penalize a carrier that is on subsidy?

Mr. JUDD. If you allow it to keep what it gets in the way of profits from selling depreciated equipment, and its full subsidy besides, you are rewarding it. Furthermore, it can use its capital gains to buy new equipment and turn around and pay dividends to its stockholders out of its operating revenues. It could pay not 8 percent but 10 or 12 percent under this bill.

Mr. HARRIS. No.

Mr. JUDD. It could.

Mr. HARRIS. The gentleman is in error because the Board determines what the percentage of return is and fixes what it shall be. The gentleman knows there has not been 8 percent made by any of these airlines.

Mr. JUDD. But they could exceed that under the bill. However, I do not want to get diverted from the main point. If you are interested in the smaller airlines you will accept this amendment.

It was said in either the letter or the telegram just read that not all of this aid would go to one big airline. No, not all; but more than 80 percent would go to one airline.

Mr. QUIGLEY. Mr. Chairman, will the gentleman yield?

Mr. JUDD. I yield to the gentleman from Pennsylvania.

Mr. QUIGLEY. I am in full accord with the gentleman's position and I urge adoption of his amendment. This amendment would make a good valuable bill out of the legislation before us.

Mr. JUDD. This would also remove from it any shadow of suspicion and end the rumors that some have talked about hearing.

Mr. QUIGLEY. This will give help where the help is needed.

Mr. JUDD. And it will not put an extra burden on the American taxpayers to pay an additional subsidy to our largest airline.

Mr. HARRIS. The gentleman's amendment would say that all nonsubsidized air carriers and all subsidized air carriers except one would be permitted to have this?

Mr. JUDD. It would say that the little carriers that people have been bleeding about all afternoon are the ones that would get this special assistance.

Mr. HARRIS. Who would profit from this?

Mr. JUDD. There would be only one that would not profit? What is its gross revenue? Over $200 million a year?

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

Mr. WILLIAMS of Mississippi. Mr. Chairman, I withdraw my point of order.

Mr. FLYNT. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Minnesota.

Mr. Chairman, may I say to the gentleman from Minnesota that I have the very highest regard for him. I feel as he stated he feels that subsidies should be eliminated and I wish they could be eliminated from all airlines including the airline to which he referred. I want to say that the amendment which the gentleman has offered not only has no legitimate and valid basis but it violates the principle of equal treatment of all citizens which has been embedded in the Constitution and laws of our country.

Mr. MORANO. Mr. Chairman, will the gentleman yield?

Mr. FLYNT. I yield to the gentleman from Connecticut.

Mr. MORANO. Will not the gentleman agree with me that this amendment is not only discriminatory, it is arbitrary? Would not the gentleman also agree with me that perhaps this would punish a company that started out small and got big, then you attempt to punish and discriminate against that company for doing that? It is fundamentally against free enterprise if you get right back to the basic objective of the amendment.

Mr. FLYNT. The gentleman from Connecticut is eminently correct. The amendment offered by the gentleman from Minnesota is punitive and discriminatory in its nature.

Mr. Chairman, we are considering here legislation dealing with the appropriate treatment of capital gains on the sale of flight equipment by the subsidized air carriers. The principles embodied in this bill are either right or they are wrong. The committee thinks they are right and I join with the committee in that opinion. I can understand some of the arguments to the contrary, but I cannot understand the arguments advanced by the gentleman from Minnesota, and I cannot agree with him. What I cannot understand is how anyone can maintain that the principles embodied in this bill are right for an airline with gross revenues of $49 million but wrong for one with $50 million.

Mr. JUDD. Will the gentleman yield?

Mr. FLYNT. I yield to the gentleman from Minnesota.

Mr. JUDD. There are no airlines in the range of $50 million gross revenues, except one, that are on subsidy and thus affected by this bill. The others that will be helped by this bill run from about $20 million down to $2 million plus one line that has over $200 million revenue a year. If what the gentleman says is correct, then our whole graduated income-tax system is discriminatory and punitive because it certainly discriminates between taxpayers who earn $2,000 a year and those who get $200,000 a year.

Mr. FLYNT. But all taxpayers in the same category and the same bracket pay the same taxes, and are covered by the same laws and the same regulations.

Mr. JUDD. That is what I want to do with airlines.

Mr. QUIGLEY. Mr. Chairman, if the gentleman will yield, all the airlines in the same category get the same treatment.

Mr. FLYNT. Under the bill as drawn, they will. Under this, they will not.

Let us examine this amendment that has been offered by the gentleman from Minnesota. In plain language it means simply this, that there may or may not be only one company covered by the amendment at this time, but the amendment might as well say that this bill shall apply to all subsidized airlines as well as Pan American. That would be clearly unconstitutional clearly discriminatory, and clearly punitive.

Mr. BEAMER. Mr. Chairman, will the gentleman yield?

Mr. FLYNT. I yield to the gentleman from Indiana.

Mr. BEAMER. Would it not also, in your opinion, say to the people, if we are going to discriminate, we are also going to attempt to penalize the big companies and also attempt, by the provisions of this particular amendment, to keep the small companies smaller? No incentive would be given to the small companies to advance.

Mr. FLYNT. The gentleman from Indiana is exactly correct. And, I want to say that discrimination of the kind advanced by the amendment of the gentleman from Minnesota is absolutely indefensible. It is true that Pan American, the company to which the gentleman referred, is now a large company, but it did not start that way. It started in 1927 with a dozen or so World War I pilots each putting up a small amount of capital. They have gotten to where they are because of initiative, hard work, and perseverance under the free enterprise system in America, and I want every one of the airlines to have the same opportunity Pan American had when they started.

Mr. MORANO. Mr. Chairman, will the gentleman yield?

Mr. FLYNT. I yield to the gentleman from Connecticut.

Mr. MORANO. The gentleman is making a fine statement. These 12 pilots put up $25,000 apiece to start Pan American. They were far-sighted, courageous, and they were real Americans, with the free enterprise system behind them. And, you cannot vote for an amendment of this kind to punish them for doing just that.

Mr. JUDD. I think the gentleman is making a fine argument for opposing the bill, because he says we should not have discrimination on the basis of income; yet this whole bill discriminates between those who allegedly have to have subsidy and those that are self-supporting. It is discrimination on the basis of income. Why should not a company succeed with so much Government help?

Mr. FLYNT. I think the success of any group under the free enterprise system depends upon the stamina and the hard work and the efforts they put into it. I ask that the amendment be voted down.

Mr. SPRINGER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am on this committee, and I have listened to this debate for well onto 2 hours with a great deal of interest. I think it is unfortunate that the membership should get to this situation where you are in a fight on the floor of this House between two airlines.

Now, I know the gentleman from Minnesota in coming forward with this particular amendment is doing so because he is naturally favoring Northwest Airlines, which is in his own area, Minneapolis-St. Paul. And, I think we might as well say that, and I think the gentleman will probably admit that that is true.

The gentleman from Minnesota is on the Committee on Foreign Affairs, and he ought to know that if there is anything that this country has to have it is an airline that circles the globe. I believe that we are the only country that has such an airline, and we need it very badly in our foreign relations. He will recall how disturbing the situation developed about a year and a half ago when it became a question whether India was going to let us continue to have bases there to keep this line around the world. It is true, if China had not gone Communist, Northwest would have acted and probably would have gone around the same route now as Pan American.

Let us put this up as a practical matter. If all Pan American had to do was to fly from the United States to Europe, it would be a profitable proposition, but they are flying in the Near East, in the Far East, in the most unprofitable places where practically all the profits that they make on their European operations are lost in the unprofitable areas. The result of it is that they have to have a subsidy. Northwest Airlines, for which the gentleman from Minnesota is speaking, has profitable domestic business with which to make money, and it has one of the most profitable overseas airlines in going through the northwest to Alaska and then to Japan. But that is as far as it goes, to Hong Kong. That is a profitable area to operate in. If it were to take in all the unprofitable areas which

Pan American has to do, then I say it would also be on subsidy.

The reason I have brought this out on the floor of the House is that I think the Members of the House ought to be acquainted with what the issue is on this amendment. I have not said anything about what I am going to do on this bill yet, but I do think that the Members ought to know what the issue is that is being brought up through this particular amendment.

Mr. JUDD. Mr. Chairman, would the gentleman yield?

Mr. SPRINGER. I yield to the gentleman from Minnesota.

Mr. JUDD. The gentleman has brought up Northwest Airlines. Northwest has the north Pacific route to the Orient and carries about one-fourth of the traffic across the Pacific. The lush central Pacific route to the Far East through Hawaii is Pan American's exclusively. It carries three-fourths of the traffic. It earns on that route alone almost three times as much as Northwest does on all its international operations. I do not believe anyone need feel sorry for Pan American. Furthermore, Northwest buys its own equipment. It is off subsidy. Pan American is not.

Mr. SPRINGER. If Northwest flew the routes in the nonprofitable areas that Pan American has, it would be on subsidy, too. The gentleman knows that and every member of the committee knows it.

Mr. MORANO. Mr. Chairman, will the gentleman yield?

Mr. SPRINGER. I yield.

Mr. MORANO. Would it not be consistent to vote against the bill and the principle involved in the bill rather than offer this kind of an amendment?

Mr. BOLAND. Mr. Chairman, would the gentleman yield?

Mr. SPRINGER. I yield.

Mr. BOLAND. Mr. Chairman, I am impressed with the argument that the gentleman is making now. I am also impressed with the fact that the gentleman said he does not know what he is going to do on this bill. I should like to ask him as one who sat with the committee during the hearings, and has sat with us through this afternoon, whether there is any great urgency in the matter of passing this bill at this time, in this session?

Mr. SPRINGER. Mr. Chairman, I shall answer the gentleman as frankly as I can. I have flown, or I did fly one of these small routes in my particular area. If any of the Members have flown them recently, they have seen the equipment that they have. It is pretty bad. I assume it is safe or the CAA would not approve it. But I will say that it is bad.

Whether this is the solution or not, I am not going to say. But I do say that these airlines that I am talking about, particularly the small ones, are going to have to find some way with which to finance new equipment if they are going to have planes that are in good condition, instead of these old DC–3's.

I am not saying that this is the solution. But I am saying that it is a solution which the committee has offered, and the decision whether you want these small airlines to keep flying this old equipment for the present is one that you are going to have to make today.

Mr. BOLAND. Can the gentleman tell me about the orders that the small airlines are now putting in for jet engines or turbo-prop engines?

The CHAIRMAN. The time of the gentleman has expired.

Mr. SPRINGER. Mr. Chairman, I ask unanimous consent to proceed for 2 minutes additional.

Mr. HESELTON. Mr. Chairman, I think we have had enough debate on this. I think we ought to be permitted to vote, and I hope the gentleman will withdraw his request and let us proceed.

Mr. SPRINGER. I should like to answer the gentleman's question.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

Mr. AUCHINCLOSS. Mr. Chairman, I object.

Mrs. BLITCH. Mr. Chairman, I move to strike out the last word.

Mr. HARRIS. If the gentle lady will yield for the purpose of the unanimous consent request, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 5 minutes, following the remarks of the lady from Georgia.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mrs. BLITCH. Mr. Chairman, I do not rise here to talk on the intricacies of this bill. Several hours ago, as it seems to me, we had a vote on the rule. Because of the fact that it is getting late in the session and I really knew so little about this bill I voted "no" on that rule which did not indicate whether I approved the pending measure or not. But now that the gentleman's amendment was offered excluding only one airline, it has brought about a bad situation, it seems to me.

I have the highest regard for the gentleman who offered that amendment, but I cannot let this moment go by without rising to defend the committee that is presenting this bill to us. Without meaning to do it, I am sure, but certainly it struck me that that is exactly what has been done, the gentleman impugned the motives and the honesty of almost the entire membership of the Committee on Interstate and Foreign Commerce.

Mr. JUDD. Mr. Chairman, will the gentlewoman yield?

Mrs. BLITCH. I yield to the gentleman from Minnesota.

Mr. JUDD. I am distressed beyond words that the gentlewoman should have received any such impression, because I had no such thought or intention. Members of the committee with whom I have debated this afternoon are among my best and most respected friends in this House. When I disagree with any person on a matter like this, it is not in the slightest degree to suggest that they are not working for just as worthy and sincere objectives, and with just as honest motives as I hope they credit me with having.

Mrs. BLITCH. I know the gentleman really did not mean that.

Mr. JUDD. I did not have the slightest idea that any such impression was given, but if it was given, I disavow it.

Mrs. BLITCH. I am glad to hear that. I knew the gentleman would.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota [Mr. JUDD].

The amendment was rejected.

The CHAIRMAN. The question is on the committee amendment as amended.

The committee amendment as amended was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. WALTER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 8902) to amend subsection 406 (b) of the Civil Aeronautics Act of 1938, as amended, pursuant to House Resolution 602, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Mr. HARRIS. Mr. Speaker, I ask unanimous consent that the further proceedings on this bill be temporarily dispensed with in order to permit the House to take up some other matters.

Mr. HESELTON. I must object, Mr. Speaker.

FURTHER MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed without amendment bills and a concurrent resolution of the House of the following titles:

H. R. 8157. An act to provide for the burial in the Memorial Amphitheater of the National Cemetery at Arlington, Va., of the remains of an unknown American who lost his life while serving overseas in the Armed Forces of the United States during the Korean conflict;

H. R. 9631. An act to ratify and confirm the sale of certain real property of the United States;

H. R. 10383. An act to provide for the conveyance of certain real property of the United States to the city of Vero Beach, Fla.;

H. R. 11197. An act to provide for the retention in public ownership of certain lands around the Jim Woodruff Reservoir, Florida and Georgia, being administered by the Florida Game and Fresh Water Fish Commission;

H. R. 11833. An act to amend the Soil Conservation and Domestic Allotment Act and the Agricultural Adjustment Act of 1938 to provide for a Great Plains conservation program; and

H. Con. Res. 271. Concurrent resolution correcting the enrollment of House Joint Resolution 511.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 3021. An act to amend title 18, United States Code, to make unlawful certain practices in connection with the placing of minor children for permanent free care or for adoption.

The message also announced that the Senate disagrees to the amendment of

the House to the bill (S. 3732) entitled "An act to provide insurance against flood damage, and for other purposes"; requests a conference with the House on the disagreeing votes of the two Houses thereon; and appoints Mr. LEHMAN, Mr. FULBRIGHT, Mr. MONRONEY, Mr. MORSE, Mr. CAPEHART, Mr. BRICKER, and Mr. BUSH to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 7619) entitled "An act to adjust the rates of compensation of the heads of the executive departments and of certain other officials of the Federal Government, and for other purposes."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 3386) entitled "An act to amend the joint resolution entitled 'Joint resolution to establish a commission for the celebration of the 100th anniversary of the birth of Theodore Roosevelt', approved July 28, 1955."

SECOND SUPPLEMENTAL APPROPRIATION BILL, 1957

Mr. CANNON submitted the following conference report and statement on the bill (H. R. 12350) making supplemental appropriations for the fiscal year ending June 30, 1957, and for other purposes:

CONFERENCE REPORT (H. REPT. NO. 2941)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 12350) making supplemental appropriations for the fiscal year ending June 30, 1957, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 27, 38, 48, 60, 61, 84, and 90.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 5, 6, 7, 8, 16, 17, 20, 24, 25, 26, 28, 29, 31, 34, 36, 41, 42, 43, 45, 46, 50, 55, 63, 66, 68, 69, 71, 75, 76, 80, 81, 83, 87, 88, 91, 92, 93, 94 and 95, and agree to the same.

Amendment numbered 19: That the House recede from its disagreement to the amendment of the Senate numbered 19, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert "$2,500,000"; and the Senate agree to the same.

Amendment numbered 32: That the House recede from its disagreement to the amendment of the Senate numbered 32, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert "$1,060,000"; and the Senate agree to the same.

Amendment numbered 49: That the House recede from its disagreement to the amendment of the Senate numbered 49, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert "$2,050,000"; and the Senate agree to the same.

Amendment numbered 58: That the House recede from its disagreement to the amendment of the Senate numbered 58, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert:

"Sanitary engineering activities: For an additional amount for 'Sanitary engineering activities', for carrying out the purposes of the Act of July 9, 1956 (Public Law 660), not otherwise provided for, $3,000,000, including $1,800,000 for grants to States and $200,000 for grants to interstate agencies."

And the Senate agree to the same.

Amendment numbered 79: That the House recede from its disagreement to the amendment of the Senate numbered 79, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert "$2,120,000"; and the Senate agree to the same.

Amendment numbered 89: That the House recede from its disagreement to the amendment of the Senate numbered 89, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment, insert:

"BUREAU OF NARCOTICS

"Salaries and expenses: For an additional amount for 'Salaries and expenses', $200,000."

And the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 3, 4, 9, 10, 11, 12, 13, 14, 15, 18, 21, 22, 23, 30, 33, 35, 37, 39, 40, 44, 47, 51, 52, 53, 54, 56, 57, 59, 62, 64, 65, 67, 70, 72, 73, 74, 77, 78, 82, 85, 86, and 96.

CLARENCE CANNON,
ALBERT THOMAS,
MICHAEL J. KIRWAN,
JAMIE L. WHITTEN,
JOHN J. ROONEY (except as to amendment No. 84),
JOHN E. FOGARTY,
JOHN TABER,
JOHN PHILLIPS,
T. MILLET HAND,
FRANK T. BOW,
Managers on the Part of the House.

CARL HAYDEN,
RICHARD B. RUSSELL,
DENNIS CHAVEZ,
ALLEN J. ELLENDER,
LISTER HILL,
CLINTON P. ANDERSON,
STYLES BRIDGES,
LEVERETT SALTONSTALL,
MILTON R. YOUNG,
WILLIAM F. KNOWLAND,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 12350) making supplemental appropriations for the fiscal year ending June 30, 1957, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

CHAPTER I

Department of Agriculture

Amendments Nos. 1 and 2: Insert headings as proposed by the Senate.

Amendments Nos. 3 and 4: Reported in disagreement.

Amendment No. 5: Appropriates $150,000 for the Commission on Increased Industrial Use of Agricultural Products as proposed by the Senate.

CHAPTER II

Department of Commerce

Amendments Nos. 6, 7, and 8: Insert headings as proposed by the Senate.

Amendments Nos. 9, 10, 11, 12, 13, and 14: Reported in disagreement.

CHAPTER III

Foreign operations

Amendment No. 15: Reported in disagreement.

CHAPTER IV

Independent offices

Amendments Nos. 16 and 17: Insert headings as proposed by the Senate.

Amendment No. 18: Reported in disagreement.

Amendment No. 19: Appropriates $2,500,000 for "Operating expenses, Public Buildings Service," instead of $3,500,000 as proposed by the Senate.

Amendment No. 20: Inserts heading as proposed by the Senate.

Amendments Nos. 21, 22, and 23: Reported in disagreement.

CHAPTER V

Department of the Interior and related agencies

Amendments Nos. 24, 25, and 26: Insert headings as proposed by the Senate.

Amendment No. 27: Deletes language proposed by the Senate appropriating $35 million for acquisition of strategic minerals.

Bureau of Indian Affairs

Amendment No. 28: Inserts heading as proposed by the Senate.

Amendment No. 29: Appropriates $250,000 for resources management as proposed by the Senate.

Amendment No. 30: Reported in disagreement.

Fish and Wildlife Service

Amendment No. 31: Inserts heading as proposed by the Senate.

Amendment No. 32: Appropriates $1,060,000 for construction instead of $1,250,000 as proposed by the Senate. The conference committee has denied the sum of $190,000 for employee housing at the Crab Orchard National Wildlife Refuge in Illinois.

Amendment No. 33: Reported in disagreement.

Department of Agriculture

Amendment No. 34: Inserts heading as proposed by the Senate.

Amendment No. 35: Reported in disagreement.

Related Agencies

Amendment No. 36: Inserts heading as proposed by the Senate.

Amendment No. 37: Reported in disagreement.

Amendment No. 38: Deletes Senate language appropriating $10,000 for the National Memorial Stadium Commission.

Amendment No. 39: Reported in disagreement.

Amendment No. 40: Reported in disagreement.

CHAPTER VI

Department of Labor

Amendments Nos. 41 and 42: Insert headings as proposed by the Senate.

Amendment No. 43: Appropriates $300,000 to the Office of the Solicitor to be derived from the Highway Trust Fund as proposed by the Senate.

Amendment No. 44: Reported in disagreement.

Department of Health, Education, and Welfare

Amendments Nos. 45 and 46: Insert headings as proposed by the Senate.

Amendment No. 47: Reported in disagreement.

Amendment No. 48: Deletes Senate language appropriating $350,000 for Grants in education of the mentally retarded.

Amendment No. 49: Appropriates $2,050,000 for Grants for library services instead of $7,500,000 as proposed by the Senate.

Amendment No. 50: Appropriates $34,050,000 for Payments to school districts as proposed by the Senate.

Amendments Nos. 51, 52, 53, and 54: Reported in disagreement.

Amendment No. 55: Inserts heading as proposed by the Senate.

Amendments Nos. 56 and 57: Reported in disagreement.

Amendment No. 58: Appropriates $3,000,000 for sanitary engineering activities instead of $4,550,000 as proposed by the Senate. The conference committee agrees that $250,000 of the amount appropriated shall be available for enforcement activities.

Amendment No. 59: Reported in disagreement.

Amendments Nos. 60 and 61: Deletes heading and Senate language appropriating $150,000 for the Foreign Quarantine Service.

Amendment No. 62: Reported in disagreement.

Amendment No. 63: Appropriates $200,000 for construction of dental research building as proposed by the Senate.

Amendments Nos. 64 and 65: Reported in disagreement.

Amendment No. 66: Appropriates $300,000 for general office building, National Institutes of Health, as proposed by the Senate.

Amendment No. 67: Reported in disagreement.

CHAPTER VII

Public works

Atomic Energy Commission

Amendments Nos. 68 and 69: Insert headings as proposed by the Senate.

Amendment No. 70: Reported in disagreement.

Amendment No. 71: Appropriates $1,740,400,000 for operating expenses as proposed by the Senate instead of $1,780,400,000 as proposed by the House.

Amendments Nos. 72, 73, and 74: Reported in disagreement.

Amendment No. 75: Deletes title number as proposed by the Senate.

Department of the Interior

Amendment No. 76: Appropriates $12,750,000 for construction and rehabilitation Bureau of Reclamation, as proposed by the Senate instead of $2,500,000 as proposed by the House. The conference committees are in agreement that available unobligated balances may be used for implementing loan contracts for the construction of irrigation facilities with the Terra Bella and Madera irrigation districts.

Amendments Nos. 77 and 78: Reported in disagreement.

Department of Defense—civil functions

Amendment No. 79: Appropriates $2,120,000 for construction, general, rivers and harbors and flood control instead of $2,520,000 as proposed by the Senate. The conference committee agrees to the language of the Senate report with respect to Sheridan, Wyo. Funds for the St. Anthony's Falls lock and dam, Minnesota, are disallowed.

CHAPTER VIII

Department of State

Amendments Nos. 80 and 81: Insert headings as proposed by the Senate.

Amendment No. 82: Reported in disagreement.

Amendment No. 83: Appropriates $30,000 for missions to international organizations as proposed by the Senate.

Amendment No. 84: Deletes Senate language making not to exceed $3,500,000 of foreign currencies available for educational, scientific, and cultural purposes.

Amendment No. 85: Reported in disagreement.

Related Agencies

Amendment No. 86: Reported in disagreement.

CHAPTER IX

Treasury Department

Amendments Nos. 87 and 88: Insert headings as proposed by the Senate.

Amendment No. 89: Appropriates $200,000 for salaries and expenses, Bureau of Narcotics, as proposed by the Senate.

Amendment No. 90: Deletes Senate language appropriating $6,000,000 for the construction of three patrol vessels for the Coast Guard.

The committee of conference believes that there is a grave danger to personnel and equipment in the shrimp industry in Gulf of Mexico waters from recent aggravations in those operations. Therefore, the committee directs that the Coast Guard increase the vigilance of its surveillance in the troublesome areas by maintaining at all times a minimum of two vessels on active duty. If this is done, the committee is hopeful that in time operations will again be conducted on a safer and calmer basis.

The conferees of House and Senate direct the Coast Guard to operate at least two vessels in the area involved, until the matters in disagreement are settled. The State Department is also directed to work toward settlement. New vessels are not needed, therefore no funds are allowed.

CHAPTER X

District of Columbia

Amendments Nos. 91 and 92: Insert headings as proposed by the Senate.

Amendment No. 93: Appropriates $10,000 for Settlement of claims and suits as proposed by the Senate.

Amendment No. 94: Provides that the sum appropriated in amendment number 93 shall be paid out of the general fund of the District of Columbia as proposed by the Senate.

CHAPTER XI

Legislative branch

House of Representatives

Amendment No. 95: Appropriates $50,000 for the Joint Committee on Internal Revenue Taxation as proposed by the Senate.

CHAPTER XII

Claims for damages, audited claims, and judgments

Amendment No. 96: Reported in disagreement.

CLARENCE CANNON,
ALBERT THOMAS,
MICHAEL J. KIRWAN,
JAMIE L. WHITTEN,
JOHN J. ROONEY (except as to amendment No. 84),
JOHN E. FOGARTY,
JOHN TABER,
JOHN PHILLIPS,
T. MILLET HAND,
FRANK T. BOW,
Managers on the Part of the House.

Mr. CANNON. Mr. Speaker, I call up the conference report on the bill (H. R. 12350) and ask unanimous consent that the statement on the part of the managers be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The Clerk read the statement.

Mr. CANNON. Mr. Speaker, this is an agreement between the managers on the part of the House and the Senate. We bring back 42 amendments in technical disagreement. On 25 of them I will move to recede and concur. We will bring them up seriatim.

Mr. Speaker, I yield to the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Speaker, this bill is the same one we had up the day before yesterday. The other body has added a very considerable amount to it, largely items which were submitted to the other body with budget estimates after we had gotten to the point where we could go no farther with the budget estimate and bring a report in. The conference report involves about $2,161,629,438 which is approximately $200 million above what it was when it left the House. I think the conference report is probably as good as we could get with everything considered.

Mr. CANNON. Mr. Speaker, I yield such time as he may require to the gentleman from New York [Mr. ROONEY].

Mr. ROONEY. Mr. Speaker, as one of the House conferees on the pending second supplemental appropriation bill, I did not concur in the action of the conference with regard to amendment numbered 84, an item of $3½ million in Israeli pounds under the title Department of State education, scientific and cultural activities. These Israeli pounds, now lying in Israeli banks doing nothing, accumulated as the result of a book program under the economic cooperation act. The deserving purposes contemplated in the expenditure of these $3½ million of Israeli currency are many and varied; adoption of the Senate language would most certainly strengthen our American point of view and ideals all through that troubled part of the world.

Mr. CANNON. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the conference report.

The conference report was agreed to.

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 3: On page 2, line 3, insert:

"FARMERS' HOME ADMINISTRATION

"Salaries and expenses

"For an additional amount for 'Salaries and expenses,' $1,400,000: *Provided*, That this appropriation shall be available only upon enactment into law of H. R. 11544, 84th Congress, or similar legislation amending the Bankhead-Jones Farm Tenant Act, as amended."

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. CANNON moves that the House recede from its disagreement to the amendment of the Senate numbered 3, and concur therein with an amendment, as follows: In lieu of the sum named in said amendment insert "$1,000,000."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 4: On page 2, line 4, insert:

"OFFICE OF THE GENERAL COUNSEL

"Salaries and expenses

"For an additional amount for 'Office of the General Counsel,' $85,000: *Provided*, That

this appropriation shall be available only upon enactment into law of H. R. 11544, 84th Congress, or similar legislation amending the Bankhead-Jones Farm Tenant Act, as amended."

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. CANNON moves that the House recede from its disagreement to the amendment of the Senate numbered 4, and concur therein with an amendment, as follows: In lieu of the sum named in said amendment insert: "$45,000."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 9: On page 3, line 6, insert:

"Operation and regulation: For an additional amount for 'Operation and regulation,' $13,968,000; and the limitation under this head in the Department of Commerce and Related Agencies Appropriation Act, 1957, on the amount available for hire of aircraft is increased from '$370,000' to '$570,000.' "

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. CANNON moves that the House recede from its disagreement to the amendment of the Senate numbered 9, and concur therein with an amendment, as follows: In lieu of the sum of "$13,968,000" named in said amendment insert "$10,000,000."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 10: On page 3, line 12, insert:

"Establishment of air navigation facilities: For an additional amount for 'Establishment of air navigation facilities,' $54,075,000, to remain available until expended."

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. CANNON moves that the House recede from its disagreement to the amendment of the Senate No. 10, and concur therein with an amendment, as follows: In lieu of the sum named in said amendment insert "$35,000,000."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 11: On page 3, line 15, insert:

"Maritime activities

"Ship construction: For an additional amount for 'Ship construction' for design, construction, outfitting, and preparation for operation of a nuclear-powered merchant ship, $22,000,000, to remain available until expended: *Provided*, That the limitation under this head in the Department of Commerce and Related Agencies Appropriation Act, 1957, on the amount which may be transferred to 'Salaries and expenses,' for administrative and warehouse expenses for the current fiscal year, is increased from '$1,115,000' to '$1,315,000': *Provided further*, That this paragraph shall be effective only upon enactment into law of H. R. 6243, Eighty-fourth Congress."

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. CANNON moves that the House recede from its disagreement to the amendment of the Senate No. 11, and concur therein with an amendment, as follows: In lieu of the sum of "$22,000,000" named in said amendment insert "$18,000,000"; and in lieu of the sum of "$1,315,000" named in said amendment insert "$1,215,000."

The motion was agreed to.

The SPEAKER. The Clerk will report the next Senate amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 12: On page 4, line 6, insert:

"Reimbursement to District of Columbia

"For reimbursement to the Highway Fund, District of Columbia, for part cost of construction of highway-railroad grade separation underpass at a point in the southeast section of the District of Columbia in the vicinity of East Capitol Street, $665,000, to remain available until expended."

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. CANNON moves that the House recede from its disagreement to the amendment of the Senate numbered 12, and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment insert:

"BUREAU OF PUBLIC ROADS

"Reimbursement to District of Columbia

"For reimbursement to the Highway Fund, District of Columbia, for part cost of construction of highway-railroad grade separation underpass at a point in the southeast section of the District of Columbia in the vicinity of East Capitol Street, $200,000, to remain available until expended."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 13: Page 4, line 12, insert:

"Bureau of Public Roads

"Federal-aid highways (Trust Fund): For carrying out the provisions of the Federal-aid Road Act of July 11, 1916, as amended and supplemented, which are attributable to Federal-aid highways, to remain available until expended, not more than $1,150,000,000, to be derived from the Highway Trust Fund; which sum is composed of $186,500,000, the balance of the amount authorized to be appropriated for the fiscal year 1955, $875,000,000, the amount authorized to be appropriated for the fiscal year 1956, $85,500,000, a part of the amount authorized to be appropriated for the fiscal year 1957, and $30,401, $14,097, $1,034,766, and $985,204, the latter sums being for reimbursement of the sums expended for the repair or reconstruction of highways and bridges which have been damaged or destroyed by floods, hurricanes, or landslides, as provided by section 4 of the act approved June 8, 1938, section 7 of the act approved July 13, 1943, and section 9 of the act approved September 7, 1950, as amended (23 U. S. C. 13a, and 13b), and section 7 of the act approved June 25, 1952, and $935,532 for reimbursement of the sums expended for the design and construction of highway bridges upon and across dams in accordance with the act of July 29, 1946 (60 Stat. 709): *Provided*, That at such time, but no later than June 30, 1957, as the Secretary of the Treasury, after consulting with the Secretary of Commerce, determines that the amounts available and estimated to become available in the Highway Trust Fund during the fiscal year 1957 are sufficient for carrying out, on a current basis, the provisions of the Federal-Aid Road Act of July 11, 1916, as amended and supplemented, this appropriation shall reimburse the appropriations for 'Federal-aid highways' for all expenditures subsequent to June 30, 1956."

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. CANNON moves that the House recede from its disagreement to the amendment of the Senate numbered 13, and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment insert:

"Federal-aid highways (Trust Fund): For carrying out the provisions of the Federal-Aid Road Act of July 11, 1956, as amended and supplemented, which are attributable to Federal-aid highways, to remain available until expended, not more than $800,000,000, to be derived from the Highway Trust Fund; which sum is composed of $186,500,000, the balance of the amount authorized to be appropriated for the fiscal year 1955, $610,500,000, a part of the amount authorized to be appropriated for the fiscal year 1956, and $30,401, $14,097, $1,034,766, and $985,204, the latter sums being for reimbursement of the sums expended for the repair or reconstruction of highways and bridges which have been damaged or destroyed by floods, hurricanes, or landslides, as provided by section 4 of the act approved June 8, 1938, section 7 of the act approved July 13, 1943, and section 9 of the act approved September 7, 1950, as amended (23 U. S. C. 13a, and 13b), and section 7 of the act approved June 25, 1952, and $935,532 for reimbursement of the sums expended for the design and construction of highway bridges upon and across dams in accordance with the act of July 29, 1946 (60 Stat. 709): *Provided*, That at such time, but no later than June 30, 1957, as the Secretary of the Treasury, after consulting with the Secretary of Commerce, determines that the amounts available and estimated to become available in the Highway Trust Fund during the fiscal year 1957 are sufficient for carrying out, on a current basis, the provisions of the Federal-Aid Road Act of July 11, 1916, as amended and supplemented, this appropriation shall reimburse the appropriations for "Federal-aid highways" for all expenditures subsequent to June 30, 1956."

The motion was agreed to.

Mr. CANNON. Mr. Speaker, there are 25 amendments on which the House, in my judgment, should recede and concur. They are merely technical disagreements.

Mr. Speaker, I ask unanimous consent to consider en bloc those amendments which are in technical disagreement, and on which the House managers will offer a motion to recede and concur, as follows: Nos. 14, 30, 33, 35, 39, 40, 44, 47, 51, 54, 56, 59, 62, 64, 65, 67, 70, 72, 73, 74, 77, 78, 82, 85, and 96.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The SPEAKER. The Clerk will report the amendments in disagreement, as indicated.

The Clerk read as follows:

Senate amendment No. 14: Page 6, line 1, insert:

"Federal-aid highways

"Reduction in appropriations: The appropriation granted under this head in the Department of Commerce and Related Agencies Appropriation Act, 1957, and the unexpended balances as of June 30, 1956, of appropriations granted under this head for prior fiscal years are rescinded effective June 30, 1957, or such earlier date as all expenditures from such appropriations made after June 30, 1956, have been reimbursed by appropriations from the highway trust fund: *Provided*, That the sums rescinded shall revert to the general fund."

Senate amendment No. 30: Page 10, line 1, insert:

"Payment to Pine Ridge Sioux Tribe of Indians

"For payments, as authorized by law, to certain members of the Pine Ridge Sioux Tribe of Indians, in settlement of their claims for damages resulting from the establishment of the Pine Ridge aerial gunnery range, $437,500, to remain available until expended."

Senate amendment No. 33: Page 10, line 11, insert:

"Fisheries loan fund

"For initial capital for the fisheries loan fund, for financing and refinancing of operations, maintenance, replacement, repair, and equipment of fishing gear and vessels; and for research into the basic problems of fisheries, as authorized by law, $10,000,000, of which not to exceed $250,000 shall be available for administrative expenses: *Provided*, That this paragraph shall be effective only upon enactment into law of S. 3275, 84th Congress, or similar legislation."

Senate amendment No. 35: Page 10, line 21, insert:

"FOREST SERVICES

"Acquisition of lands for Cache National Forest

"For the acquisition of lands within the boundaries of the Cache National Forest, Utah, $50,000, to remain available until expended."

Senate amendment No. 39: Page 11, line 21, insert:

"THEODORE ROOSEVELT CENTENNIAL COMMISSION

"For an additional amount for 'Theodore Roosevelt Centennial Commission,' $163,400, to remain available until expended: *Provided*, That this paragraph shall become effective only upon the enactment into law of S. 3386, 84th Congress."

Senate amendment No. 40; page 12, line 3, insert:

"BOOKER T. WASHINGTON CENTENNIAL COMMISSION

"For necessary expenses of the Booker T. Washington Centennial Commission to carry out the year-long celebration of the 100th anniversary of the birth of Booker T. Washington and to promote the spirit of interracial goodwill, and revive interest in the practical policies, programs, principles, and philosophies of Booker T. Washington, $225,000, to remain available until expended."

Senate amendment No. 44: Page 12, line 18, insert:

"BUREAU OF EMPLOYEES' COMPENSATION

"Salaries and expenses: Not to exceed $47,000 may be derived from the fund created by section 44 of the Longshoremen's and Harbor Workers' Compensation Act, as amended (33 U. S. C. 906), for the purposes of the appropriation granted under this head in the Department of Labor Appropriation Act, 1957."

Senate amendment No. 47: Page 13, line 4, insert:

"Promotion and further development of vocational education: For an additional amount for 'Promotion and further development of vocational education' for grants to States for extension and improvement of practical nurse training, $2,000,000: *Provided*, That this paragraph shall be effective only upon enactment of S. 3958, 84th Congress."

Senate amendment No. 51: Page 13, line 24, insert:

"Assistance for school construction: For an additional amount for providing school facilities and for grants to local educational agencies in federally affected areas, as authorized by title III and title IV of the act of September 23, 1950, as amended, including payments upon applications filed on or before June 30, 1956, and not to exceed $500,000 for necessary expenses of technical services rendered by other agencies and not to exceed $15,000,000 for title IV, $108,500,000, to remain available until expended: *Provided*, That no part of this appropriation shall be available for salaries or other direct expenses of the Department of Health, Education, and Welfare: *Provided further*, That this paragraph shall be effective only upon enactment into law of H. R. 11695, 84th Congress, or similar legislation."

Senate amendment No. 54: Page 15, line 3, insert:

"OFFICE OF VOCATIONAL REHABILITATION

"For an additional amount for 'Grants to States and other agencies', $1,000,000, for grants for special projects under section 4 (a) (2): *Provided*, That not more than $2 of these funds shall be expended for any project for each $1 that the grantee, or the grantee and the State, expends for the same purpose: *Provided further*, That this paragraph shall be effective only upon enactment of S. 3875, 84th Congress."

Senate amendment No. 56: Page 15, line 13, insert:

"Assistance to States, general: For an additional amount for 'Assistance to States, general', including $1,000,000 for grants for graduate training of professional public health personnel, pursuant to the provisions of the Health Amendments Act of 1956, $1,040,000: *Provided*, That this paragraph shall be effective only upon the enactment into law of S. 3958, 84th Congress."

Senate amendment No. 59: Page 16, line 5, insert:

"Hospitals and medical care: For an additional amount for 'Hospitals and medical care,' including $2,000,000 for grants for advanced training of professional nurses, pursuant to the provisions of the Health Amendments Act of 1956, $2,050,000: *Provided*, That this paragraph shall be effective only upon the enactment into law of S. 3958, 84th Congress."

Senate amendment No. 62: Page 16, line 15, insert:

"Operating expenses, National Institutes of Health: For an additional amount for 'Operating expenses, National Institutes of Health', $200,000, for administration of the Health Research Facilities Act of 1956: *Provided*, That this paragraph shall be effective only upon enactment of S. 849, 84th Congress."

Senate amendment No. 64: Page 17, line 4, insert:

"Grants for construction of health research facilities: For grants pursuant to the Health Research Facilities Act of 1956, $30,000,000: *Provided*, That this appropriation shall be available only upon enactment into law of S. 849, Eighty-fourth Congress."

Senate amendment No. 65: Page 17, line 9, insert:

"Construction of animal quarters: For construction of facilities for housing animals for the National Institute of Health including preparations of plans, equipment, and the temporary diversion of such facilities for office space, $1,371,000."

Senate amendment No. 67: Page 17, line 17, insert:

"Construction of library facilities: For the preparation of plans, specifications, and drawings for the National Library of Medicine, $350,000: *Provided*, That this appropriation shall become effective only upon enactment into law of S. 3430, Eighty-fourth Congress."

Senate amendment No. 70: Page 18, line 7, insert "including the employment of aliens;".

Senate amendment No. 72: Page 18, line 23; insert "together with the unexpended balances, as of June 30, 1956, of prior year appropriations made available under this head to the Atomic Energy Commission, and, in addition, any moneys (except sums received from disposal of property under the Atomic Energy Community Act of 1955 (42 U. S. C. 2301)) received by the Commission, notwithstanding the provisions of section 3617 of the Revised Statutes (31 U. S. C. 484: *Provided*, That of such amounts $100,000 may be expended for objects of a confidential nature and in any such case the certificate of the Commission as to the amount of the expenditure and that it is deemed inadvisable to specify the nature thereof shall be deemed a sufficient voucher for the sum therein expressed to have been expended: *Provided further*, That from this appropriation transfers of sums may be made to other agencies of the Government for the performance of the work for which this appropriation is made, and in such cases the sums so transferred may be merged with the appropriation to which transferred: *Provided further*, That no part of this appropriation shall be used in connection with the payment of a fixed fee to any contractor or firm of contractors engaged under a cost-plus-a-fixed-fee contract or contracts at any installation of the Commission, where that fee for community management is at a rate in excess of $90,000 per annum, or for the operation of a transportation system where that fee is at a rate in excess of $45,000 per annum."

Senate amendment No. 73: Page 20, line 8, insert: "to remain available until expended: *Provided*, That the obligated balance as of June 30, 1956, of amounts included in appropriations to the Atomic Energy Commission for 'Plant and equipment', for the activity 'Equipment not included in construction projects', shall be transferred to and merged with the appropriation for 'Operating expenses', and the remaining balance of such appropriations shall be merged with this appropriation: *Provided further*, That, in the event additional feed materials capacity is constructed by private industry with its own funds, the amounts included in this appropriation for such construction may be transferred to the appropriation for 'Operating expenses'."

Senate amendment No. 74: Page 21, line 22, insert:

"General provisions

"Any appropriation available under this or any other act to the Atomic Energy Commission may initially be used subject to limitations in this act during the fiscal year 1957 to finance the procurement of materials, services, or other costs which are a part of work or activities for which funds have been provided in any other appropriation available to the Commission: *Provided*, That appropriate transfers or adjustments between such appropriations shall subsequently be made for such costs on the basis of actual application determined in accordance with generally accepted accounting principles.

"Not to exceed 5 per centum of any appropriation herein made to the Atomic Energy Commission may be transferred to any

other such appropriation, but no such appropriation shall be increased by more than 5 per centum by any such transfers, and any such transfers shall be reported promptly to the Appropriations Committees of the House and Senate.

"No part of any appropriation herein made to the Atomic Energy Commission shall be used to confer a fellowship on any person who advocates or who is a member of an organization or party that advocates the overthrow of the Government of the United States by force or violence or with respect to whom the Commission finds, upon investigation and report by the Civil Service Commission on the character, associations, and loyalty of whom, that reasonable grounds exist for belief that such person is disloyal to the Government of the United States: *Provided*, That any person who advocates or who is a member of an organization or party that advocates the overthrow of the Government of the United States by force or violence and accepts employment or a fellowship the salary, wages, stipend, grant, or expenses for which are paid from any appropriation contained herein shall be guilty of a felony and, upon conviction, shall be fined not more than $1,000 or imprisoned for not more than 1 year, or both: *Provided further*, That the above penal clause shall be in addition to, and not in substitution for, any other provisions of existing law."

Senate amendment No. 77: Page 22, line 23, insert: "of which not to exceed $25,000 shall be available for the construction of safety and public use facilities at the Alamogordo Dam, Carlsbad project, New Mexico; and not to exceed $25,000 shall be available for the construction of safety and public use facilities at the Dickinson unit, North Dakota, Missouri River Basin project."

Senate amendment No. 78: Page 23, line 7, insert:

"Administrative provisions

"The Secretary of Commerce is hereby authorized to participate in the construction of the bridge required in the construction of the Glen Canyon unit, Arizona, Colorado River storage project; and may transfer for this purpose to the Secretary of the Interior funds available for the construction of public lands highways: *Provided*, That the amount transferred shall not exceed the cost of placing such bridge upon and across the dam under the provisions of the act of July 29, 1946 (60 Stat. 709; 21 U. S. C. 64–70)."

Senate amendment No. 82: Page 24, line 3, insert:

"DEPARTMENT OF STATE

"Contributions to international organizations

"Appropriations granted under this head for the fiscal year 1957 shall be available for contributions to the North Atlantic Treaty Parliamentary Conference, as authorized by the act of July 11, 1956 (Public Law 689), in an amount not to exceed $6,000."

Senate amendment No. 85: Page 24, line 21, insert:

"Cleveland Pan American Games

"For necessary expenses of the III Pan American Games, 1959, $100,000, to remain available until expended: *Provided*, That this appropriation shall be effective only upon the enactment into law of the III Pan American Games Act of 1956 (S. J. Res. 186, 84th Cong.) or similar legislation."

Senate amendment No. 96: Page 26, line 20, insert:

"CHAPTER XII

"Claims for damages, audited claims, and judgments

"For payment of claims for damages as settled and determined by departments and agencies in accord with law, audited claims certified to be due by the General Accounting Office, and judgments rendered against the United States by United States district courts and the United States Court of Claims, as set forth in Senate Document No. 143, 84th Congress, $1,312,538, together with such amounts as may be necessary to pay interest (as and when specified in such judgments or in certain of the settlements of the General Accounting Office or provided by law) and such additional sums due to increases in rates of exchange as may be necessary to pay claims in foreign currency: *Provided*, That no judgment herein appropriated for shall be paid until it shall have become final and conclusive against the United States by failure of the parties to appeal or otherwise: *Provided further*, That, unless otherwise specifically required by law or by the judgment, payment of interest wherever appropriated for herein shall not continue for more than 30 days after the date of approval of this act."

Mr. TABER (interrupting the reading of the amendments). Mr. Speaker, I ask unanimous consent that the amendments may be considered as read and printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. CANNON. Mr. Speaker, I move that the House recede from its disagreement to the amendments of the Senate numbered 14, 30, 33, 35, 39, 40, 44, 47, 51, 54, 56, 59, 62, 64, 65, 67, 70, 72, 73, 74, 77, 78, 82, 85, and 96, and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 15: page 6, line 12:

"CHAPTER III

"Foreign operations"

"Export-Import Bank of Washington

Not to exceed $4,000 of the funds previously made available for Administrative Expenses of the bank shall be available for the purchase of one motor vehicle for replacement only.

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. CANNON moves that the House recede from its disagreement to the amendment of the Senate No. 15, and concur therein with an amendment, as follows: In lieu of the sum named in said amendment insert "$2,500."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 18: Page 6, line 21; insert:

"PRESIDENT'S ADVISORY COMMISSION ON PRESIDENTIAL OFFICE SPACE

"Salaries and expenses

"For expenses necessary for the President's Advisory Commission on Presidential Office Space, $50,000: *Provided*, That this paragraph shall be effective only upon enactment into law of S. 4228, 84th Congress, or similar legislation."

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. CANNON moves that the House recede from its disagreement to the amendment of the Senate numbered 18, and concur therein with an amendment, as follows: In lieu of the sum named in said amendment insert "$20,000."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 21: Page 7, line 9, insert:

"FEDERAL FLOOD INSURANCE ADMINISTRATION

"Salaries and expenses: For necessary expenses of the Federal Flood Insurance Administration, including rent in the District of Columbia; services as authorized by section 15 of the act of August 2, 1946 (5 U. S. C. 55a), at rates not to exceed $50 per diem for individuals; expenses of attendance at meetings of organizations concerned with the work of the Administration; $500,000: *Provided*, That this appropriation shall be effective only upon the enactment into law of the Federal Flood Insurance Act of 1956 (S. 3732, 84th Cong.), or similar legislation."

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. CANNON moves that the House recede from its disagreement to the amendment of the Senate numbered 21, and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment insert:

"FLOOD INSURANCE

"For expenses necessary to carry out the Federal Flood Insurance Act of 1956, including rent in the District of Columbia; services as authorized by section 15 of the act of August 2, 1946 (5 U. S. C. 55a), at rates not to exceed $50 per diem for individuals; and expenses of attendance at meetings of organizations concerned with the work under this appropriation; $500,000: *Provided*, That this appropriation shall be effective only upon the enactment into law of the Federal Flood Insurance Act of 1956 (S. 3732, 84th Cong.)."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement:

The Clerk read as follows:

Senate amendment No. 22: Page 7, line 20, insert:

"PUBLIC HOUSING ADMINISTRATION

"Administration expenses: For an additional amount for 'Administrative expenses', $750,000 and the limitation under this head in title II of the Independent Offices Appropriation Act, 1957, on administrative expenses of the Public Housing Administration is increased from '$12,475,000' to '$13,225,000' and the limitation thereunder on the amount available for expenses of travel is increased from '$950,000' to '$1,010,000': *Provided*, That this paragraph shall be effective only upon the enactment into law of legislation authorizing the Administration to enter into new contracts for loans and annual contributions after July 31, 1956."

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. CANNON moves that the House recede from its disagreement to the amendment of the Senate No. 22, and concur therein with an amendment, as follows: In lieu of the sum of "$750,000" named in said amendment insert "$200,000"; and in lieu of the sum of "$13,225,000" named in said amendment insert "$12,675,000"; and in lieu of the sum of "$1,010,000" named in said amendment insert "$980,000".

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 23: Page 8, line 10, insert:

"FEDERAL NATIONAL MORTGAGE ASSOCIATION

"The limitation under this head in title II of the Independent Offices Appropriation Act, 1957, on administrative expenses of the Association is increased from '$3,775,000' to '$4,275,000', and the limitation thereunder on expenses of travel is increased from '$150,000' to '$200,000': *Provided*, That $200,000 of the foregoing increase in administrative expenses shall be available only upon the enactment into law of the amendments to subsection 303 (b) of the National Housing Act, as amended, contained in S. 3855, 84th Congress, with respect to nonrefundable capital contributions by mortgage sellers, or legislation of similar effect."

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. CANNON moves that the House recede from its disagreement to the amendment of the Senate numbered 23, and concur therein with an amendment, as follows: in lieu of the sum of "$4,275,000" named in said amendment insert "$4,025,000"; and in lieu of the first sum of "$200,000" named in said amendment insert "$175,000"; and in lieu of the second sum of "$200,000" named in said amendment insert "$100,000."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 37: On page 11, line 2, insert:

"ALEXANDER HAMILTON BICENTENNIAL COMMISSION

"For an additional amount for 'Alexander Hamilton Bicentennial Commission,' $55,000, to remain available until expended: *Provided*, That section 7 of the joint resolution entitled 'Joint resolution to establish a commission for the celebration of the two hundredth anniversary of the birth of Alexander Hamilton', approved August 20, 1954, is amended to read as follows:

" 'SEC. 7. There are hereby authorized to be appropriated such sums, not to exceed $25,000, in addition to the sum of $175,000 heretofore authorized to be appropriated, as the Congress may determine to be necessary to carry out the provisions of this joint resolution.' "

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. CANNON moves that the House recede from its disagreement to the amendment of the Senate numbered 37, and concur therein with an amendment, as follows: In lieu of the sum of "$55,000" named in said amendment insert "$40,000."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 52: On page 14, line 14, insert:

"Salaries and expenses: For an additional amount for 'Salaries and expenses', $290,000: *Provided*, That of this amount (a) $85,000 shall be available only upon enactment into law of H. R. 11695, 84th Congress, or similar legislation, (b) $45,000 shall be available only upon enactment of H. R. 11549 or S. 3958, 84th Congress, and (c) $20,000 shall be available only upon enactment into law of H. R. 11253 or S. 3620, 84th Congress."

Mr. CANNON. Mr. Speaker, I move the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. CANNON moves that the House recede from its disagreement to the amendment of the Senate numbered 52, and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment insert:

"Salaries and expenses: For an additional amount for 'Salaries and expenses', $270,000: *Provided*, That of this amount (a) $85,000 shall be available only upon enactment into law of H. R. 11695, 84th Congress, or similar legislation, and (b) $45,000 shall be available only upon enactment of H. R. 11549 or S. 3958, 84th Congress."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 53: On page 14, line 23, insert:

"Salaries and expenses: For salaries and expenses for the President's Committee on Education Beyond the High School, including services as authorized by section 15 of the act of August 2, 1946 (5 U. S. C. 55a), and expenses of attendance at meetings, $300,000."

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. CANNON moves that the House recede from its disagreement to the amendment of the Senate numbered 53, and concur therein with an amendment, as follows: In lieu of the sum named in said amendment insert "$150,000."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 57: On page 15, line 20, insert: "Grants for waste treatment works construction: For payments under section 6 of the Water Pollution Control Act, as amended, $50,000,000, to remain available until expended."

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. CANNON moves that the House recede from its disagreement to the amendment of the Senate numbered 57, and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment insert:

"Grants for waste treatment works construction: For payments under section 6 of the Water Pollution Control Act, as amended, $50,000,000, to remain available only until June 30, 1958."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 86: On page 25, line 4, insert:

"RELATED AGENCIES

"Funds appropriated to the President

"President's Special International Program

"For an additional amount for the 'President's Special International Program,' for United States participation in the Universal and International Exhibition of Brussels, 1958, $5 million, to remain available until expended: *Provided*, That this paragraph shall be effective only upon enactment into law of S. 3116, 84th Congress, or similar legislation."

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. CANNON moves that the House recede from its disagreement to the amendment of the Senate No. 86, and concur therein with an amendment, as follows: In lieu of the sum named in said amendment insert "$4 million."

Mr. CANFIELD. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. CANFIELD. Mr. Speaker, I am pleased the House has agreed to the Senate amendment providing for $200,000 for additional narcotics agents needed to intensify and fortify the campaign to cut down drug addiction in our country and help foreign police ferret out and jail those who develop and smuggle in illicit drugs.

Had the Treasury Department come to the House subcommittee with a request of this nature, I am certain the item would have been incorporated in the House bill. I am both surprised and distressed that the Treasury did not do so because it is represented in the Interdepartmental Committee which recommended additional agents last February. Since then the House Ways and Means Committee, following an exhaustive study, has called for such action.

When I addressed the House on February 7 last, I pointed out the need for more men in the Bureau which has begun to suffer some attrition in agents due to extra funds needed for special investigations. I referred to the findings of both House and Senate committees and I expressed the hope two things would soon come to pass, first that the Congress would enact into law a bill providing more severe penalties and improved enforcement procedures and secondly, the number of enforcement agents would be increased substantially. When the President signs this second supplemental bill both will have been accomplished.

The narcotics situation in New York, Chicago, Los Angeles, and Texas, needs immediate attention. I want no dope peddlers plying their nefarious trade in my home area of North Jersey, close to New York, and I want to see reinforced Federal strength in this area. I want also to see the little group sent to Europe and the Far East bolstered and helped in their mission to get at the source of supply.

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the several motions was laid on the table.

Mr. CANNON. Mr. Speaker, I ask unanimous consent that all Members who have spoken on this conference report may have 5 legislative days in which to extend their remarks in the RECORD

and to include certain tabulated statements.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

FLOOD CONTROL ACT OF 1956

Mr. DAVIS of Tennessee. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 12080) authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. FALLON, DAVIS of Tennessee, BLATNIK, JONES of Alabama, DONDERO, and MACK of Washington.

PROVIDING INSURANCE AGAINST FLOOD DAMAGE

Mr. SPENCE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (S. 3732) to provide insurance against flood damage, and for other purposes, with House amendment thereto, insist on the House amendment, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. SPENCE, BROWN of Georgia, PATMAN, RAINS, WOLCOTT, GAMBLE, and TALLE.

REINVESTMENT BY AIR CARRIERS OF NET GAINS FROM THE SALE OR OTHER DISPOSITION OF CERTAIN PROPERTY

The SPEAKER. The question is on the committee amendment.

The committee amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

Mr. HESELTON. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. HESELTON. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. HESELTON moves to recommit the bill to the Committee on Interstate and Foreign Commerce.

The SPEAKER. The question is on the motion to recommit.

The question was taken; and on a division (demanded by Mr. HESELTON) there were—ayes 93, noes 88.

Mr. HARRIS. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 196, nays 153, answered "present" 1, not voting 83, as follows:

[Roll No. 125]

YEAS—196

Abernethy	Flood	Morgan
Addonizio	Forand	Moss
Albert	Ford	Moulder
Alger	Fountain	Multer
Andersen, H. Carl	Frazier	Mumma
Andresen, August H.	Frelinghuysen	Murray, Tenn.
Ashley	Garmatz	Natcher
Ashmore	Gary	Nicholson
Aspinall	Gathings	Norblad
Auchincloss	Gentry	O'Brien, Ill.
Avery	Gray	O'Hara, Ill.
Ayres	Green, Oreg.	O'Konski
Baldwin	Green, Pa.	Ostertag
Barrett	Gregory	Perkins
Bass, N. H.	Griffiths	Pfost
Bates	Gross	Philbin
Becker	Gubser	Phillips
Bentley	Hagen	Pilcher
Betts	Hardy	Pillion
Boggs	Harrison, Nebr.	Poage
Boland	Harrison, Va.	Poff
Bolling	Hays, Ohio	Price
Bolton, Frances P.	Hayworth	Prouty
Bolton, Oliver P.	Henderson	Quigley
Bosch	Heselton	Rabaut
Boyle	Hiestand	Ray
Bray	Hoeven	Rhodes, Pa.
Brown, Ga.	Hoffman, Mich.	Riehlman
Brown, Ohio	Holifield	Robeson, Va.
Budge	Holland	Rodino
Burnside	Holmes	Roosevelt
Byrd	Holt	St. George
Byrne, Pa.	Holtzman	Saylor
Byrnes, Wis.	Hull	Sheppard
Canfield	Jenkins	Sikes
Cannon	Jennings	Simpson, Ill.
Cederberg	Johnson, Wis.	Sisk
Chelf	Jonas	Smith, Miss.
Chudoff	Jones, Mo.	Spence
Church	Judd	Sullivan
Clark	Karsten	Taber
Cooley	Kean	Talle
Coon	Keating	Thomas
Cooper	Knox	Thompson, N. J.
Cramer	Knutson	Tollefson
Curtis, Mass.	Laird	Tumulty
Curtis, Mo.	Landrum	Udall
Davidson	Lanham	Utt
Davis, Tenn.	Latham	Vanik
Dawson, Utah	LeCompte	Van Pelt
Delaney	Lesinski	Vorys
Denton	Lipscomb	Walter
Dingell	McCarthy	Watts
Donovan	McDonough	Weaver
Dorn, N. Y.	McDowell	Wharton
Doyle	McVey	Whitten
Edmondson	Macdonald	Wigglesworth
Ellsworth	Mack, Wash.	Williams, N. J.
Engle	Madden	Willis
Evins	Magnuson	Wilson, Ind.
Feighan	Matthews	Winstead
Fino	Metcalf	Wolcott
Fjare	Miller, Calif.	Wright
	Miller, Nebr.	Yates
	Miller, N. Y.	Zablocki
	Minshall	Zelenko
	Mollohan	

NAYS—153

Alexander	Cunningham	Gavin
Allen, Calif.	Dague	George
Allen, Ill.	Davis, Ga.	Grant
Andrews	Dempsey	Gwinn
Arends	Derounian	Hale
Beamer	Devereux	Haley
Belcher	Dixon	Halleck
Bennett, Fla.	Dodd	Harden
Bennett, Mich.	Dollinger	Harris
Berry	Dolliver	Harvey
Blatnik	Dondero	Hays, Ark.
Blitch	Donohue	Healey
Bonner	Dorn, S. C.	Herlong
Bow	Durham	Hill
Broyhill	Elliott	Hillings
Bush	Fallon	Hinshaw
Carlyle	Fascell	Horan
Carrigg	Fenton	Huddleston
Chenoweth	Fernandez	Hyde
Cole	Fisher	Ikard
Colmer	Flynt	Jackson
Corbett	Fogarty	Jarman
Coudert	Friedel	Johnson, Calif.
Cretella	Fulton	Jones, Ala.
Crumpacker	Gamble	Jones, N. C.
Kearns	Norrell	Selden
Keogh	O'Brien, N. Y.	Short
Kilburn	O'Neill	Shuford
Kilday	Osmers	Sieminski
Kilgore	Patterson	Simpson, Pa.
King, Calif.	Pelly	Springer
Klein	Polk	Staggers
Krueger	Radwan	Steed
Lankford	Rains	Teague, Calif.
Lovre	Reece, Tenn.	Teague, Tex.
McConnell	Rees, Kans.	Thompson, Tex.
McCulloch	Reuss	Thomson, Wyo.
McGregor	Roberts	Trimble
McIntire	Robsion, Ky.	Van Zandt
Machrowicz	Rogers, Colo.	Velde
Mack, Ill.	Rogers, Fla.	Wainwright
Mahon	Rogers, Mass.	Westland
Mailliard	Rogers, Tex.	Widnall
Marshall	Rooney	Wier
Martin	Sadlak	Williams, Miss.
Meader	Schenck	Williams, N. Y.
Merrow	Scherer	Wilson, Calif.
Miller, Md.	Schwengel	Withrow
Mills	Scott	Wolverton
Morano	Scrivner	Young
Murray, Ill.	Seely-Brown	Younger

ANSWERED "PRESENT"—1

Hand

NOT VOTING—83

Abbitt	Diggs	Passman
Adair	Dowdy	Patman
Anfuso	Eberharter	Powell
Bailey	Forrester	Preston
Baker	Gordon	Priest
Barden	Hébert	Reed, N. Y.
Bass, Tenn.	Hess	Rhodes, Ariz.
Baumhart	Hoffman, Ill.	Richards
Bell	Hope	Riley
Bowler	Hosmer	Rivers
Boykin	James	Rutherford
Brooks, La.	Jensen	Scudder
Brooks, Tex.	Johansen	Sheehan
Brownson	Kearney	Shelley
Buckley	Kee	Siler
Burdick	Kelley, Pa.	Smith, Kans.
Burleson	Kelly, N. Y.	Smith, Va.
Carnahan	King, Pa.	Smith, Wis.
Celler	Kirwan	Taylor
Chase	Kluczynski	Thompson, La.
Chatham	Lane	Thompson, Mich.
Chiperfield	Long	Thornberry
Christopher	McCormack	Tuck
Clevenger	McMillan	Vinson
Davis, Wis.	Mason	Vursell
Dawson, Ill.	Morrison	Wickersham
Deane	Nelson	
Dies	O'Hara, Minn.	

So the motion to recommit was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Hoffman of Illinois for, with Mr. Hess against.

Until further notice:

Mr. Hébert with Mr. Taylor.

Mr. Thompson of Louisiana with Mr. Clevenger.

Mr. Passman with Mr. Adair.

Mr. Brooks of Louisiana with Mr. Kearney.

Mr. Tuck with Mr. Vursell.

Mr. Smith of Virginia with Mr. Siler.

Mr. Abbitt with Mr. Davis of Wisconsin.

Mr. Morrison with Mr. Baker.

Mr. Patman with Mr. Reed of New York.

Mr. Bell with Mr. O'Hara of Minnesota.

Mr. Dowdy with Mr. Mason.

Mr. Burleson with Mr. Chiperfield.

Mr. Bailey with Mr. Baumhart.

Mr. Rutherford with Mrs. Thompson of Michigan.

Mr. Thornberry with Mr. Smith of Kansas.

Mr. Vinson with Mr. Rhodes of Arizona.

Mr. Forrester with Mr. Nelson.

Mr. Preston with Mr. Chase.

Mr. Gordon with Mr. Burdick.

Mr. Kelley of Pennsylvania with Mr. Hope.

Mrs. Kelly of New York with Mr. Hosmer.

Mr. Kirwan with Mr. James.

Mr. Dies with Mr. Smith of Wisconsin.

Mr. Brooks of Texas with Mr. Scudder.

Mr. Kluczynski with Mr. Sheehan.

Mr. Riley with Mr. Jensen.

Mr. Powell with Mr. Johansen.

Mr. Carnahan with Mr. King of Pennsylvania.

Mr. Anfuso with Mr. Brownson.

Mrs. BLITCH and Messrs. FERNANDEZ, BONNER, and WILSON of California changed their vote from "yea" to "nay."

Messrs. MATTHEWS and WATTS changed their vote from "nay" to "yea."

The result of the vote was announced as above recorded.

MILITARY CONSTRUCTION

Mr. KILDAY. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 12270) to authorize certain construction at military installations, and for other purposes, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 33, line 10, strike out "$37,760,000" and insert "$21,510,000."

Page 71, line 1, strike out "419" and insert "420."

Page 71, line 24, strike out "420" and insert "421."

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Then Senate amendments were concurred in.

A motion to reconsider was laid on the table.

Mr. KILDAY. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. KILDAY. Mr. Speaker, accepting the Senate amendments to this bill involves two matters. First, the deletion of authorization of the four Talos sites. This is a matter, of course, which can be reconsidered next year in the light of the development of these missiles at that time.

The second Senate amendment relates to keeping the Congress and the Armed Services Committees aware of the proposed construction of family housing for all the military services. It will be noted that the language inserted by the Senate requires the submission of detailed information.

Section 2 (a) of the amendment requires that a 180-day period elapse from the submission of the report before action can be taken to enter into a contract for housing. This requirement is very importantly limited, however, in subsection (b) of section 2, in that the committees may advise the Secretary of Defense at any time within the 180-day period that they—the committees—have "no further questions to be asked concerning the project."

It will be possible for the respective committees to take prompt action, and, I would assume, in most instances in much less than 180 days.

The language will also permit action while the Congress is not in session, although I am sure it will be the intention of the House Committee at least to have the departments furnish their plans for family housing in such timely fashion as will permit full committee deliberations. This will not be difficult, and will merely require good planning on the part of the military departments.

FISHERIES ACT OF 1956

Mr. BONNER submitted the following conference report and statement on the bill (S. 3275) to establish a sound and comprehensive national policy with respect to fisheries; to strengthen the fisheries segment of the national economy; to establish within the Department of the Interior a Fisheries Division; to create and prescribe the functions of the United States Fisheries Commission; and for other purposes:

CONFERENCE REPORT (H. REPT. NO. 2942)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 3275) to establish a sound and comprehensive national policy with respect to the fisheries segment of the national economy; to establish within the Department of the Interior a Fisheries Division; to create and prescribe the functions of the United States Fisheries Commission; and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following: "That this Act may be cited as the 'Fish and Wildlife Act of 1956'.

"DECLARATION OF POLICY

"SEC. 2. The Congress hereby declares that the fish, shellfish, and wildlife resources of the Nation make a material contribution to our national economy and food supply, as well as a material contribution to the health, recreation, and well-being of our citizens; that such resources are a living, renewable form of national wealth that is capable of being maintained and greatly increased with proper management, but equally capable of destruction if neglected or unwisely exploited; that such resources afford outdoor recreation throughout the Nation and provide employment, directly or indirectly, to a substantial number of citizens; that the fishing industries strengthen the defense of the United States through the provision of a trained seafaring citizenry and action-ready fleets of seaworthy vessels; that the training and sport afforded by fish and wildlife resources strengthen the national defense by contributing to the general health and physical fitness of millions of citizens; and that properly developed, such fish and wildlife resources are capable of steadily increasing these valuable contributions to the life of the Nation.

"The Congress further declares that the fishing industry, in its several branches, can prosper and thus fulfill its proper function in national life only if certain fundamental needs are satisfied by means that are consistent with the public interest and in accord with constitutional functions of governments. Among these needs are:

"(1) Freedom of Enterprise—freedom to develop new areas, methods, products, and markets in accordance with sound economic principles, as well as freedom from unnecessary administrative or legal restrictions that unreasonably conflict with or ignore economic needs;

"(2) Protection of Opportunity—maintenance of an economic atmosphere in which domestic production and processing can prosper; protection from subsidized competing products; protection of opportunity to fish on the high seas in accordance with international law;

"(3) Assistance—assistance consistent with that provided by the Government for industry generally, such as is involved in promoting good industrial relations, fair trade standards, harmonious labor relations, better health standards and sanitation; and including, but not limited to—

"(a) services to provide current information on production and trade, market promotion and development, and an extension service,

"(b) research services for economic and technologic development and resource conservation, and

"(c) resource management to assure the maximum sustainable production for the fisheries.

"The Congress further declares that the provisions of this Act are necessary in order to accomplish the objective of proper resource development, and that this Act shall be administered with due regard to the inherent right of every citizen and resident of the United States to engage in fishing for his own pleasure, enjoyment, and betterment, and with the intent of maintaining and increasing the public opportunities for recreational use of our fish and wildlife resources, and stimulating the development of a strong, prosperous, and thriving fishery and fish processing industry.

"REORGANIZATION WITHIN THE DEPARTMENT OF THE INTERIOR

"SEC. 3. (a) There is hereby established within the Department of the Interior the position of Assistant Secretary for Fish and Wildlife, and the position of Commissioner of Fish and Wildlife. Such Assistant Secretary shall be appointed by the President, by and with the advice and consent of the Senate, and shall be compensated at the same rate as other Assistant Secretaries. The Commissioner shall be appointed by the President by and with the advice and consent of the Senate. He shall receive compensation at the same rate as that provided for Grade GS 18. There is also established a United States Fish and Wildlife Service within the Department, consisting of two separate agencies, each of which shall have the status of a Federal bureau. There shall be a Director of each of said Bureaus appointed by the Secretary at Grades GS 17 each. One of the agencies shall be known as the "Bureau of Commercial Fisheries" and the other agency shall be known as the "Bureau of Sport Fisheries and Wildlife." The United States Fish and Wildlife Service, except as prescribed by this Act, shall succeed to and replace the presently existing Fish and Wildlife Service of the Department.

"(b) The functions of the United States Fish and Wildlife Service hereby established shall be administered under the supervision of the said Commissioner of Fish and Wildlife, who shall be subject to the supervision of the Assistant Secretary for Fish and Wildlife.

"(c) All functions and responsibilities placed in the Department of the Interior or any official thereof by this Act shall be included among the functions and responsibilities of the Secretary of the Interior, as the head of the Department, and shall be carried out under his direction pursuant to such procedures or delegation of authority as he may deem advisable and in the public interest.

"(d) In order to make a proper distribution between the two Bureaus of the United States Fish and Wildlife Service established by this Act, the previously existing functions, powers, duties, authority, liabilities, commitments, personnel, records, and other properties or matters previously handled by or administered through the former Fish and

Wildlife Service of the Department, shall be distributed as follows:

"(1) The Bureau of Commercial Fisheries shall be responsible for those matters to which this Act applies relating primarily to commercial fisheries, whales, seals, sea-lions, and related matters;

"(2) The Bureau of Sport Fisheries and Wildlife shall be responsible for those matters to which this Act applies relating primarily to migratory birds, game management, wildlife refuges, sport fisheries, sea mammals (except whales, seals and sea-lions), and related matters; and the funds and allocations, appropriated or otherwise, relating to the matters covered by paragraphs (1) and (2) of this subsection shall be distributed between such Bureaus as the Secretary of the Interior shall determine.

"(e) Except as changed by the terms of this Act or by subsequent laws or regulations, all laws and regulations now in effect relating to matters heretofore administered by the Department of the Interior through the former Fish and Wildlife Service as heretofore existing, shall remain in effect.

"(f) In recognition of the need for authority to execute the purposes of this Act effectively, the Secretary of the Interior shall exercise such general administrative authority consistently with the terms of this Act as he shall find to be necessary to carry out the provisions of this Act effectively and in the public interest. In order to allow sufficient time to place the reorganizations under this Act into effect, the Secretary is authorized to establish an effective procedure and date of such reorganizations, notice of which shall be published in the Federal Register. Such reorganization shall be accomplished as soon as practicable after the approval of this Act, but not later than ninety (90) calendar days after such approval.

"LOAN PROCEDURES

"SEC. 4. (a) The Secretary is authorized under rules and regulations and under terms and conditions prescribed by him, to make loans for financing and refinancing of operations, maintenance, replacement, repair, and equipment of fishing gear and vessels, and for research into the basic problems of fisheries.

"(b) Any loans made under the provisions of this section shall be subject to the following restrictions:

"(1) Bear an interest rate of not less than 3 per centum per annum;

"(2) Mature in not more than ten years;

"(3) No financial assistance shall be extended pursuant to this section unless reasonable financial assistance applied for is not otherwise available on reasonable terms.

"(c) There is hereby created a fisheries loan fund, which shall be used by the Secretary as a revolving fund to make loans for financing and refinancing under this section. Any funds received by the Secretary on or before June 30, 1965, in payment of principal or interest on any loans so made, shall be deposited in the fund and be available for making additional loans under this section. Any funds so received after June 30, 1965, and any balance remaining in the fund at the close of June 30, 1965 (at which time the fund shall cease to exist), shall be covered into the Treasury as miscellaneous receipts. There are hereby authorized to be appropriated to the fund the sum of $10,000,000 to provide initial capital.

"(d) The Secretary, subject to the specific limitations in this section, may consent to the modification, with respect to the rate of interest, time of payment of any installment of principal, or security, of any loan contract to which he is a party.

"INVESTIGATIONS, INFORMATION, REPORTS

"SEC. 5. (a) The Secretary shall conduct continuing investigations, prepare and disseminate information, and make periodical reports to the public, to the President, and to Congress, with respect to the following matters:

"(1) The production and flow to market of fish and fishery products domestically produced, and also those produced by foreign producers which affect the domestic fisheries;

"(2) The availability and abundance and the biological requirements of the fish and wildlife resources;

"(3) The competitive economic position of the various fish and fishery products with respect to each other, and with respect to competitive domestic and foreign-produced commodities;

"(4) The collection and dissemination of statistics on commercial and sport fishing;

"(5) The collection and dissemination of statistics on the nature and availability of wildlife, progress in acquisition of addtional refuges and measures being taken to foster a coordinated program to encourage and develop wildlife values;

"(6) The improvement of production and marketing practices in regard to commercial species and the conduct of educational and extension services relative to commercial and sport fishing, and wildlife matters;

"(7) Any other matters which in the judgment of the Secretary are of public interest in connection with any phases of fish and wildlife operations.

"TRANSFER OF FUNCTIONS—ASSISTANCE OF OTHER AGENCIES

"SEC. 6. (a) There shall be transferred to the Secretary all functions of the Secretary of Agriculture, the Secretary of Commerce, and the head of any other department or agency, as determined by the Director of the Bureau of the Budget to relate primarily to the development, advancement, management, conservation, and protection of commercial fisheries; but nothing in this section shall be construed to modify the authority of the Department of State or the Secretary of State to negotiate or enter into any international agreements, or conventions with respect to the development, management, or protection of any fisheries and wildlife resources or with respect to international commissions operating under conventions to which the United States is a party.

"(b) There shall be transferred to the Department of the Interior so much of the personnel, property, facilities, records, and unexpended balances of appropriations, allocations, and other funds (available or to be made available) as the Director of the Bureau of the Budget determines to be necessary in connection with the exercise of any functions transferred to the Secretary pursuant to subsection (a) of this section.

"(c) The Secretary may request and secure the advice or assistance of any department or agency of the Government in carrying out the provisions of this Act, and any such department or agency which furnishes advice or assistance to the Secretary may expend its own funds for such purposes, with or without reimbursement from the Secretary as may be agreed upon between the Secretary and the department or agency.

"POLICIES, PROCEDURES, RECOMMENDATIONS

"SEC. 7. (a) The Secretary of the Interior, with such advice and assistance as he may require from the Assistant Secretary for Fish and Wildlife, shall consider and determine the policies and procedures that are necessary and desirable in carrying out efficiently and in the public interest the laws relating to fish and wildlife. The Secretary, with the assistance of the departmental staff herein authorized, shall—

"(1) develop and recommend measures which are appropriate to assure the maximum sustainable production of fish and fishery products and to prevent unnecessary and excessive fluctuations in such production;

"(2) study the economic condition of the industry, and whenever he determines that any segment of the domestic fisheries has been seriously disturbed either by wide fluctuation in the abundance of the resource supporting it, or by unstable market or fishing conditions or due to any other factors he shall make such recommendations to the President and the Congress as he deems appropriate to aid in stabilizing the domestic fisheries;

"(3) develop and recommend special promotional and informational activities with a view to stimulating the consumption of fishery products whenever he determines that there is a prospective or actual surplus of such products;

"(4) take such steps as may be required for the development, advancement, management, conservation, and protection of the fisheries resources; and

"(5) take such steps as may be required for the development, management, advancement, conservation, and protection of wildlife resources through research, acquisition of refuge lands, development of existing facilities, and other means.

"STATE DEPARTMENT—COOPERATION

"SEC. 8. (a) The Secretary shall cooperate to the fullest practicable extent with the Secretary of State in providing representation at all meetings and conferences relating to fish and wildlife in which representatives of the United States and foreign countries participate. The Secretary of State shall designate the Secretary of the Interior or the Assistant Secretary for Fish and Wildlife, or a person designated by the Secretary of the Interior to represent the Department of the Interior, as a member of the United States delegation attending such meetings and conferences and also as a member of the negotiating team of any such delegation.

"(b) The Secretary of State and all other officials having responsibilities in the fields of technical and economic aid to foreign nations shall consult with the Secretary in all cases in which the interests of fish and wildlife are involved—with a view to assuring that such interests are adequately represented at all times.

"(c) Notwithstanding any other provision of law, the Secretary shall be represented in all international negotiations conducted by the United States pursuant to section 350 of the Tariff Act of 1930, as amended, in any case in which fish products are directly affected by such negotiations.

"(d) The Secretary shall consult periodically with the various governmental, private nonprofit, and other organizations and agencies which have to do with any phase of fish and wildlife with respect to any problems that may arise in connection with such fish and wildlife.

"REPORTS ON ACTIVITIES AND IMPORTS

"SEC. 9. (a) The Secretary of the Interior shall make an annual report to the Congress with respect to activities of the United States Fish and Wildlife Service under this Act, and shall make such recommendations for additional legislation as he deems necessary.

"(b) The Secretary is authorized to make a report to the President and the Congress, and, when requested by the United States Tariff Commission in connection with section 7 of the Trade Agreements Extension Act of 1951, as amended (67 Stat. 72, 74), or when an investigation is made under the Tariff Act of 1930 (19 U. S. C. 1332), the Secretary is authorized to make a report to such Commission, concerning the following matters with respect to any fishery product which is imported into the United States, or such reports may be made upon a request from any segment of the domestic industry

producing a like or directly competitive product:

"(1) whether there has been a downward trend in the production, employment in the production, or prices, or a decline in the sales, of the like or directly competitive product by the domestic industry; and

"(2) whether there has been an increase in the imports of the fishery products into the United States, either actual or relative to the production of the like or directly competitive product produced by the domestic industry.

"THE RIGHTS OF STATES

"SEC. 10. Nothing in this Act shall be construed (1) to interfere in any manner with the rights of any State under the Submerged Lands Act (Public Law 31, Eighty-third Congress) or otherwise provided by law, or to supersede any regulatory authority over fisheries exercised by the States either individually or under interstate compacts; or (2) to interfere in any manner with the authority exercised by any International Commission established under any treaty or convention to which the United States is a party.

"AUTHORIZATION FOR APPROPRIATION

"SEC. 11. There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

"SEC. 12. (a) The authorization for the transfer of certain funds from the Secretary of Agriculture to the Secretary of the Interior and their maintenance in a separate fund as contained in section 2 (a) of the Act of August 11, 1939, as amended July 1, 1954 (68 Stat. 376), shall be continued for the year ending June 30, 1957, and each year thereafter.

"(b) Subsection (e) of section 2 of the aforesaid Act of August 11, 1939, as amended, is hereby amended to read as follows:

"'(e) The separate fund created for the use of the Secretary of the Interior under section 2 (a) of this Act and the annual accruals thereto shall be available for each year hereafter until expended by the Secretary.'"

And the House agree to the same.

That the Senate recede from its disagreement to the amendment of the House to the title of the bill, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following: "To establish a sound and comprehensive national policy with respect to fish and wildlife; to strengthen the fish and wildlife segments of the national economy; to establish within the Department of the Interior the position of Assistant Secretary for Fish and Wildlife; to establish a United States Fish and Wildlife Service; and for other purposes."

And the House agree to the same.

HERBERT C. BONNER,
FRANK W. BOYKIN,
JOHN C. KLUCZYNSKI,
THOR C. TOLLEFSON,
JOHN J. ALLEN, JR.,
Managers on the Part of the House.

WARREN G. MAGNUSON,
GEORGE A. SMATHERS,
ALAN BIBLE,
JAMES H. DUFF,
FREDERICK G. PAYNE,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 3275) to establish a sound and comprehensive national policy with respect to fisheries; to strengthen the fisheries segment of the national economy; to establish within the Department of the Interior a Fisheries Division; to create and prescribe the functions of the United States Fisheries Commission; and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report:

S. 3275 as passed by the Senate created a United States Fisheries Commission of five members, the Chairman of which would administer the Fisheries Division of the Department of the Interior in the capacity of an Assistant Secretary of the Interior. The wildlife functions of the present Fish and Wildlife Service would be assigned to a new Wildlife Service.

Under the House amendments to the bill, there would be appointed an Assistant Secretary for Fisheries and Wildlife and a Commissioner of the United States Fish and Wildlife Service, under whom would be a Bureau of Wildlife and a Bureau of Fisheries, each with a Director. The Secretary of the Interior could allocate overlapping functions of the two Bureaus to one or the other, and could establish a single division to handle functions common to both Bureaus. A revolving fund of $10 million was authorized for financing operations, maintenance, replacement, repair and equipment of fish gear and vessels and for fishery research and the Saltonstall-Kennedy Act was made permanent, and the ceiling on the amount available under its terms was removed.

The bill agreed upon is substantially as amended by the House. Jurisdiction of seals and sea lions has been allocated to the Commercial Fisheries Bureau and funds for the two Bureaus are to be distributed under the direction of the Secretary of the Interior.

The reference to wildlife in the section relating to transfer of functions of the Department of Agriculture in the House amendments has been deleted, since it is not the intention to disturb that Department's control of wildlife in the national forests. Also, there is no intention to affect the activities of the Tennessee Valley Authority in its fishery work. Likewise, the section referring to the Government Corporations Control Act in the sections setting up the revolving fund in the House amendments had been stricken as inappropriate to the other financing provisions.

While both the Senate bill and the House amendments, and consequently the bill agreed upon, provided that nothing in the bill should supersede any regulatory authority over fisheries exercised by the States, the managers are extremely concerned over the wasteful practices in taking fish to the extent that our fisheries resources are depleted. The States should take appropriate action to punish such occurrences.

HERBERT C. BONNER,
FRANK W. BOYKIN,
JOHN C. KLUCZYNSKI,
THOR C. TOLLEFSON,
JOHN J. ALLEN, JR.,
Managers on the Part of the House.

AUTHORIZING THE SECRETARY OF COMMERCE TO SELL CERTAIN WAR-BUILT VESSELS

Mr. BONNER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the resolution (H. J. Res. 685) to authorize the Secretary of Commerce to sell certain war-built vessels.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Clerk read the resolution, as follows:

Resolved, etc., That (a) notwithstanding the provisions of section 11 of the Merchant Ship Sales Act of 1946, as amended, and section 510 (h) of the Merchant Marine Act, 1936, as amended, the Secretary of Commerce is authorized to sell within 1 year after the enactment of this joint resolution, to a citizen of the United States, within the meaning of section 2 of the Shipping Act, 1916, as amended, for employment in the Pacific Coastwise domestic trade between points in continental United States, four C4–S–B2 vessels, to be designated by the Maritime Administrator on an as, where is, basis, provided that the Secretary of Commerce shall determine before entering into such sales that the purchaser possesses the ability, experience, financial resources, and other qualifications necessary to enable it to operate and maintain the vessel in service in the Pacific Coastwise domestic trade between points in continental United and to maintain adequate service in such trade. The sales prices of the vessels shall be their sales prices computed under the Merchant Ship Sales Act of 1946, as of Jenuary 15, 1951, depreciated (after reduction for residual value) on a straight line basis for the period from January 15, 1951, to the date of execution of the contract of sale, on the basis of the promotion of a 20-year useful life of the vessels remaining after January 15, 1951.

(b) Each such sale shall be on the basis of the payment by the purchaser of not less than 25 percent of the vessel sale price at the time of execution of the vessel sales contract, with the balance payable in approximately equal annual installments over the remainder of the economic life of the vessel, which economic life is to be determined by the Maritime Administration, with interest on the portion of the vessel sales price remaining unpaid at the rate of 3½ percent per annum. The obligation of the purchaser with respect to payment of such unpaid balance, with interest, shall be secured by a preferred mortgage on the vessels in form satisfactory to the Maritime Administrator.

(c) (1) Such sales shall be made upon condition and agreement that the purchaser recondition the vessels satisfactory to the Secretary of Commerce in a domestic shipyard for use as container ships.

(2) Vessels sold under this act shall be employed exclusively as dry cargo common carriers in the Pacific Coastwise domestic trade between points in continental United States until the end of their useful lives, as determined under subsection (b) of this act, or until they are replaced by new tonnage, whichever happens first. These restrictions shall run at law and in equity with the titles to the vessels and are binding upon all subsequent owners.

(d) Any contract of sale executed under authority of this act shall provide that in the event the United States shall, through purchase or requisition, acquire ownership of any such vessel, the owner shall be paid therefor the value thereof, but in no event shall such payment exceed the actual depreciated sales price under such contract (together with the actual depreciated cost of capital improvements thereon); that in computing the depreciated acquisition cost of such vessel, the depreciation shall be computed on the vessel on the schedule adopted or accepted by the Secretary of the Treasury for income-tax purposes as applicable to such vessels; that such vessel shall remain documented under the laws of the United States during the remainder of the economic life of the vessel or as long as there remains due the United States any principal or interest on account of the sales price, whichever is the longer period; and that the foregoing provisions respecting the requisition or the acquisition of ownership by the United States, and documentation shall run with the title to such vessel and be binding on all owners thereof.

With the following committee amendments:

Page 1, line 8, after "to", insert "the highest responsible bidder who."

Page 2, line 9, strike "sales" and insert "upset."

Page 2, line 11, strike out "Jenuary" and insert "January."

Page 2, line 14, strike out "promotion" and insert "portion."

Page 3, line 7, strike out "container ships" and insert "lift-on-lift-off ships or roll-on-roll-off ships or other container-type designed primarily for the handling or carriage of consolidated cargo shipments."

The committee amendments were agreed to.

Mr. BONNER. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BONNER: Page 2, line 1, strike out "four C4–S–B2" and insert "any four war-built."

The amendment was agreed to.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FISHERIES ACT OF 1956

Mr. BONNER. Mr. Speaker, I call up the conference report on the bill (S. 3275) to establish a sound and comprehensive national policy with respect to fisheries, to strengthen the fisheries segment of the national economy, to establish within the Department of the Interior a Fisheries Division, to create and prescribe the functions of the United States Fisheries Commission, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Clerk read the statement.

Mr. BONNER. Mr. Speaker, I yield to the gentleman from California [Mr. MILLER].

Mr. MILLER of California. Mr. Speaker, will the gentleman from North Carolina tell us what the difference is between the House bill and the Senate bill as it comes to us from conference?

Mr. BONNER. The bill is substantially as passed by the House. The Senate wrote some new language, but I assure the House the language the Senate put in the bill is an expression of the House language in just another way. It took from Fish and Wildlife seals and put them over in commercial fisheries.

Mr. MILLER of California. Then, substantially the bill is the same?

Mr. BONNER. I assure the gentleman the bill is substantially the same, and lo and behold it meets the many objections of commercial and sport fishermen.

The SPEAKER. The question is on the conference report.

The conference report was agreed to.

PAPERWORK MANAGEMENT

Mr. FRIEDEL. Mr. Speaker, I ask unanimous consent that the Committee on House Administration have permission to file part I of its report on paperwork management, and that the committee also have permission to file other parts of this report with the Clerk of the House subsequent to sine die adjournment, for printing as House reports of the 84th Congress, 2d session.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

Mr. HOFFMAN of Michigan. Mr. Speaker, reserving the right to object, may I ask the gentleman, this comes from the Committee on House Administration?

Mr. FRIEDEL. Yes, sir.

Mr. HOFFMAN of Michigan. Can the gentleman tell me how I can get from the House Committee on Administration information that has been filed with the Department of Defense telling how many Congressmen went where and at what cost?

Mr. FRIEDEL. No, I do not know.

Mr. HOFFMAN of Michigan. I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

MAINTENANCE OF PUBLIC ORDER, ET CETERA, IN CONNECTION WITH PRESIDENTIAL INAUGURAL CEREMONY

Mr. DAVIS of Georgia. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the resolution (H. J. Res. 667) to provide for the maintenance of public order and the protection of life and property in connection with the presidential inaugural ceremonies, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the resolution.

The Clerk read the Senate amendments, as follows:

Page 2, line 16, strike out "standing" and insert: "standing,".

Page 7, line 3, strike out "'SEC." and insert: "SEC."

Page 7, line 14, strike out "President-elect.'" and insert: "President-elect."

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

Mr. MARTIN. Mr. Speaker, reserving the right to object, will the gentleman explain the amendment?

Mr. DAVIS of Georgia. This amendment only provides for the insertion of a comma between the words "standing" and "moving."

Mr. MARTIN. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

EXEMPTION FROM TAXATION OF PROPERTY OF AMERICAN INSTITUTE OF ARCHITECTS IN DISTRICT OF COLUMBIA

Mr. DAVIS of Georgia. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 11489) to exempt from taxation certain property of the American Institute of Architects in the District of Columbia, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 1, line 9, strike out "to" and insert: "shall".

Page 2, line 1, after "purposes" insert: "or for the general business activities of said institute, subject to the proviso that said institute shall maintain the said Octagon House and outbuildings as historical buildings which shall be preserved for their architectural and historical significance, which buildings shall be accessible to members of the general public without charge or payment of a fee of any kind at such reasonable hours and under such regulations as may, from time to time, be prescribed by said institute."

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

GIFTS OF SECURITIES TO MINORS IN THE DISTRICT OF COLUMBIA

Mr. DAVIS of Georgia. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 11090) concerning gifts of securities to minors in the District of Columbia, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 7, line 14, strike out all after "custodian." down to and including line 18.

Page 7, line 23, strike out "became" and insert: "become."

Page 8, strike out lines 8 to 14, inclusive.

Page 8, line 15, strike out "9" and insert: "8."

Page 8, after line 17, insert:

"SEC. 9. The next friend or legal representative of a minor, in whose behalf securities are held by a custodian under this act, or the minor in his own right, no later than 1 year after reaching 21 years of age, shall be entitled to maintain an action in the United States District Court for the District of Columbia against such custodian, or his estate for an accounting and delivery of the securities and unexpended income, in the event of the death, inability or neglect to act of such custodian."

Page 8, strike out lines 18 to 25, inclusive.

Page 9, strike out lines 1, 2, and 3.

Page 9, line 4, strike out "12" and insert: "10."

Page 10, line 11, strike out "13" and insert: "11."

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

THE LATE HONORABLE HELEN DOUGLAS MANKIN

Mr. DAVIS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. DAVIS of Georgia. Mr. Speaker, I arise to inform the House of the unfortunate accidental death on yesterday of Mrs. Helen Douglas Mankin, a former Representative in this body from the Fifth Congressional District of Georgia. Mrs. Mankin lived a full and eventful life. She was the daughter of Mr. and Mrs. Hamilton Douglas. Mr. Douglas, her father, established the Atlanta Law School, which throughout the years has been one of Atlanta's and Georgia's recognized outstanding law schools.

Mrs. Mankin was a member of the legal profession, having graduated from the Atlanta Law School in 1921. She practiced law in Atlanta, Ga., from her graduation until the time of her death.

She took an active part in the civic and political life of her county and State, having served from 1937 to 1946 as a member of the General Assembly of Georgia from Fulton County.

Upon the resignation of Congressman Robert Ramspeck in December 1945, Mrs. Mankin was elected to fill his unexpired term, and she served as a Member of the United States House of Representatives until January 3, 1947.

Mrs. Mankin served as an ambulance driver and mechanic with an American hospital unit attached to the French Army during World War I. She served overseas for 13 months, and was decorated with Medaille de la Reconnaissance. In recognition of her service during World War I, she was made a citizen of Luzancy (Marne), France. Mrs. Mankin also took an active part in women's organizations. She was a national president of the Women's Overseas Service League. She was a member of the Business and Professional Women's Club. She also was a member of the Georgia Association of Women Lawyers, the American Bar Association, the Georgia Bar Association, and the Atlanta Bar Association.

Her many friends will learn of her untimely passing with deep sorrow.

I extend deepest sympathy to the members of her family in this time of bereavement.

DISPOSAL OF FEDERALLY OWNED PROPERTY AT OBSOLESCENT CANALIZED WATERWAYS

Mr. BURNSIDE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 7596) to provide for the disposal of federally owned property at obsolescent canalized waterways, and for other purposes, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 2, line 5, after "dams)" insert: ": *Provided*, That the provisions of this section shall not be effective with respect to the Big Sandy River, Ky., and the Rough River, Ky., pending and until a determination has been made by the Secretary of the Army that the project structures and appurtenances including real property will not be required in connection with any improvements for navigation or other allied purposes under consideration in surveys of the Big Sandy River and Rough River now authorized."

Page 2, line 20, after "areas" insert: ": *Provided*, That in lieu of preparing dam numbered 3 on the Big Sandy River for abandoning such funds may be expended for modification of the lock and restoration for said dam either as a movable or fixed type dam but not to exceed $50,000, contingent upon local interests furnishing such additional funds as may be necessary and agreeing to accept the property and take over operation and maintenance of the said structure."

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

Mr. MARTIN. Reserving the right to object, Mr. Speaker, will the gentleman explain what these changes do?

Mr. BURNSIDE. They will do away with 25 obsolete dams and locks. The administration wants this done. This was sent to the House committee and we reported it by a unanimous vote of that committee. There was an amendment by the Senate that would take care of the situation where the property was being leased to a small city at a cost of $60,000. The city will match these funds.

Mr. MARTIN. I thank the gentleman, and withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

PAULINE H. CORBETT

Mr. DONOHUE submitted a conference report and statement on the bill (H. R. 3957) for the relief of Pauline H. Corbett.

DISPOSITION OF CERTAIN OBSOLETE GOVERNMENT PUBLICATIONS

Mr. HAYS of Ohio. Mr. Speaker, at the request of the Committee on House Administration, I ask unanimous consent for the immediate consideration of the concurrent resolution (H. Con. Res. 268) authorizing the disposal of certain obsolete Government publications now stored in the folding rooms of the Congress.

The Clerk read the title of the concurrent resolution.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

Mr. SAYLOR. Mr. Speaker, reserving the right to object, will the gentleman from Ohio explain the concurrent resolution?

Mr. HAYS of Ohio. I will be very happy to explain it.

This is a concurrent resolution that is introduced every 4 years. May I say I introduced this at the request of the chairman of the Joint Committee on Printing, Senator HAYDEN. It is to clear out the folding rooms. Briefly, it requires that each Member be given notification of all the documents down there, and he has 60 days to claim any documents he wants, not the ones to his credit, but accumulated odd documents. After that, whatever is left over and not claimed is to be disposed of so there can be room in the folding rooms for incoming documents, books, and so forth.

I understand that this has been done every 4 years, since I do not know how far back, but for a long time. This is just a routine resolution.

Mr. SAYLOR. Mr. Speaker, I withdraw my reservation of objection.

Mr. HOFFMAN of Michigan. Reserving the right to object, Mr. Speaker, not long ago there was considerable controversy, at least in the press, about the executive department's inability to get the record of the campaign expenses of the two parties. Does this have anything to do with the publication of those reports?

Mr. HAYS of Ohio. Not to my knowledge. If they are down there and I find them, I will see that the gentleman gets them.

Mr. HOFFMAN of Michigan. I do not want them. I took copies when they came in.

Mr. HAYS of Ohio. Then why did not the gentleman give them to the press?

Mr. HOFFMAN of Michigan. I just wanted to know if the rest of them could get them if they wanted to. If the gentleman is so smart about it, I think I will object to this one. Let him think about it for a while.

The SPEAKER. Objection is heard.

AMENDMENT OF ATOMIC ENERGY ACT OF 1954

Mr. DEMPSEY. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 12215) to amend the Atomic Energy Act of 1954, as amended, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from New Mexico?

Mr. COLE. Reserving the right to object, Mr. Speaker, and I shall not object, because I feel that this is a bill that should be adopted by the Congress, however, I take this opportunity to give expression to what I feel to be a most discouraging, destructive, disillusioning, and disappointing situation. For over a month two bills have been on the calendar of the House which would do more to remove the logjam of reactor development of peacetime uses of atomic energy than anything else conceivable that the Congress can do. It appears that no action is going to be taken on those bills. That is to my mind tragic. The responsibility for the failure of this Congress to do the things that it should do to promote the development of peacetime uses of atomic energy must rest squarely on the persons having the responsibility for this Congress.

Mr. MARTIN. Mr. Speaker, will the gentleman yield?

Mr. COLE. I yield to the gentleman from Massachusetts.

Mr. MARTIN. I want to say to the gentleman from New York that the President is very anxious about this bill and has been constantly urging its passage. He joins in the expression the gentleman from New York has given here tonight. This is a bill that should be passed before we leave, and I hope it will be passed.

Mr. VAN ZANDT. Is it not true that the Joint Committee on Atomic Energy held lengthy hearings on the bill to provide Federal public liability indemnity program for atomic energy plants and the industry as well as spokesmen for the insurance companies of this country came before our committee and joined in our effort to provide through the bill the necessary relief for the great utilities of this country who are spending millions of dollars in the development of atomic power?

Mr. COLE. The gentleman is entirely right. This bill was reported by the joint committee unanimously with one exception. It determines and fixes the liability of the persons who are expected to own and operate these reactors. Here the Congress by law has called upon private capital to move into this field. Private capital has shown its readiness to do so, but it has hesitated to do so until its liability, when it does so, is determined by law. That is what this bill is designed to do and is intended to do.

Mr. PHILLIPS. Mr. Speaker, will the gentleman yield?

Mr. COLE. I yield.

Mr. PHILLIPS. What concerns me, Mr. Speaker, and I rise to ask the gentleman from New York if I am not right, is that we will not only lose 6 months or more of very valuable time in the race for leadership in atoms for peace, but we may have a tendency to discourage the industrial groups that are planning to help us carry the load of that research and leadership.

Mr. COLE. The gentleman is entirely right. The reactor development program will be delayed just so long as the Congress fails to measure up to its responsibility.

Mr. Speaker, I withdraw by reservation of objection.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

Mr. DEMPSEY. Mr. Speaker, I ask unanimous consent to substitute the Senate bill (S. 4203) to amend the Atomic Energy Act of 1954, as amended, and for other purposes, and ask for its immediate consideration.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the Senate bill?

Mr. HOFFMAN of Michigan. Mr. Speaker, reserving the right to object, is this the same bill that the gentleman said was thrown out earlier in the day?

Mr. DEMPSEY. No; I did not say that. This has never been thrown out so far as I know.

The SPEAKER. This bill has not been before the House.

Is there objection to the present consideration of the Senate bill?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That section 11 u. of the Atomic Energy Act of 1954, as amended, is amended to read as follows:

"u. The term 'United States' when used in a geographical sense includes all Territories and possessions of the United States, the Canal Zone and Puerto Rico."

SEC. 2. Section 31 a. of the Atomic Energy Act of 1954, as amended, is amended by inserting after the word "development" in the first sentence thereof the words "and training."

SEC. 3. Section 31 b. and section 31 c. of the Atomic Energy Act of 1954, as amended, are amended by redesignating the sections as section 31 c. and 31 d. respectively and by adding a new section 31 b. reading as follows:

"b. The Commission is further authorized to made grants and contributions to the cost of construction and operation of reactors and other facilities and other equipment to colleges, universities, hospitals, and eleemosynary or charitable institutions for the conduct of educational and training activities relating to the fields in subsection a."

SEC. 4. Section 161 of the Atomic Energy Act of 1954, as amended, is amended by adding at the end thereof the following new subsection:

"r. The Commission is authorized and empowered, under such terms and conditions as are deemed advisable by it, to grant easements for rights-of-way over, across, in, and upon acquired lands under its jurisdiction and control, and public lands permanently withdrawn or reserved for the use of the Commission, to any State, political subdivision thereof, or municipality, or to any individual, partnership, or corporation of any State, Territory, or possession of the United States, for (a) railroad tracks; (b) oil pipelines; (c) substations for electric power transmission lines, telephone lines, and telegraph lines, and pumping stations for gas, water, sewer, and oil pipelines; (d) canals; (e) ditches; (f) flumes; (g) tunnels; (h) dams and reservoirs in connection with fish and wildlife programs, fish hatcheries, and other fish-cultural improvements; (i) roads and streets; and (j) for any other purpose or purposes deemed advisable by the Commission: *Provided*, That such rights-of-way shall be granted only upon a finding by the Commission that the same will not be incompatible with the public interest: *Provided further*, That such rights-of-way shall not include any more land than is reasonably necessary for the purpose for which granted: *And provided further*, That all or any part of such rights-of-way may be annulled and forfeited by the Commission for failure to comply with the terms and conditions of any grant hereunder or for nonuse for a period of 2 consecutive years or abandonment of rights granted under authority hereof. Copies of all instruments granting easements over public lands pursuant to this section shall be furnished to the Secretary of the Interior."

SEC. 5. Section 182 a. of the Atomic Energy Act of 1954, as amended, is amended by striking the last sentence thereof and substituting in place thereof the following:

"All applications and statements shall be signed by the applicant or licensee. Applications for, and statements made in connection with, licenses under sections 103 and 104 shall be made under oath or affirmation. The Commission may require any other applications or statements to be made under oath or affirmation."

SEC. 6. Chapter 18 of the Atomic Energy Act of 1954, as amended, is amended by redesignating sections 229, 230, 231 as sections 231, 232, 233 respectively, making appropriate amendment to the Table of Contents and adding two new sections, 229 and 230, reading as follows:

"SEC. 229. Trespass upon Commission installations:

"a. The Commission is authorized to issue regulations relating to the entry upon or carrying, transporting, or otherwise introducing or causing to be introduced any dangerous weapon, explosive, or other dangerous instrument or material likely to produce substantial injury or damage to persons or property, into or upon any facility, installation, or real property subject to the jurisdiction, administration, or in the custody of the Commission. Every such regulation of the Commission shall be posted conspicuously at the location involved.

"b. Whoever shall willfully violate any regulation of the Commission issued pursuant to subsection a. shall, upon conviction thereof, be punishable by a fine of not more than $1,000.

"c. Whoever shall willfully violate any regulation of the Commission issued pursuant to subsection a. with respect to any installation or other property which is enclosed by a fence, wall, floor, roof, or other structural barrier shall be guilty of a misdemeanor and upon conviction thereof shall be punished by a fine of not to exceed $5,000 or to imprisonment for not more than 1 year, or both.

"SEC. 230. Photographing, etc., of Commission installations: It shall be an offense, punishable by a fine of not more than $1,000 or imprisonment for not more than 1 year, or both—

"(1) to make any photograph, sketch, picture, drawing, map or graphical representation, while present on property subject to the jurisdiction, administration, or in the custody of the Commission, of any installations or equipment designated by the President as requiring protection against the general dissemination of information relative thereto, in the interest of the common defense and security, without first obtaining the permission of the Commission, and promptly submitting the product obtained to the Commission for inspection or such other action as may be deemed necessary; or

"(2) to use or permit the use of an aircraft or any contrivance used, or designed for navigation or flight in air, for the purpose of making a photograph, sketch, picture, drawing, map, or graphical representation of any installation or equipment designated by the President as provided in the preceding paragraph, unless authorized by the Commission."

SEC. 7. Section 229 of the Atomic Energy Act of 1954, as amended, is amended to read as follows:

"SEC. 231. Other laws: Sections 224 to 230 shall not exclude the applicable provisions of any other laws."

SEC. 8. All land and interests in land, owned by the United States within the boundaries of the county of Los Alamos, State of New Mexico, containing approximately 70,800 acres, are hereby transferred, without reimbursement or transfer of funds, to the Atomic Energy Commission. The Atomic Energy Commission shall exercise administrative control over all land and interests in land transferred to the Atomic Energy Commission by this act, notwithstanding the manner of their acquisition by the United States nor their status at any time prior to the effective date of this act.

SEC. 9. The Secretary of the Army is authorized to transfer to the Atomic Energy Commission, without compensation therefor, for use in connection with the Atomic Energy program, all that real property and interests therein, comprising approximately 200 acres, of the Weldon Spring Ordnance Works, Weldon Spring, Mo., as delineated on map designated exhibit A attached to "Department of the Army Permit to Use Weldon Spring Ordnance Works Military Reservation, Mo.," dated January 25, 1955, on

file in the Atomic Energy Commission, and all or any part of the personal property therein at the time of approval of this act: *Provided*, That when the Atomic Energy Commission, or its successor in functions, determines that the real property herein authorized for transfer is no longer required for the purposes stated, the real property, together with buildings and permanent improvements thereon at the date of such determination, shall, at the option of the Secretary of the Army, be returned to the Department of the Army without compensation therefor.

SEC. 10. There is hereby retroceded to the State of Kentucky the exclusive jurisdiction heretofore acquired from the State of Kentucky by the United States of America, over lands in McCracken County, Ky., within the present boundaries of the Paducah project of the Atomic Energy Commission. This retrocession of jurisdiction shall take effect in accordance with the law of the State of Kentucky.

SEC. 11. Section 101 of the Atomic Energy Act of 1954, as amended, is amended by inserting the word "use," between the words "possess," and "import,".

SEC. 12. Section 103 a. of the Atomic Energy Act of 1954, as amended, is amended by inserting the word "use," between the words "possess," and "import,".

SEC. 13. Section 103 d. of the Atomic Energy Act of 1954, as amended, is amended by inserting the words "an alien or any" between the words "issued to" and the words "any corporation."

SEC. 14. Section 143 of the Atomic Energy Act of 1954, as amended, is amended by inserting between the words "licensee of the Commission" and the words "to permit any employee" the words "or any other person authorized access to Restricted Data by the Commission under subsection 145 b.".

Mr. HOLIFIELD. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HOLIFIELD. Mr. Speaker, the gentleman from New York and his colleagues, the gentleman from Massachusetts [Mr. MARTIN] and the gentleman from California [Mr. PHILLIPS] come before the House at this late date pleading for legislation which they claim is necessary for the President's atoms for peace plan.

Where were the gentlemen on Tuesday, July 24, when we had a bill before the House that would have accelerated the atomic-powered reactor program by supplying $400 million for the purpose of actually building large power reactors? The gentlemen were in this Chamber cutting the bill to pieces and opposing and voting against the legislation.

The record can be found on page 14288 of the July 24 CONGRESSIONAL RECORD, where the vote plainly shows that almost the solid Republican Party membership voted against House bill 12061, the power reactor acceleration bill. Regardless of how much the gentlemen accuse the Democrats for blocking the atoms for peace program—they can never erase that vote. That vote was the showdown.

Private industry has failed to make good for the past 2 years on their promises and it is my opinion that they will continue to fail for the next 2 years.

They will first ask for subsidized liability insurance.

They then will ask for special tax amortization for their capital plant investment.

The utilities will raise their power rates to their consumers to cover these uneconomic investments.

The private companies who have so far failed to build power reactors will also request many other Government subsidies in the form of long-range contracts paying them high prices for plutonium. They will want the Federal Government to furnish fuel for their reactors at prices lower than Government cost.

They will want their used fuel rods processed by the Government at lower than cost and they will want the deadly radioactive waste disposed of by the Government free or at subsidy prices.

Yes they will find many reasons why they cannot proceed. They will come back to the Congress again and again for special legislation for their selfish benefit and for their private profits.

In the meantime we will lose the international race for leadership to either England or Soviet Russia. This prediction will not come true if we face the fact and proceed in the next 4 or 5 years as we have in the past and continue the development of atomic energy for peacetime uses of all kinds.

When we get through the uneconomic phase of research and development, which I predict will continue for several years, then the economic techniques can be made available on a fair and equal basis to all the people of America and the free world.

I append hereto two newspaper editorials from the Washington Post and Times Herald:

[From the Washington Post and Times Herald of July 24, 1956]

ATOMIC POWER BY EXAMPLE

Prospects for prompt and meaningful American leadership in atomic power development are wrapped up in the Gore-Holifield bill now before the House. This bill, which has been approved by the Senate, would authorize the construction of working demonstration power reactors to serve Atomic Energy Commission installations. We hope that the House will pass it. Several weeks ago, before the Senate had acted, we expressed the view that it might be preferable to have top nuclear scientists and engineers first recommend the reactor types that offered the most promise for pilot models. We are now persuaded that the program for building a number of different types, as indorsed by AEC Commissioner Murray, affords more hope for the perfection of techniques that will be of use to a power-short world.

Indeed, this seems to us the most important consideration. Were the question simply one of furnishing power to AEC plants this undoubtedly could be done more cheaply by other means. The United States as a country rich in fossil fuels and with plentiful and relatively cheap electric power, has less incentive than many other nations to develop nuclear power promptly. Moreover, certain nuclear techniques now seem more promising than others, and on a basis of strict economics the construction of a number of different types of reactors might seem wasteful.

But the proposal must be judged on more than its immediate economic merits. The principal question is: How much importance does the United States attach to a practical nuclear power program that will safeguard its own future interest and stimulate development abroad in the fashion envisaged by President Eisenhower? This newspaper regards such a program as of tremendous importance, not only as the most significant kind of technical assistance, but also as a much needed and dramatic diversion from nuclear war. It is on this point that Government leadership is imperative.

It is no reflection on the efforts of private industry to say that the outlook for early private development of economic nuclear power is not bright. One pressurized water reactor is under construction at Shippingport, Pa., and others are in the advanced planning stage. But it is unlikely that private industry can afford to experiment with new techniques that are now expensive but ultimately may prove more economical. Atomic development by private industry ought by all means to be encouraged, and in this connection passage of the bill to provide governmental insurance for atomic powerplants seems to us imperative. But the hope of private participation is not a substitute for Government initiative as the House Appropriations Committee recognized in its report blasting AEC Chairman Strauss for duplicity in opposing the program.

Here the formula in the Gore-Holifield bill seems an ideal one. The power will be produced for a governmental purpose not in competition with private industry, and the process will afford practical experience with actual operating plants. This experience with reactor types is essential in order to afford a realistic test and ultimately reduce the cost, and it cannot be obtained through mere pilot plants. The role is an entirely proper one for the Government, and its assumption now should hasten the day when the bright dreams of plentiful atomic power will become a reality.

[From the Washington Post and Times Herald of July 26, 1956]

ATOMIC POWER DEFERRED

Defeat in the House of the Gore-Holifield bill for the construction of atomic power reactors is a tribute to the obstructionism of Lewis Strauss. The Chairman of the Atomic Energy Commission mesmerized the administration into opposing the bill on the ground that the job of developing atomic power can be handled adequately by private industry. This is the same sort of soft soap Admiral Strauss has consistently handed out respecting radiation hazards from nuclear weapons. His begging of the essential questions on the status of atomic power development so infuriated the House Appropriations Subcommittee that it accused him of "duplicity" and "fraud."

In point of fact the private versus public power issue was wholly extraneous. The reactors to have been built by the Government would have provided power for the Atomic Energy Commission only—and as an incidental to their main purpose, of demonstrating the feasibility of various types of reactors. Only one privately constructed reactor is now in the building stage. Additional plants have been proposed, but because of the cost of atomic reactors and the availability of plentiful cheap power from other sources, there is little incentive for private industry to build on a scale necessary to test new reactor techniques. There will be very little incentive at all unless the House passes a separate bill to provide governmental reinsurance for private atomic power reactors.

The pity of all this is that the administration through the Strauss influence, was placed in the position of sabotaging President Eisenhower's own bright dream of plentiful atomic power for the world. What the

House has said, with administration blessing, is that this country will take no practical step to advance American leadership in atomic power development. In other words, we leave the initiative in underdeveloped areas to the Russians.

Mr. VAN ZANDT. Mr. Speaker, I rise to speak in favor of sections 2 and 3 of H. R. 12215, now under consideration.

As you will note, these sections amend the existing section 31 a of the Atomic Energy Act of 1954, as amended, which authorizes the Atomic Energy Commission to "exercise its powers in such manner as to insure the continued conduct of research and development activities in the fields specified below, by private or public institutions or persons, and to assist in the acquisition of an ever-expanding fund of theoretical and practical knowledge in such fields. To this end the Commission is authorized and directed to make arrangements (including contracts, agreements, and loans) for the conduct of research and development activities relating to." The act then continues to outline the areas in which authority in this section is to be exercised.

As you know, one of the pioneers among the educational institutions of the United States in perceiving the great necessity to train engineers in the field of nuclear physics was the Penn State University. Realizing this obligation on the part of educational institutions, the Penn State University on its own arranged for the financing and construction of a research reactor which is now in operation on its campus at State University.

Likewise, the University of North Carolina at about the same time undertook on its own a similar project. The foresight and initiative of these institutions deserve the highest commendation.

The Atomic Energy Commission has felt for some time that the existing language of the Atomic Energy Act was not sufficiently clear and, therefore, it has been understandably hesitant to enter into all the various types of arrangements which is felt were necessary to assist universities and other non-profit institutions in providing them with the facilities to carry forth this important training and research work. For this reason they have requested the clarifying language which appears in section 2 and 3 of S. 4112.

Mr. Speaker, I am heartily in favor of this amendment. Based upon the information I have accumulated as a member of the Joint Committee on Atomic Energy, I realize full well that an ever-expanding program for the construction of training facilities at universities and nonprofit institutions must be undertaken. I am sure the Commission is in favor of such a program and it should be given this clarifying language to permit it to proceed without delay.

As the amendment is now drafted it would permit the Commission to assist not only in the initial setting up of facilities, but also to assist in the continued operation thereafter. It is heartening to note that it is the clear intent of this amendment to permit the Commission to assist the early pioneers in this field in the continued operation of facilities already constructed by their own initiative. I, therefore, urge each and every member to lend his support to the adoption of this amendment.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H. R. 12215) was laid on the table.

BENBROOK RESERVOIR PROJECT, TEXAS

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 12006) to provide for the reconveyance of certain lands in the Benbrook Reservoir project, Texas, to former owners of such lands where such lands are not required for public purposes, including public recreational use.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That (a) in order to provide adjustments in the lands or interests in land heretofore acquired for the Benbrook Reservoir project in Texas to conform such acquisition to a lesser estate in lands now being acquired to complete the real estate requirements of the project the Secretary of the Army (hereinafter referred to as the "Secretary") is authorized to reconvey any such land heretofore acquired to the former owners thereof whenever (1) he shall determine that such land is not required for public purposes, including public recreational use, and (2) he shall have received an application for reconveyance as hereinafter provided.

(b) Any such reconveyance of any such land or interests shall be made only after the Secretary (1) has given notice, in such manner (including publication) as regulations prescribe, to the former owner of such land or interests, and (2) has received an application for the reconveyance of such land or interest from such former owner in such form as he shall by regulation prescribe. Such application shall be made within a period of 90 days following the date of issuance of such notice, but on good cause the Secretary may waive this requirement.

(c) Any reconveyance of land therein made under this act shall be subject to such exceptions, restrictions, and reservations (including a reservation to the United States of flowage rights) as the Secretary may determine are in the public interest, except that no mineral rights may be reserved in said lands unless the Secretary finds that such reservation is needed for the efficient operation of the reservoir project designated in this act.

(d) Any land reconveyed under this act shall be sold for an amount determined by the Secretary to be equal to the price for which the land was acquired by the United States, adjusted to reflect (1) any increase in the value thereof resulting from improvements made thereon by the United States (the Government shall receive no payment as a result of any enhancement of values resulting from the construction of the reservoir project specified in section 1 of this act), or (2) any decrease in the value thereof resulting from (A) any reservation, exception, restrictions, and condition to which the reconveyance is made subject, and (B) any damage to the land caused by the United States. In addition, the cost of any surveys or boundary markings necessary as an incident of such reconveyance shall be borne by the grantee.

(e) The requirements of this section shall not be applicable with respect to the disposition of any land, or interest therein, described in subsection (a) if the Secretary shall certify that notice has been given to the former owner of such land or interest as provided in subsection (b) and that no qualified applicant has made timely application for the reconveyance of such land or interest.

(f) As used in this section the term "former owner" means the person from whom any land, or interests therein, was acquired by the United States, or if such person is deceased, his spouse, or if such spouse is deceased, his children.

SEC. 2. The Secretary of the Army may delegate any authority conferred upon him by this act to any officer or employee of the Department of the Army. Any such officer or employee shall exercise the authority so delegated under rules and regulations approved by the Secretary.

SEC. 3. Any proceeds from reconveyances made under this act shall be covered into the Treasury of the United States as miscellaneous receipts.

SEC. 4. This act shall terminate 3 years after the date of its enactment.

Mr. SAYLOR. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SAYLOR, of Pennsylvania:

On page 2, line 13, after the word "notice", insert a period and strike out the remainder of the paragraph.

On page 2, line 18, after the word "rights", insert "and mineral rights, if any."

On page 2, line 19, after the word "interest", insert a period and strike out the remainder of the paragraph.

On page 2, line 24, strike out the word "equal" and insert "full current appraised value."

The SPEAKER. The gentleman from Pennsylvania [Mr. SAYLOR] is recognized for 5 minutes in support of his amendment.

Mr. SAYLOR. Mr. Speaker, I do not desire to take 5 minutes at this time. I have discussed these amendments with the author of the bill and I think they are in furtherance of the aims which the author has for this bill.

I therefore yield back the balance of my time.

Mr. WRIGHT. Mr. Speaker, I accept the amendment.

The SPEAKER. Without objection the amendment offered by the gentleman from Pennsylvania is agreed to.

There was no objection.

Mr. POAGE. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. POAGE: On page 4, line 1, after the word "reservoir", add the words "Belton Reservoir."

Mr. WRIGHT. Mr. Speaker, I accept the amendment.

The SPEAKER. Without objection the amendment offered by the gentleman from Texas is agreed to.

There was no objection.

The bill was ordered to be engrossed and read a third time, was read a third time and passed, and a motion to reconsider was laid on the table.

ARMED FORCES CODE

Mr. WILLIS. Mr. Speaker, I ask unanimous consent to extend my remarks at this point concerning an action in the House today.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. WILLIS. Mr. Speaker, I do not want to let this opportunity pass without calling to the attention of the House the magnitude of its action yesterday in clearing for the President's signature the bill (H. R. 7049) to revise, codify, and enact into law, title 10 of the United States Code entitled "Armed Forces" and title 32 entitled "National Guard." The enactment of this bill is one of the most important legislative actions of this or any other Congress.

The work of drafting the bill commenced more than 8 years ago in furtherance of the program of the Committee on the Judiciary to enact into law all 50 titles of the United States Code. With the enactment of this bill, 13 of the 50 titles will have been so enacted and 1 title will have been consolidated with another. The Subcommittee on Revision of the Laws, of which I am chairman, has been supervising and directing this program and is engaged now in the preparation of bills to enact into law additional titles of the Code. That Committee's law revision counsel, Dr. Charles J. Zinn, has been engaged in this work with the Committee on the Judiciary and its predecessor, the Committee on the Revision of the Laws, for 18 years. In recent years he has had the able assistance of Mr. C. F. Brickfield and Mr. Joseph Fischer, assistant law revision counsel.

The draft of this bill was initiated in the Pentagon originally by the Army and shortly thereafter by the Air Force. Two years later, at the suggestion of the then chairman of my subcommittee, the late Honorable Joseph R. Bryson, the Department of the Navy created a staff to work along with the Army-Air Force Codification Group. On several occasions during the intervening years the Committee on the Judiciary published preliminary and revised drafts of the bill which were circulated widely for suggestions and comments.

I should like to give credit to the numerous people who have been associated with this work for varying periods of time in the Pentagon:

For the Office of the Secretary of Defense: Dr. F. Reed Dickerson.

For the Department of the Army: Col. Alfred C. Bowman, Col. Archibald King, and Lt. Col. Joseph P. Ramsay.

For the Department of the Navy: Lt. Col. George M. Lhamon—United States Marine Corps—Comdr. Enser W. Cole, Comdr. Katherine E. Shilling, and Lt. Comdr. Charles J. Murphy.

For the Department of the Air Force: Mr. James B. Minor and Mr. Allan J. Morrison.

The other professional personnel who have worked on the codification of military laws, with dates of service, are as follows:

DEPARTMENT OF THE ARMY

Lt. Col. George E. Baya, March 23, 1948, to September 28, 1948.

Capt. James L. Bennett, June 27, 1949, to August 31, 1949.

Maj. Cyrus Bernstein, June 1, 1949, to June 15, 1949.

Maj. William C. Brewer, November 12, 1948, to August 1, 1950.

Lt. Col. J. B. Conyers, November 1, 1948, to December 23, 1949.

Maj. Joseph S. Costa, June 15, 1950, to June 29, 1950.

Capt. Raymond Coward, April 14, 1948, to June 30, 1948.

Lt. Col. J. G. Currie, April 10, 1948, to May 17, 1948.

Lt. Col. Hugh Fullerton, December 15, 1949, to January 1, 1950; June 21, 1950, to July 21, 1950.

Col. Leland G. Gardner, January 27, 1949, to June 27, 1949.

Lt. Col. Henry Glenn, August 1, 1950, to August 15, 1950.

Capt. Roderick F. Greig, May 15, 1948, to September 28, 1948.

Col. George F. Guy, January 9, 1950, to February 9, 1950.

Lt. Col. Herbert H. Hauge, June 27, 1949, to August 31, 1949.

Col. W. H. Harris, March 8, 1948, to April 19, 1948.

Capt. Oliver H. Hughes, December 11, 1950, to October 3, 1951.

Lt. Col. Kirk Jeffrey, September 11, 1950, to October 3, 1951.

Col. John F. Koster, October 12, 1949, to December 14, 1949.

Mr. John H. Marion, June 1, 1948, to March 1, 1949.

Mr. Ronald F. Moist, August 21, 1951, to October 1, 1951.

Capt. John Neary, December 11, 1950, to March 22, 1951.

Maj. William F. Redmon, January 1, 1948, to January 3, 1951.

Lt. Col. William M. Vance, Oct. 27, 1948, to March 27, 1952.

Capt. Jack Wilson, March 16, 1951, to January 28, 1952.

Col. Arthur F. Young, September 15, 1949, to October 31, 1949.

DEPARTMENT OF THE NAVY

Lt. Harold R. Allison, Jr., April 21, 1951, to October 19, 1951.

Cmdr. Earle Bennett, September 5, 1950, to February 15, 1952.

Lt. William J. Bryson, August 20, 1951, to April 29, 1952.

Lt. William M. Calvert, October 15, 1950, to February 29, 1952.

Lt. Comdr. Anargyros E. Camarinos, October 24, 1950, to January 7, 1952.

Col. John E. Curry, October 24, 1949, to February 13, 1950.

Cmdr. William H. Hewitt, October 24, 1950, to February 1, 1954.

Lt. Comdr. John J. Karmelich, August 6, 1951, to January 30, 1952.

Lt. Comdr. Clarke A. Knicely, October 1950, to August 17, 1951.

Lt. Comdr. Michell Koteff, October 24, 1950, to July 31, 1952.

Cmdr. John P. Luddy, October 24, 1950, to June 9, 1952.

Cmdr. Francis X. Markey, September 5, 1950, to August 27, 1951.

Mr. Leslie C. McNemar, October 24, 1949, to June 9, 1950; August 1, 1950, to June 20, 1951.

Lt. Robert N. St. Mary, October 31, 1950, to January 29, 1952.

Lt. Donald F. Whitcraft, October 3, 1950, to April 30, 1951.

DEPARTMENT OF THE AIR FORCE

Mr. William E. Gilmore, September 8, 1949, to January 12, 1951.

Mr. John K. V. Goff, March 9, 1949, to June 3, 1952.

Lt. Col. Kirk Jeffrey, December 22, 1950, to September 10, 1951.

Mr. Ronald F. Moist, September 16, 1949, to August 20, 1951.

During the intervening period that this bill has been in preparation and pending before the Congress there was almost daily liaison between the officials in the Pentagon and my subcommittee so that the bill as passed reflects the views of the Armed Forces and our committee with respect to principals of legislative drafting and codification.

Although this is only one bill of a number in the program of our committee it is one of the most important in that program. With the enactment of this bill it will be possible to find and keep up to date all the laws relating to the Armed Forces and the National Guard. These laws are now scattered throughout some 70 volumes of the Statutes at Large and although they were incorporated into titles 10, 32, and 34 of the United States Code until the enactment of this bill those titles were prima facie evidence of the law. Now titles 10 and 32 constitute the law and may be amended directly. This will be a tremendous boon to the Congress, the Armed Forces, and the public generally.

May I just add one word regarding the sheer size of the bill. It is more than 800 pages in length printed in smaller type than the normal bill style. If it were printed in the usual style it would undoubtedly comprise more than 2,000 pages. The report of the House Committee on the Judiciary consists of 1,147 pages. Incidentally that report will be indispensable to the users of the new Code inasmuch as each section of the Code is explained in detail in the report—with the source of the new section of the existing law, both in the United States Code and in the Statutes at Large, being indicated.

Mr. Speaker, I want to express my thanks to the Members of the House and particularly to the members of the Committee on Armed Services for their splendid cooperation in bringing this project to such a successful conclusion.

Mrs. FRANCES P. BOLTON. Mr. Speaker, I ask unanimous consent to relinquish 5 minutes of the time allotted to me to the gentlewoman from Massachusetts [Mrs. ROGERS].

The SPEAKER. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

ONE HUNDRED AND NINTH ANNIVERSARY OF THE REPUBLIC OF LIBERIA

Mrs. BOLTON. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include an article.

The SPEAKER. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

Mrs. FRANCES P. BOLTON. Mr. Speaker, today marks the 109th anniversary of the independence of the Republic of Liberia. My visit there last

fall gave me some little understanding of the difficulties that face these freedom-loving people on every hand. It is particularly heartening to have renewed evidence of their courageous refusal to accept help from Russia, in President Tubman's speech of today in which he reaffirms his pledge to maintain Liberia's alinement with the free world.

I take pleasure in including herewith a Monrovia press release and excerpts from President Tubman's speech.

PRESIDENT TUBMAN OF LIBERIA RENEWS COMMITMENT TO FREE WORLD

MONROVIA, Liberia, July 26.—In a speech celebrating Liberia's Independence Day, President William V. S. Tubman today acknowledged his country's "deep debt of gratitude to the Government and people of the United States for their aid in establishing Liberia" 109 years ago and declared that "we shall not be seduced from our firm commitments to the free world."

He stated that the confidence of the United States "in our unswerving devotion to the cause of democracy has strengthened us in our earnest endeavors to keep the torch of liberty ever beaming on the African continent." He pledged that "we shall continue to work with all our might and main in the United Nations * * * to defeat the forces presently at work to deprive us and them of our liberties."

The President said "we are gratified to state that in addition to maintaining our national existence, we are rapidly developing our human and physical resources, not by ourselves alone but by the conscientious application of a new formula based on mutual respect and equal confidence in the free interchange of skills and private investment capital for essential raw materials needed to reinforce the cause of freedom, justice and equality for men and nations everywhere."

Liberia, with a population of approximately 2 million, is the only Negro Republic in Africa. Its government is modeled directly after that of the United States. It was founded in West Africa in 1822 with the assistance of the American Colonization Society which was seeking a solution to the problems of Negro slavery in America and was conceived by such American patriots as Henry Clay, John Marshall, Bushrod Washington and James Monroe.

Liberia became an independent state in 1847. It was an ally of the United States in World War I and World War II, and is a charter member of the United Nations. It currently furnishes the United States each year with 80 million pounds of rubber and 1,250,000 tons of the world's purest iron ore.

Following are excerpts from the President's speech:

"It cannot escape us on this occasion to record our deep debt of gratitude to the Government and people of the United States of America for their undiminishing interest in, and heightening support of our well-being and prosperity. Though they were themselves deadlocked in a desparate civil struggle to preserve their union from chaos and disintegration, they nevertheless reaffirmed to the world their inherent devotion to the cause of freedom, justice and equality when they extended the tenets of democracy to this continent.

"Moreover, regardless of the idiosyncrasies of some segments of their population, they have generally and consistently fostered and upheld the democratic principles that oppose segregation. Their confidence in our unswerving devotion to the cause of democracy has strengthened us in our earnest endeavors to keep the torch of liberty ever beaming on this continent; and they as well as the others of our sincere western friends and collaborators in the battle for freedom may be assured that we shall not be seduced from our firm commitments to the free world.

"Today we are gratified to state that in addition to maintaining our national existence, we are rapidly developing our human and physical resources, not by ourselves alone, but by the conscientious application of a new formula based on mutual respect and equal confidence in the free interchange of skills and private investment capital for essential raw materials to reinforce the cause of freedom, justice and equality for men and nations everywhere.

"As in the past, we shall continue to work with all our might and main in the United Nations and its specialized agencies, at home as well as abroad, with our allies to defeat the forces presently at work to deprive us and them of our liberties.

"On this glorious Independence Day when the hearts of all Liberians are filled with joy and ecstacy over the accomplishments of their fathers. I pledge you, I pledge this Nation. I pledge myself to a newer and a more dynamic liberty—the liberty to develop.

"Our pioneer fathers, few as they were, obtained our liberties through hard trials and tribulations. Our predecessors maintained those self-same liberties by virtue of courage and perseverance. Now more than ever when the eyes of the world are turned upon Africa, it is our duty to develop our liberties on a grand scale; for that liberty which continues to lie dormant, existing only in the minds of men, is on the pathway of deterioration. This must not happen to us.

"The liberty to develop must supersede and transcend all our other liberties, for it must give force and effect to each and all of them. It must be based upon the unification policy which is welding our population into a strong, virile and united people. It must be based upon the open-door policy which is bringing into the country more and more enterprises and concessions, teaching new skills, employing more people, and putting more money into circulation."

PASS THE BILLS FOR THE VETERANS BEFORE ADJOURNMENT

The SPEAKER. The gentlewoman from Massachusetts [Mrs. ROGERS] is recognized for 5 minutes.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I thank the gentlewoman from Ohio very much for yielding me this time.

Mr. Speaker, I am extremely sorry that Senator MILLIKIN, of Colorado, is not going to run for the Senate again. A man of great charm and wit and great knowledge, his work and his great ability have been invaluable to the Senate and to the country. I know of no one who has given more than Senator MILLIKIN in his work for the veterans, which I am thinking of especially. He never forgets them. He never let them down. He had a wonderful war record himself and knew their problems.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentlewoman yield?

Mrs. ROGERS of Massachusetts. I am sorry, I cannot yield.

Mr. HOFFMAN of Michigan. I yielded to you a moment ago. I just want to join you.

Mrs. ROGERS of Massachusetts. I will yield to the gentleman in just a minute. I know his loyal support in all veterans matters.

I know the Members are anxious to get away. I also know that veterans all over the country wish that Senator MILLIKIN were chairman of the committee handling our veterans' legislation.

I would like to remind the House which passed the pension bill and the increase compensation bill of 10 percent for service-connected cases that when Senator MILLIKIN was chairman of the committee he often used to take our reports for their legislation, and then he would bring out bills and pass them. The Speaker knows and all of the Members who have been here a long time know that even at 2 or 3 o'clock in the morning of the last day of our sessions the Senate has passed bills—our House bills—and if they amended our bills, they sent them over to us and we passed them.

Mr. Speaker, the House has already passed this legislation I speak of and I beg the Members of the House to see that the legislation comes over here from the other body.

I have referred to the other body because there is no excuse for holding up this legislation. It has been over there for weeks and the Committee on Finance can take our hearings and approve and report the bills. It is only justice that that be done.

I remember during the war days when we voted to send our men to war. It was no joke. It was no joke in arming those men, it was no joke to send them away from their families. We promised them everything under the sun. It was no joke when they were wounded or disabled. Do we so soon forget them?

Today we have passed bills on all kinds of subjects involving great appropriations. Bills on our national resources and our greatest national resource is our soldiers and veterans. But we do not have to adjourn until the Senate acts. I for one shall do everything in my power to prevent adjournment.

I think in your hearts every Member here would like to honor our veterans and feel that he or she is grateful for what they have done. How are we going to face them if you do not show it by helping them?

The SPEAKER. The time of the gentlewoman from Massachusetts has expired.

REPLY TO MISLEADING STATEMENTS ABOUT ILLINOIS

Mr. MURRAY of Illinois. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. MURRAY of Illinois. Mr. Speaker, in remarks entitled "Gangster Slayings," appearing in the July 24, 1956 CONGRESSIONAL RECORD, our able colleague from Georgia, Hon. E. L. FORRESTER, made certain remarks about the city of Chicago and the State of Illinois, and about city and State officials, that are completely unsubstantiated by fact and transcend fair comment.

Our able colleague was a great prosecutor in his own State. His opposition to civil rights legislation has become so intense that it apparently has conquered the passion for fact that marked his career as a great prosecutor.

In his remarks of July 24, our able colleague made reference to slayings and crime in the city of Chicago and the State of Illinois.

An examination of the most recently published Uniform Crime Reports Bulletin of the Federal Bureau of Investigaton discloses that for the calendar year 1955, per 100,000 population, the State of Illinois had 5.7 murders or nonnegligent manslaughters. The State of Georgia had over twice as many, or 13.6.

Nonaggravated assaults—which are merely uncompleted murders—Illinois had 77.8 per 100,000 population, while the State of Georgia had 193.3.

Burglaries, per 100,000 population, Illinois, 335.3; Georgia, 462.4.

Larceny and theft: Illinois, 619.4; Georgia, 989.2.

In cases of automobile theft, per hundred thousand population, the State of Illinois had 123.3, while Georgia had 208.3.

By this reference to FBI crime reports, I do not attempt to suggest that there is a great crime wave in the State of Georgia, as was inferred about the State of Illinois and the city of Chicago in the gentleman's remarks on July 24; nor do I suggest that the officials of the State of Georgia are in league with gangsters, as was suggested by the gentleman in his remarks concerning officials of the State of Illinois.

To make such an inference would be a great wrong to the Congressman and Congresswoman from Georgia who stand high upon the roll of the finest and most patriotic people in the Nation. It would be a great sin against the people of Georgia whom I have by personal experience found to be among the most law abiding and friendliest in the Nation.

Obviously, the FBI reports are predicated upon many factors—as are headlines concerning Illinois crimes. These factors make comparisons and conclusions predicated thereon unjustifiable.

I am certain that the gentleman from Georgia did not intend to slander the State of Illinois or the city of Chicago, but rather I believe that he has fallen into an attempt to justify his own evaluation of a situation, rather than arriving at a conclusion based upon fact.

CRIME STATISTICS—GEORGIA AND ILLINOIS

Mr. BOYLE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. BOYLE. Mr. Speaker, in the past years, Chicago has made steady progress in the improvement of its law enforcement efforts and stepped up its ever continuing fight against gambling and the racketeers. The citizens are confident the greatest city in the Middle West will continue its fight against crime and corruption.

A Report on Chicago Crime for 1955 by the Chicago Crime Commission states that major offenses reported in Chicago for the year of 1955 showed a decrease of 13.9 percent. The people of Chicago can point with pride to this fact—a definite step forward towards their goal of making Chicago a crime-free city.

Statistics do not seem to corroborate the observations or statements of the gentleman from Georgia [Mr. FORRESTER] made on the floor of the House on July 24, as recorded at page 14316 of the CONGRESSIONAL RECORD to the effect that major crimes such as murder, rape, manslaughter, or aggravated assault are more prevalent in a northern State than in a southern State. A check of the figures published in the Federal Bureau of Investigation's Uniform Crime Reports, Annual Bulletin, 1955, shows the fallacy of making any such statements. Taking the States of Illinois and Georgia as States indicative of the crime rates in the North and the South, the following facts can be ascertained from Uniform Crime Reports. During the year 1955, total crimes—which include murder, nonnegligent manslaughter, robbery, aggravated assault, burglary—breaking or entering, larceny—theft, and auto theft—for the State of Georgia per 100,000 population was 1,930; for the State of Illinois, 1,309. In actuality, this shows an increase of 521 offenses per 100,000 in the State of Georgia over the State of Illinois. These figures can hardly be used to support the theory that there is a greater incidence of crime in Illinois than in Georgia.

Taking the crime trends for the largest city in each of the two States—Atlanta and Chicago—the same trend can be seen as illustrated for the States as a whole. Once more Uniform Crime Reports is used for the basis of the conclusions here reached. The figures used are for the same crimes as listed for the comparison of the two States. On the basis of offenses per 100,000 of population, approximately 2,800 crimes were committed in the city of Atlanta. Breaking the figures down further, the crime rate per capita was 0.028. Using the same set of figures for the city of Chicago, offenses per 100,000 of population were approximately 1,300, or 0.013 per capita.

Again the figures verify the fact that, although a greater number of crimes were committed in the city of Chicago than in Atlanta, on the basis of population more crimes were committed in Atlanta than in Chicago. Even though due consideration must be given to the fact that all statistical figures are subject to certain variables, it seems possible to draw only one conclusion—that the crime rate is definitely higher in Georgia than in Illinois.

If it is considered that the atmosphere in which a person is reared contributes to his capacity for commiting major crimes in any given community, then it would seem to be safe to conclude that life in the State of Georgia fosters a greater tendency to commit crimes than does life in the State of Illinois.

Crime is a problem in each of the 48 States. It can be decreased only by the willingness of the citizens, the courts, and law-enforcement officers of each State to wage a constant battle against crime and corruption.

I have no intention to indulge in controversy with my colleague from Georgia who is a member of the same subcommittee on the Judiciary Committee but I do arise to set the record straight.

SENATOR BENDER'S OHIO CAMPAIGN COMMITTEE

Mr. VANIK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Ohio.

There was no objection.

Mr. VANIK. Mr. Speaker, I have today received a letter from United States Senator GEORGE BENDER in connection with a statement which I made last Monday regarding the appointment of Secretary of the Treasury George Humphrey as chairman of the Senator's Ohio campaign committee.

In order to make all facts in this matter available, I am inserting this letter in the RECORD, as follows:

UNITED STATES SENATE,
COMMITTEE ON LABOR AND
PUBLIC WELFARE,
July 26, 1956.

Hon. CHARLES A. VANIK,
Member of Congress, United States House of Representatives, Washington, D. C.

DEAR CHARLIE: I am certain that you would not wish to convey any misunderstanding of the true situation with respect to the appointment and the acceptance by my longtime friend, Mr. George M. Humphrey, Secretary of the Treasury, as chairman of the Bender-for-Senator Campaign Committee.

This committee has no relationship whatever to any fund-raising or fund-expending activities being pursued on my behalf in the State of Ohio. The finance committee has been publicized throughout the State of Ohio and is headed by Mr. Joseph C. Shouvlin, of Springfield, Ohio, a very reputable and highly esteemed, independent citizen of our State. Mr. William Cody Kelly, of Cincinnati, Ohio, is serving as my campaign manager.

Mr. Humphrey's position as chairman of my committee is designed to provide the best possible guidance and advice to me in the conduct of my campaign on the highest possible level. It has become a well-established practice in Democratic, as well as Republican administrations in recent years, to designate the party national chairman to a Cabinet position. I do not believe that this in any way conflicts with the performance of duties and responsibilities assumed by these Cabinet officials. I am certain that nothing in the coming campaign would detract in any way from the outstanding record of performance achieved by our Secretary of the Treasury.

With my deep appreciation of your interest in maintaining the highest possible standard of political campaigning, I am

Sincerely yours,

GEORGE H. BENDER,
United States Senator.

JOINT COMMITTEE ON ATOMIC ENERGY

Mr. DURHAM. Mr. Speaker, I ask unanimous consent that the Joint Committee on Atomic Energy may be permitted to file a report during the adjournment of Congress.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

DR. RAY W. GIFFORD, JR.

The SPEAKER. Under previous order of the House, the gentleman from Illinois [Mr. O'HARA] is recognized for 30 minutes.

Mr. O'HARA of Illinois. Mr. Speaker, I have asked for this time in order that I, with a number of my colleagues, might pay our tribute of appreciation and affection to Dr. Ray W. Gifford, Jr., assistant attending physician of the Congress, who is about to complete his tour of active duty as lieutenant commander of the Medical Corps of the Navy.

Dr. Gifford has been a vital and an important part of the 84th Congress. He was here on the convening of the first session and is leaving on the adjournment of the second session. In the long hard months intervening, when often we were working around the clock and under tremendous pressures, he has been friend and physician. His warm personality, his great professional ability, and his willingness at all times to forego matters of personal concern the better to serve us have been a large contribution. He has taken in each of us a warm personal interest, truly the family physician in the finest and noblest sense. He leaves us with our deep appreciation. Our loss in his departure will be the gain of the Mayo Clinic at Rochester, to which noted institution he is returning as consultant in internal medicine. To Dr. Gifford and his charming wife go our good wishes for everything fine in the years ahead.

In bidding farewell to Dr. Gifford we again are reminded of how much we and the country owe to Adm. George W. Calver, who as physician to the Congress for many years, has kept the lawmakers of the Republic on their feet physically through the wear and tear, the strains of long hours, and demands on endurance when normal precautions were difficult, and the legislative work had to go on to meet the problems and the crises of the moment. Dr. Calver is a great American, respected and beloved by all in the Congress, and a physician who has reflected the highest honor and distinction on the Medical Corps of the Navy. It goes without saying that one working in association and under the command of Admiral Calver must be outstanding in professional standing and personal attributes.

Dr. Gifford was born in Westerville, Ohio. He received his B. S. degree at Otterbein College in 1944, being first in his class. He again was first in his class when in 1947 he received his M. D. degree from Ohio State University College of Medicine. In 1952 the University of Minnesota conferred upon him the degree of M. S. in medicine. He served his internship at the Colorado General Hospital, 1947–48, his senior internship in medicine at the Ohio State University Hospital, 1948–49, and was a fellow in medicine at the Mayo Foundation, 1949–52.

From 1952 to September of 1954, when he came to the Congress as its assistant attending physician, he was instructor in medicine in the graduate school of the University of Minnesota and consultant in internal medicine in the famous Mayo Clinic. He is the author or coauthor of more than 15 articles dealing with cardiovascular diseases.

Mr. MUMMA. Mr. Speaker, will the gentleman yield?

Mr. O'HARA of Illinois. I yield to the gentleman from Pennsylvania.

Mr. MUMMA. I join with the gentleman from Illinois. I have had pleasant professional relations with Dr. Gifford. He is a very sincere man and he has considerably improved my health.

Mr. McGREGOR. Mr. Speaker, will the gentleman yield?

Mr. O'HARA of Illinois. I yield to the gentleman from Ohio.

Mr. McGREGOR. I concur in the statement made by the gentleman from Illinois. I, too, owe a lot to Dr. Gifford. I wish him well in his return to private practice.

Mr. O'HARA of Illinois. I yield to the gentleman from South Dakota [Mr. BERRY].

Mr. BERRY. Mr. Speaker, I would like to concur in the statement the gentleman from Illinois has made. I think that Dr. Gifford has done a grand job, and I feel that he goes back to Mayo Clinic with the support and friendship of all of the Members of Congress.

Mr. O'HARA of Illinois. I yield to the gentleman from Ohio [Mr. McCULLOCH].

Mr. McCULLOCH. Mr. Speaker, I should like to join in the remarks of the gentleman from Illinois with respect to Dr. Gifford. He was a grand fellow and a most excellent physician. I wish him well.

Mr. O'HARA of Illinois. Mr. Speaker, I ask unanimous consent that all Members may revise and extend their remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. ENGLE. Mr. Speaker, I am delighted to join with my colleague from Illinois [Mr. O'HARA] in paying tribute to Dr. Raymond W. Gifford who has served with such distinction on the staff of Dr. Calver, the attending physician for the House of Representatives. I am deeply indebted to Dr. Gifford for his many kindnesses and his excellent treatment since he has been assigned here to the Capitol of the Nation. I am sorry that he is leaving us. But he has performed his tour of duty with the Navy, and as I understand is now returning to the staff of the Mayo Clinic from which he came to us for service in the Navy. We have been lucky to have him as long as he has been with us. In his service here he has demonstrated a rare and high professional competence, and the type of personal interest and attention to his patients that make the medical profession the respected one that it is. I have never known a doctor who has served here in the Capitol I would rather have as my own personal doctor. If he were stepping out of Dr. Calver's office into private practice in this city I would continue to seek his advice and help when necessary. In my opinion Dr. Gifford meets in every way the highest and the best standards of a profession dedicated to the health and welfare of mankind. He is not only a competent, careful, and highly skilled practitioner, but one who is deeply conscientious in his advice and care of those seeking his advice. He exemplifies the best in the medical profession—in learning, native appitude, and sense of responsibility to his basic oath. I wish they were all like him, but that cannot be—any more than we can all be top legislators or public servants. But I welcome this opportunity of saying that he has attained and accomplished the highest level there is in professional competence and the personal relationships in his chosen field—and I know he will take a deep satisfaction in that and in maintaining them. I am grateful to my colleague for providing this opportunity for saying thanks to Dr. Gifford, who truly deserves it.

POSTPONING SPECIAL ORDER

Mr. VANIK. Mr. Speaker, I ask unanimous consent that the special order I was granted for today be vacated and that instead I have permission to address the House tomorrow for 10 minutes, following the legislative business of the day and any other special orders heretofore entered.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

VETERANS PENSION LEGISLATION

Mrs. ROGERS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I should like to say that I shall do everything in my power to prevent the adjournment of Congress until the Senate has passed our veterans bill.

STRIPED PANTS, OVERALLS, AND GHOST WRITERS

The SPEAKER pro tempore. Under previous order of the House, the gentleman from California, [Mr. PHILLIPS], is recognized for 15 minutes.

Mr. PHILLIPS. Mr. Speaker, as you undoubtedly have been doing yourself the last few days, I have been cleaning up my correspondence and particularly that little pile of notes and clippings which every Congressman has on his desk, under a souvenir paperweight. I came across a most intriguing item, and I rise today to talk about it.

This is a paragraph from the U. S. News & World Report, on the page which carries the copyright head Washington Whispers. I quote it in its entirety:

A State Department official says this of agricultural attachés maintained abroad by the United States Department of Agriculture: "A lot of these attachés know farming well, but let's face it—that's all they know. They seem interested only in farming, they bore foreign dignitaries, forget the proper dress, and are giving the impression that the

United States is crowded with country bumpkins."

This refers to one of the ablest groups of men in any nation in the world, the agricultural attachés of the Department of Agriculture of the United States of America. Yes, Mr. Speaker, they "know farming well," as the clipping says; it may surprise the State Department employee who inspired that item, but that is exactly what they are expected to know, and why they give their lives to representing American agriculture, sometimes under difficult conditions. I doubt if they "bore foreign dignitaries," as this charges, but I may concede that at times they prefer overalls to striped pants, or the characteristic Stetson of the West, or the straw hat of Iowa, to the black Homburg; but if I recall Emerson correctly, he said:

It is only when mind and character slumber that the dress can be seen.

And that William Hazlitt wrote, very appropriately, in one of his Political Essays:

Those who make dress a principal part of themselves will, in general, become of no more value than their dress.

After reading this clipping again and enjoying the same good laugh you have had today, I began to wonder if the State Department has not unwittingly revealed its own Achilles' heel in the remark in which the item must have originated. I will turn this time to Shakespeare, who has one of his characters saying in All's Well That Ends Well:

The soul of this man is his clothes.

Mr. Speaker, before I pay tribute to these able and courageous missionaries and salesmen of American agriculture and the American way, I would like to comment briefly, if I may, on some of their counterparts in the Department of State. I have been familiar personally with our agricultural attachés for more than 21 years and with the Foreign Service of the State Department for more than 48 years, and I speak today from experience and observation. This clipping is not based, in my opinion, on some casual comment, Mr. Speaker; it is part of a deliberate effort to destroy, or at least to nullify, the action of the Congress which 2 years ago returned the agricultural attachés to the Department of Agriculture and took them back from the Department of State, where the service had been almost destroyed, as I shall now point out. In the intervening 2 years there have been intermittent efforts on the part of the State Department to destroy this separation.

I do not accuse the top officials of this attempted sabotage; they cannot know everything that goes on in a department so large that it occupies, in Washington alone, the huge building erected for the Army (before the Army moved to the even larger Pentagon) and in addition, occupies some 21 or more apartments or temporaries in the western end of this otherwise beautiful city.

Instead of being critical of this State Department acrobat who now finds himself in what must be a somewhat familiar position in that department, with his foot in his mouth, I rise to thank him for bringing the matter into the open. I will talk first about the people in the State Department who represent the same general level as these agricultural attachés. I concede, at the start, Mr. Speaker, that they may know the proper pants, coats and hats, for all formal occasions; I will not concede that they never bore foreign dignitaries, having talked to some of the representatives of other nations myself. We are all agreed that they do not, as a rule, know farming, and I again call to your attention, Mr. Speaker, that peculiar as it may seem to the State Department, that is exactly why the agricultural attachés are sent abroad.

Some of the Members must occasionally watch a TV program known as You Bet Your Life. A few weeks ago a contestant appeared and was asked, as usual, several questions. In this case, the first was:

Give the name of the British statesman known as Lord Beaconsfield.

The contestant did not know. Any schoolboy could have answered that Lord Beaconsfield was Disraeli, Prime Minister of England under Victoria in one of the greatest eras of that nation, when England secured control of the Suez Canal.

The next question was:

What was the name of the last king of Spain before the present regime?

The contestant did not know. The average citizen of the contestant's age would have answered "Alphonso" instantly, and recalled not only the famous profile, and the blood problems of that family, but his friendship with our own Nation.

There was one other question, as I recall. The contestant was given the names of a married couple and asked to give their better known names. They were Fibber McGee and Molly. Even I, who practically never watch anything on TV except John Cameron Swayze and Sergeant Bilko, knew that.

Now comes the payoff, Mr. Speaker. When the contestant was asked his occupation, he replied that for 13 years he had been a ghost writer for the top echelon of the State Department. I hasten to add this was under a previous administration, but since some of us find it difficult to see many changes in the faces in some of the agencies and departments, perhaps this disclaimer is pointless. The foot is still in the mouth and the ghost writers apparently still do not know that Lord Beaconsfield was Disraeli.

I pass to a few personal experiences. Just about a year ago I went abroad, primarily for the 3 weeks "Kur," at a little German spa near the Rhine; but last year with equal intent to inspect again the United States cemeteries and memorials, six of which we are right now this week dedicating in France, England, and Italy. I had also agreed to meet the then-new Comptroller-General in Madrid and inspect the newest European office of that agency. The subcommittee on which I serve had some influence in setting up these money-saving European offices.

I had asked nothing of the State Department, although I rise to remark that the sections which have to do with what might be called VIP travel are helpful and competent. I want particularly to thank Miss Marcelle Lecompte, of the Paris office, for courtesies over the years. Last year I had bought a little Volkswagen, driven it to the Spanish border, and planned to take the "Talgo" to Madrid. I wrote the Madrid Embassy and asked them to check my hotel reservations, telling them when I would arrive. I received a letter saying the hotel confirmed the reservations and adding, without my request, that someone from the Embassy would meet Mrs. Phillips and me at the depot. We arrived; we were not met. I took a cab to the hotel and checked in. Two hours later, a cultured voice phoned to ask if I had arrived and to offer any help I needed. I said, no thanks, I was to meet Mr. Campbell that evening. The cultured voice, which I am sure would never split an infinitive, told me that the Comptroller had canceled his reservation. Since I was there to meet him, and had had no notice of changed plans, I may be excused for being startled by this news.

To make a long story short, I found that Mr. Campbell had made the reservations through his own GAO office in Madrid, and had never canceled them. The State Department had simply taken upon itself to cancel them for him, without authorization, because they had not been made, I presume, through State Department channels.

You may picture Mr. Campbell arriving, tired and hot, late that evening only to be told that the State Department had canceled his rooms. Fortunately, and by the greatest good luck, the hotel could still give Mr. and Mrs. Campbell a room.

I now come back to the cultured voice. It suggested a car for the following morning. I said that, like all farmers, I could probably walk to the Embassy, but that I'd be glad to ride if a car were available. I asked mildly if I could count on the car with any more assurance than their offer to meet me at the depot. The voice was startled almost out of its broad "a." "Did you come by train?" it said. "Didn't I write you that I was coming by train and give the time and the train?" I asked. "Yes," stammered the voice, "but the Paris office notified us you were coming by automobile." I suggested equally mildly that I usually knew what I was doing, a little better than any office that had not even been consulted.

But this, Mr. Speaker, was only the start; the best is still to come. Since we were to inspect an airfield and have a briefing at the Air Force Headquarters, an affable and competent young officer was assigned to help the Comptroller and me. On the way back he made the usual offer of other help. I said, rather casually, that I had a letter from the head of the Catholic Rural Life Conference to his old friend who was now the Papal Nuncio in Madrid. They were brought up together and went to school together in the same Italian province. I wanted to know if someone could telephone and ask when it would be convenient for me to call. My courage has rarely been challenged but I confess it does not extend to tackling a European telephone.

I presume this again requires the "proper channels," for the young officer called me up that afternoon with some embarrassment and said he had taken the matter up with the Embassy. I gather that my simple request caused near consternation. The reply was that the Papal Nuncio was the highest diplomatic official in Madrid; that such inquiries as I contemplated would have to be handled by our Ambassador, who was then out of town, and that an appointment might be arranged in about a week.

I thanked the officer. The next morning I drove around to the Nuncio's residence, and sent in my card and the letter. In less than 2 minutes the Nuncio's secretary came out, literally on the run, to apologize for keeping me waiting even until the Nuncio finished with the visitors then with him and to say that the Nuncio had known I was to be in Madrid and hoped that I would call. We had a long talk, on water and agriculture, subjects which apparently the cultured voices in the Embassy had not included in previous conversations.

I am convinced that the young men now joining the State Department staffs, who know what clothes to wear, and what drinks to serve at a cocktail party, sometimes forget, if they ever did know, that even diplomats are human, and that a Papal Nuncio may once have been a parish priest in Canada, and is still interested in the well-being of his rural people.

One final experience, Mr. Speaker. For 23 years I have written a weekly column for the newspapers of my county, and for the last 14 years, of my district. I have borrowed the use of typewriters in embassies and consulates and private offices, in London, Berlin, Warsaw, Moscow, Paris, and all way stations. Only once have I been refused; last year in Madrid. The cultured voice called me again, the afternoon before we left Madrid and again asked if it could be of any help. In the free and easy way of a farm boy, I said, "You sure can, please let me use a typewriter this afternoon for about an hour." I could sense a shocked silence. "What's the matter," I asked, "haven't you got one that isn't being used?" "Well, yes," said the voice, "there is one right here in this office." "May I use it?" I asked. An anguished voice replied, and this is literally what it said, "Oh, Mr. Congressman, if anyone saw a Congressman in this office, using a typewriter like a clerk, I could be severely criticized."—P. S. I went out to the Air Force Headquarters and used a typewriter.

Enough of that, Mr. Speaker. I am trying to suggest that a knowledge of the proper dress may be desirable, but I suspect that taking young men out of Harvard or Columbia, without business experience, or any experience for that matter, has not always strengthened the foreign service, and I submit has not put men into the diplomatic frontlines, in a world controversy which has moved from the battlelines to the bottlelines, if I may be excused a very poor pun. They do not always have the backgrounds for the responsibilities we place on them. The future of this Nation depends as much on these cultured young men as it may on the farm boys in uniform who are being taught to handle atomic warheads. At the moment my confidence in our efforts abroad is not 100 precent.

To restore it, Mr. Speaker, I will talk about the outstanding job being done by our agricultural attachés since we got them back from under the control of the State Department.

My first personal experience with the agricultural attachés was in 1935. I was chairman of the assembly committee on agriculture, in the California State Legislature, and we were struggling with the ever-present problem of the prices paid producers at the farm, and the prices paid for the same commodities by the housewives. Canada tried to solve it, and the report of the Canadian commission was excellent and voluminous. The news had reached this country that one of the accomplishments of the new Nazi regime in Germany was a solution of this problem. I took off that summer, to find out, and also to check into farming conditions in Russia.

In Paris, Berlin, and Moscow, I was given desk room in the offices of the agricultural attachés, and every help and courtesy. They ran down leads for me in the libraries, and in Russia I was allowed to read confidential reports on the efforts to convert the farmers to communism. This applied both to 1935 and 1937. Niels Nielsen was our attaché in Paris; Lloyd Steere was in Berlin. Dr. L. G. Michael covered the Polish and Russian areas. I did not meet him personally until later. Harry Reed was in Germany working on livestock matters, and his figures, based on ability and experience, were so much better than those of the Hitler government that they were used by the Germans in preference to their own, at the time. Among other names I recall were Les Mallory, who is now, I think, in Jordan; Les Wheeler who was then in the Washington office, and Fred Motz, who ought to have special mention because, when the shift took place from Agriculture to the State Department, he chose to sacrifice advancement in the Foreign Service and thus his own income, to stay with Agriculture. Since the value of an agricultural attaché, like that of a Congressman, is in direct ratio to tenure and what we call seniority, Dr. Motz deserves special commendation. He stuck it out and has seen the attachés returned, as they should be, to the Department of Agriculture.

I do not know if the idea of the shift had its origin in Agriculture or in State. Certainly State seized on it with alacrity. The reasoning, on the part of some attachés, was understandable. They were not part of the official family, in many embassies; if the Ambassador gave a reception, they were not always invited. The Foreign Service was always getting itself added salaries, better retirement provisions, and other benefits; the attachés were left out. Agricultural attachés were expected to remain just that, agricultural attachés. The longer they worked at the job, and the more friends they made and the more contacts, the better results they could get. Around them, the young men who started on the lower rungs of the diplomatic ladder became assistant secretaries, vice consuls, and sometimes even chargés d'affaires, and once in a long time, even a minister. This was too much for some of the more ambitious attachés; they supported the move to State.

The switch just about ruined the agricultural attaché service. The State Department would put a young man on the job and call him the agricultural attaché. Whether he knew barley from wheat, or the difference between an orange and a pear, or which end of the cow got milked, was incidental. The result was that the young man, however bright, considered the job a temporary one and already had his eyes firmly fixed on the upper rungs of the Foreign Service ladder. The reason why the appointment of Mrs. Pearl Mesta to the post of Minister to Luxembourg hit the Foreign Service so hard was that this was one of the few remaining Legations to which a Minister could be appointed from the regular Foreign Service list. It had been given to an outsider, instead of one of the fraternity whose shield is a cocktail glass, inverted, on a field, quartered, of morning coat and trousers.

Two things happened at once; we lost our best men, either by resignations, or by "promotions"—and I put the word in quotation marks—save in a few instances, and the service began to deteriorate, rapidly.

Where once we had been able to move American farm commodities, sometimes by having a few items included in an international contract, involving many commodities, and making its major profit from international exchange, we now had few, if any, such deals. Often these were made without real profit to the contracting broker; he wanted the fruit or the other commodities, for his Nation, for the benefit of its citizens. Even these stopped.

The reports, on which the farmers once depended, became, to all intents, valueless. The reasons were obvious; when the agricultural attachés represented the farmers their reports came through promptly and were circulated in time to do some good. When they represented the State Department, the reports had to follow the procedures of that overstuffed department. The attaché got the information, if he could, considering his probable inexperience. He took it to the proper section of the Embassy. He could not have direct contacts with men in other nations from whom he could get statistical information; all this had to go through several echelons of Foreign Service officers. The report eventually got to Washington; it was referred to the Department of Agriculture for comment. It went back to the State Department to have the commas and the semicolons checked. Finally it got to the farmers who grew the products which were covered in the report. By that time the report was only of historic interest, if of any interest at all. The season was either underway or over. Humorous as this sounds, I do not exaggerate.

Then we changed back, and the agricultural attachés again represent the farmers. The change in the morale of the service is so marked that it has been

commented on in my hearing, dozens of times, here and abroad. We get our reports promptly again. They are excellent reports. Mr. Clayton Whipple became the active head of the Washington office. He had been the mainspring of the most successful part of the point 4 program. Our attachés are going to all parts of the world and opening new chapters of friendship for America.

Last year I flew into Paris, from Spain, just to be present at the first general conference held by a Secretary of Agriculture, for these agricultural attachés. It was held in the Paris Embassy. Three Congressmen were there. Attachés were there, who were located in a dozen countries. The morale was high. The results were excellent. The old doors were opening for American farmers.

So you will realize, Mr. Speaker, why I smile when I read that some employee of the State Department tries to influence a news item by saying that these farm attachés "know farming well, but that's all they know." Or that they "forget the proper dress," or give the wrong impression. I leave it to your good judgment, Mr. Speaker, which group is creating the wrong impression, if either, and I rise today to give thanks, in the last few hours of my last session, that we had these agricultural attachés in the past and that we have them again, loyal and competent, back home where they belong, in the Department of Agriculture.

A LOOK AT THE 84TH

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Illinois [Mr. MURRAY] is recognized for 10 minutes.

Mr. MURRAY of Illinois. Mr. Speaker, the 84th Congress, and the first Congress in which I have had the privilege to participate, is coming to a close. It has been a great personal experience to serve my country and the people of Chicago's great Southwest Side.

My service in the 84th Congress, besides being most gratifying personally, has left me with lasting impressions concerning our Government.

If I were to identify my impressions of Congress, I would probably select as the deepest the observance of men of all walks of life, from every section of the country, laying aside subjective influences and legislating for the best interest of the Nation.

Seeing men like our distinguished Speaker, majority leader, minority leader, and other leaders of the House giving up opportunities to earn fantastic sums in private business to carry out their responsibilities to the people bespeaks the fact that there is something more in Congress than partisan politics. These gentlemen assume and perform their duty in due humility and with full appreciation of the faith and trust placed in them by their people, and are cognizant of the many compensations attached to such service which cannot be measured in monetary terms.

The rigid rules governing ordinary legislative procedure are time consuming and often frustrating to a Member eager to see promptly enacted measures he deems to be for the benefit of the country and the people whom he represents. However, even the slowness of the legislative process has great merit because it affords opportunity for thorough study and free decision upon matters affecting the country.

Personal friendships that transcend party lines and withstand the most bitter political controversy demonstrate to one that Congressmen are not the long-bearded ne'er-do-wells so often depicted in cartoons, but rather are plain, ordinary Americans carrying on their Nation's business.

Although it was charged in the fall of 1954 during the campaign preceding the election that if the Congress was Democratic our democratic processes would be stalemated with a Congress controlled by a party different than that of the President. The record of this Congress belies this contention because nothing approaching a partisan cold war has developed. The President's rash prediction of such a situation in the 1954 campaign discloses that he is a poor prophet.

The President found a majority of his own party deserting the administration on votes involving Federal aid to school construction, the mutual aid program, the United States Organization for Trade Cooperation, and others.

Although the Democratic Congress differed from the President in the areas of farm price supports, tax reduction, power matters, and social security, it joined with him on all matters in which the interest of all the people of America were at stake. They differed with him when legislation was designated to benefit only those with special interests. These differences, however, did not result in a stalemate of the Congress; on the contrary, they merely generated political thinking on issues that vitally affect the people and refute entirely earlier charges of disunity.

The record of the 84th Congress is something that I am proud to have had a part in. The 84th Congress discloses that regardless of the outcome of the next election the next Congress will be one of moderation. Since Congress more thoroughly reflects the thinking of the people than any other branch of the Government, it is evident that the people of the United States are more and more approaching moderation in their Government, with the extremists on the right and left becoming a distinct minority.

There remain issues to be resolved before this country can be said to be truly at peace with prosperity. The rights of our individual citizens regardless of race, creed, or national origin need additional legislative protection. Assistance is needed in our educational facilities. This assistance obviously must come from the Federal Government, but should come in such a fashion that local control over such facilities may be retained. Additional strides must be taken in the area of housing for the lower income groups and the aged; clearing of the slums; additional legislation is needed in the fields of labor and management relations so that these two great segments of our society engaged in production might meet across the bargaining table upon an equal basis. Additional legislation is needed in the field of social security, aid to our dependent children and the handicapped. Legislative progress must be made in the development of atomic energy, for the conservation and development of our natural resources. In the field of foreign policy, bolder steps must be taken to insure our own national security and peace in the world.

Obviously, no Congress will ever achieve the completion of all the problems that might face the Nation. The best that can be hoped for is that each Congress makes a step forward to the securing of the rights and the enjoyment thereof described in the document which gave birth to our liberty:

> We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain unalienable rights, that among these are life, liberty and the pursuit of happiness. That to secure these rights governments are instituted among men, deriving their just powers from the consent of the governed.

STATISTICS ON ARRESTS, ET CETERA, OF WHITE AND NEGRO POPULATIONS OF VARIOUS AREAS OF THE UNITED STATES

The SPEAKER pro tempore. Under previous order of the House, the gentleman from New Jersey [Mr. THOMPSON] is recognized for 30 minutes.

Mr. THOMPSON of New Jersey. Mr. Speaker, the Members of the House have been exposed this year to two speeches entitled in the RECORD "Where is the Reign of Terror?" and "Racial Differences." These speeches by the gentleman from Mississippi [Mr. WILLIAMS] devoted themselves primarily to presenting certain statistics comparing white and Negro populations of various areas of the United States as to arrests and commitments to prison on felony charges, rates of illegitimate births, rejections from armed services through failure of the qualification test and number of cases of venereal disease.

The statistics which the gentleman set forth are unquestionably significant and disturbing. It may be that they were surprising to many Members, but no one has challenged them. As the gentleman from Mississippi said on July 5, "Thus far, no one has come forward to dispute the authenticity of this data, or the obvious conclusions to be drawn therefrom." I do not come forward now to question the authenticity of the data, but I am most concerned about the conclusions to be drawn from them. Over the past 2 days in debate on this floor many of my colleagues have been drawing conclusions which seem to be based on similar data to that presented by the gentleman from Mississippi but conclusions in this field of racial comparisons are by no means obvious, and the conclusions which such presentations tend to suggest are not, for me, at all conclusive.

It is true, Mr. Speaker, that in the course of his March 27 speech the gentleman disavowed any belief that one race is a super race and the other is a race of degenerates. His main purpose, as he stated it, was to open the eyes of

those who have been blinded by leftwing propaganda and brainwashed by a biased press. If there be any Member of this House who was saved from blindness or brainwashing by the gentleman's efforts, I certainly wish to join in extending a vote of thanks for the salvation of a fellow Member. Yet, despite the high purpose for which the data was presented and the absence of racist philosophy which the gentleman professed, I fear that the statistics, as presented, can easily be misinterpreted. The gentleman's own remarks contribute to this possibility of misinterpretation.

For example, Mr. Speaker, the gentleman stated in one of his speeches that "the fact remains that there exists ethnic differences between the Caucasian race and the Negro race which cannot be changed by the hand of man." The listener might wonder, of course, which differences the gentleman had in mind. The House was then told that "in the days before this brainwashing crusade began, editors did not fear to print the truth." As an example of this fearless editorship of the truth he then quoted the 11th edition of the Encyclopaedia Britannica in its dissertation on the Negro. If this dissertation constitutes the truth, then it is clear that the gentleman holds the Negro race to be degenerate in respect to mental capacity and this must be one of the differences which he considers beyond the power of man to change. The quoted passage bluntly states that, "mentally the Negro is inferior to the white" as a race, for the reason that the growth of the Negro's brain is arrested by the premature closing of the cranial sutures. The Negro's brain consequently does not achieve as great a volume as the white man's.

I might read this entire astounding passage, including the sentences which gentleman failed to include, which modify the sweeping generalization made at its outset, but the exact wording would be tedious and unenlightening. This passage of truth about the Negro which the gentleman has offered to offset the current propaganda is of only historical interest. The authority which the 11th edition of the encyclopaedia quoted, when it was published back in 1911—even the Speaker of the House, Mr. RAYBURN, had not reached Congress when that edition appeared—the quoted authority for this description of the Negro's mentality was F. Manetta, an Italian, who made what Britannica described as a long study of the Negro in America and published a book on his findings in 1864.

Mr. Speaker, it is incredible to me how anyone can imagine that a book written about the American Negro, a study which took place during the years of his enslavement, could serve as standard of truth concerning the Negro's capabilities. In the year in which that book was published, 1864, less than 5 percent of the American Negroes could read and write. In 1864, psychology could make no pretense of being a science, and anthropology was a discipline that was barely known in this country. In fact, it is still not well known among us, for the gentleman from Mississippi has referred nostalgically to the days when sociological and "anthropoidal experts" saw their findings honestly printed. The American Negro does not need any "anthropoidal" or ape experts, to study him. (He does need anthropologists.) Not only were anthropology and psychology in their infancy in 1864, but the first rating scale of intelligence was not devised until 40 years later by Binet.

So it strikes me as a great disservice to American Negroes to represent a preemancipation sociologist as a speaker of truth on the question of the Negro's mental capacity. The idea that the volume of the brain determines a person's intelligence is absurd on the face of it. What hope would there be for the female sex, if it were true, and how would we explain their many achievements? Modern science has long since dropped the idea. What ridiculous distortions of the truth we could find, if we accepted uncritically everything that we read in the 1911 edition of the Encyclopaedia Britannica. Some rather unflattering things are said about the school system in certain Southern States, for example, which we know would not be said today. I shall not accuse the Encyclopaedia Britannica of having been "brainwashed" because it has brought its entry on Mississippi up to date in subsequent editions.

So that the record is clear on this subject of mental capacity of the American Negro, I shall read the dissertation in the latest edition, No. 14, the 1955 printing, of the Encyclopaedia Britannica:

> In reviewing the comparative studies of the differences between the Negro and the modern European, Carr-Sanders concludes that "there seems to be no market difference in innate intellectual power. The differences are rather differences in disposition and temperament * * * . The apparent arrest of development may not be so much an inevitable result of the kind of mental faculties which are inherited as the coming into play of a peculiar tradition."

That statement, Mr. Speaker, is in step with the findings of modern students on this subject. One of the most thorough investigators of this question, Dr. Otto Klineberg, of Columbia University, has had the following to say in the Encyclopedia of the Social Sciences:

> The results obtained by the tests of the army psychologists (World War I) also showed a marked superiority of northern over southern Negroes as well as a superiority of Negroes in several of the northern States over whites in several of the States of the South. The argument that these facts can be explained on the basis of a selective migration of the most intelligent Negroes from the South to the North and that the change on environment is therefore not responsible for the difference between the two groups has been refuted by recent studies at Columbia University, which have failed to reveal any selective factor of this kind and have, on the other hand, demonstrated a definite tendency for the test scores of Negro children to improve proportionately to the length of time they have lived in the more favorable environment.[1]

The record is clear, Mr. Speaker, despite the momentary efforts which are made to stress the backward stage of Negro social comportment as compared to the whites—the record is clear that great progress is being made toward diminishing the grounds for unfavorable comparisons of Negroes to whites. Many Members from the South have proudly indicated the attention which their States have given to raising the level of education, health care and housing for their Negro population. Surely these efforts are being made not simply out of a legalistic regard for the requirements of the "equal protection of the laws" phrase in the 14th amendment, but more importantly because the people of these States recognize that the present differences found between the white and black populations are socially conditioned and they wish to ameliorate these conditions for the mutual advantage of all. They may differ quite strenuously with some of us over the question of the rate at which social improvements for the Negroes can or should be made, but their attempts at improving Negro education and housing are hardly consistent with any present theory that the present differences between the races "cannot be changed by the hand of man." The suggestion that differences between groups in the rate of crimes, or level of intelligence are inevitably fixed is surely not taken seriously.

Before the storm blew in which we are presently experiencing over the Supreme Court's decision concerning segregation in the schools, a number of studies were made in States with heavy Negro populations into the same question which I have been discussing. In Jacksonville, Fla., for example, a biracial survey committee of the Council of Social Agencies made a study of the city's Negro community in 1946. They found that, with respect to crime, the Negroes committed relatively more offenses than the whites and were sentenced to prison in relatively greater number. The report went on to say, however, that—

> It is well to point out that students of crime are almost unanimous in their conclusion that race as such has very little, if anything, to do with the actual amount of crime committed. Rather they attribute the excess of criminality in certain groups to such factors as economic conditions, health, and housing, community environment, the administration of justice, and attitudes toward law enforcement.[2]

I am sure that reasonable people recognize the sense of those findings. They are the fruits of modern education, for all to pick who are willing. If such statements by the Council of Social Agencies in a fine southern city constitutes "brainwashing," then the House Committee on which I serve should be renamed, the Committee on Brainwashing and Labor.

A similar ray of understanding was cast by a study published by the University of Virginia in 1934, entitled "Negro Crime in a Small Urban Community," namely, Charlottesville, Va.

Professor Lightfoot, of the Textile Industrial Institute in Spartanburg, S. C.,

---

[1] Encyclopedia of the Social Sciences, "Mental Tests," vol. V, p. 325.

[2] Jacksonville Looks at Its Negro Community, the Council of Social Agencies, Jacksonville, Fla., page 74.

reached the following conclusion in his study:

> The effect of unfavorable environment in producing delinquency is particularly well illustrated in all of the case studies. In fact, suggestions all through this study point to the conclusion that Negroes who get into difficulties do so in large part as a result of defective environment—that is, their physical surroundings, their economic standing, and their treatment by the white people—rather than through any inborn racial characteristics.[3]

This same point is borne out most clearly in a statement made by Solicitor Basil Whitener, of Charlotte, N. C., a few years ago:

> I have had but one major case to come out of Fairview Homes, the public housing project for Negroes, since I've been solicitor. But I can't count the number which have originated in the poverty- and disease-ridden sections of the city. The same thing is true regarding white people. Aside from the natural differences to be expected because of advanced progress in civilization of the white man, I'd say the crime rate is comparable in slum areas of both races. There are just more Negro slums.[4]

Is not this the point, after all, Mr. Speaker? "There are just more Negro slums." And these slums exist in northern cities as well as southern communities, in my own State of New Jersey, as well as in the District of Columbia. There are also slums of the mind for Negroes as well as slum neighborhoods. A tremendous job of slum clearance must be done in the fields of education, housing, and health. The task is being tackled strenuously in many areas of the country, because people believe that the present differences between the Negroes and white population are heavily conditioned by environment. It is no service to any of us to have the so-called racial differences stressed without mentioning the remedies which are being successfully applied.

Right here in the District of Columbia tremendous advances in the economic and educational standing of the Negro population have been taking place during recent decades, even while a heavy Negro immigration has been under way from areas with less opportunities for Negroes than exist here. Whatever frictions of adjustment to the integration of the schools may be publicized by the forthcoming study of that subject by the Committee on the District of Columbia there is no blinking the fact that despite heavy migration from the outside the Negro in this city has been steadily making himself a more useful and respectable citizen. For example the percentage of Negro females who are clerical workers in the District has increased from 3 percent of the total in 1940 to 23 percent in 1950, and Negro males increased their participation in this type of work from 9 percent to 17 percent in 1950. The proportion of all Negro males in other occupations has remained relatively constant, except, that a smaller proportion are now engaged as laborers. The median number of school years completed by Negroes in the District increased from about 7.9 years in 1940 to 8.9 in 1950, and by 1960 we should see the figure far closer to the level of the white population than it has ever been before. The Negroes of this city have more than doubled the number of homes they own since 1930, and the median value of these homes has increased 19 percent more than the median value of homes occupied by white owners during this period.

It is clear that where the opportunities are extended, the Negro is seizing them to improve his economic standing, and he is thereby helping to overcome the differences between his group and white people which can be so easily but so shortsightedly attributed to race. This is the social fact which deserves emphasis, in my mind, because from a recognition of this situation flows the courage, the patience and the compassion required to push forward the work of slum clearance in all its aspects, on the one hand, and the generation of tolerance and respect on the other.

[3] Negro Crime in a Small Urban Community, Publications of the University of Virginia, Phelps-Stokes Fellowship Papers, No. 12, 1934.

[4] The Charlotte News, February 18, 1955, editorial.

SPECIAL ORDER GRANTED

Mr. HOLIFIELD. Mr. Speaker, I ask unanimous consent that on tomorrow, following the legislative program of the day and any special orders heretofore entered, I may address the House for 30 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

Mr. PHILLIPS. Mr. Speaker, reserving the right to object, I want to ask my friend from California, or ask anyone who can tell me, when we are going to adjourn, so that I may know the proper time to be here for that speech.

Mr. HOLIFIELD. Mr. Speaker, I trust that we shall adjourn fairly early. I trust I may have the chance to address the House, and if not, I shall ask permission to extend my remarks at that point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

SPECIAL ORDER GRANTED

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 10 minutes tomorrow, following the legislative program and any special orders heretofore entered.

Mr. HOFFMAN of Michigan. Reserving the right to object, Mr. Speaker, I want to be here when the gentlewoman speaks, but I want to know now, if I may, what her remarks may be about so I may do a little research work on the same subject.

Mrs. ROGERS of Massachusetts. I will be talking about veterans' legislation. May I say to the gentleman that he has been extremely helpful in securing veterans' legislation.

Mr. HOFFMAN of Michigan. I certainly thank the gentlewoman.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

EXTENSION OF REMARKS

Mr. HOLIFIELD. Mr. Speaker, under unanimous consent heretofore granted I was given the privilege of extending my remarks in the RECORD immediately before the passage of the atomic-energy omnibus amendment bill presented by the gentleman from New Mexico [Mr. DEMPSEY]. I ask unanimous consent to include with my remarks at that point some editorials which appeared recently in the Saturday Evening Post, and some extraneous articles from newspapers pertaining to the remarks which I shall make.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

STASSEN AND HIS TEAM PLAY

Mr. HOFFMAN of Michigan. Mr. Speaker, I ask unanimous consent to address the House for 10 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN of Michigan. Mr. Speaker, it may be assumed that many are interested in the political situation which confronts the Republican Party at the moment.

Mr. THOMPSON of New Jersey. Is the gentleman addressing the House?

Mr. HOFFMAN of Michigan. I am trying to address the Speaker, because I think the Speaker is more interested than the gentleman. I see my friend from New Jersey [Mr. TUMULTY] here. I know he is interested in the same situation, which intrigues me, so if you gentlemen will come down here to the front we can discuss the matter face to face. Thank you all.

This is the incident which has been bothering me.

For some time I have been endeavoring to learn the source of and the reason for the opposition to our former colleague, the Honorable RICHARD NIXON. I have inquired of my constituents when I have been home. I have read the papers. I have consulted my colleagues. I have asked the Library of Congress, the Research Department, to see if they could learn just what was back of this opposition to DICK NIXON. I was unable to get any satisfactory answer or, in fact, any answer at all except from some Democratic politicians who said that he was altogether too severe in what he had to say about the Democrats and their political philosophy.

I do not know that he ever said anything very bad about them. I thought that at times he had been rather weak in his statements and in criticism. Then, just yesterday it was, some of my colleagues on the Republican side took me aside and said, "Why are you fussing around, trying to find the reason for the opposition to the Vice President. We can tell you." I said, "Well, all right, that is fine. Why did Stassen do that—being a member of the Eisenhower family, the official family and on the team?" Why did he publicly state that with NIXON on the ticket we would get less votes than with some other candidate?

If he has any political sense at all he knows better." I do not think he is the quarterback on Ike's team, but I know he is a big fellow and thinks the world of himself and might, maybe, in his conceit, think he was getting his orders direct from the White House. Well, they said, "That is not so. There is a group in New York—not New Jersey, but in New York who have plenty of money and very able, adroit, skilfull—let us put it—lawyers—also some people in the banks and big money outfits who make large loans, do big business with nations and groups abroad. The lawyers get big fees and the bankers get a whale of a big commission or slice and the big Wall Street moneychangers, out of the billions floating around in our dealings with other countries." As I understand it, under the Roosevelt administration which it was said was to drive the moneychangers out of Washington, the drive was not wholly successful. They did not get clear out of the country—they stopped over in New York—they crossed to New Jersey. It would not harbor them.

Mr. TUMULTY. No, they are in the Republican Party now, as I understand it.

Mr. HOFFMAN of Michigan. That is right. The big money boys that are Stassen backers are in the Republican Party, or so they claim, they claim they are now reformed, honest, and decent. But in my opinion they are what they have always been—money grabbers—lacking in patriotism, thinking and acting only for their own selfish interests. I congratulate you people over there in Jersey for denying them sanctuary. In any event, they hang out in New York City at the moment. Stassen got in with those gentlemen and the more foreign aid they could get—the aid did not go across—the dollars stayed here but they would send some junk that they picked up from Chicago, Detroit, Pittsburgh, Philadelphia—none in New Jersey—they picked up this junk for those good dollars that the Congress appropriated and sent it over there. And Stassen was working for that group on a sort of a 50–50 basis.

Mr. GREEN of Pennsylvania. That is where they picked Stassen up, going through Philadelphia when he was president of the University of Pennsylvania.

Mr. HOFFMAN of Michigan. They made a mistake in getting him. He will do their dirty work—but he is so obsessed with his idea—his conviction of his own importance that he will doublecross them at the first opportunity.

Mr. TUMULTY. We were glad to give him to them. I wonder whether Stassen was a part of the junk they picked up?

Mr. HOFFMAN of Michigan. No; wait a minute. I made a couple of talks here a few years ago about the gentleman. He was not described as good junk. I never even received a congratulatory message or any message from him at all on either. He did not thank me or publicly approve of it.

Now, this other group is an entirely different group. This gentleman said to me, "You know that drive against NIXON originates in New York. He is just too intelligent, too aggressive, too honest for them. Those boys are furnishing the money with this other group of moneyed men." I said, "Well, who are they?" He said, "Well, they are the friends of those Rosenberg spies who were convicted and executed. He said they blame NIXON for starting that drive against the Commies which finally got the Rosenberg spies when he got after Hiss."

Well, if that is so, you get the picture and now you see the artists who drew it. The big money for the Stassen drive comes out of New York, and you learn that the friends of the Commies are hooked up with the other outfit. It looks as if that is the kind of a drive that Stassen is putting on. But it looks to me as though if he will just publicize the source of his financial aid and the real names of his scrubs and Red backers and let the people of the country know that DICK NIXON is being opposed by these money changers and being opposed by friends of the Rosenbergs, not only will NIXON not lose any 6 percent of the vote—and I admire the Governor of Massachusetts, as we all do—we served with him, and we know he is a wonderful, fine man, a lieutenant of Hoover, who distributed food after World War I. NIXON will get a far larger vote than would any other candidate for Vice President. Stassen is just thinking about Stassen.

Mr. THOMPSON of New Jersey. Are these friends of the Rosenbergs who are in New York the money changers, in your opinion?

Mr. HOFFMAN of Michigan. No, there are two distinct groups. The lawyers and the big bankers, the money chasers whose god is the dollar. You see, they are just one group. That group, on the one side, which handle these international funds. Out of which they get millions and for the appropriation of which Stassen is partly responsible.

Mr. THOMPSON of New Jersey. And the other ones are the friends of the Rosenbergs?

Mr. HOFFMAN of Michigan. Yes. And the friends and backers—the supporters of any and all Commies.

Mr. THOMPSON of New Jersey. And in the gentleman's estimation——

Mr. HOFFMAN of Michigan. I do not know. I am just repeating gossip which seems to be all too true. Perhaps I should not, but it comes from a source that is reliable and is quite in line with the Commies' procedure.

Mr. THOMPSON of New Jersey. The gossip that the gentleman heard is that these people within the two groups are the people who were supporting Stassen in his opposition to our former colleague, Mr. NIXON.

Mr. HOFFMAN of Michigan. That is the situation. Stassen is working for Stassen, using his pretended opposition against NIXON for his own advancement. But he gets his money from the source indicated and is being used by those who supported the Rosenberg spies and others of that disloyal group.

Mr. THOMPSON of New Jersey. The gentleman will concede that he is not advancing very rapidly.

Mr. HOFFMAN of Michigan. Who, Stassen?

Mr. THOMPSON of New Jersey. Yes.

Mr. HOFFMAN of Michigan. Well, I saw a cartoon, I do not know whether it was in the Washington Star or the Chicago Tribune I think it was, where he was hanging on to this something coming from the ceiling—on a rope. It was not around his neck but he had hold of it and he was going all right. But the rope broke and he was going down—down through the floor and into the cellar.

Mr. THOMPSON of New Jersey. Stassen?

Mr. HOFFMAN of Michigan. Yes; Stassen was going down—down to the bottom—on his bottom.

Mr. THOMPSON of New Jersey. He was Stassenated.

Mr. HOFFMAN of Michigan. What is that—Stassenated? Yes; I think that was the idea.

Mr. GREEN of Pennsylvania. He was Stassenated.

Mr. HOFFMAN of Michigan. Well, I do not think that was all that he deserved. I think he should have something worse than that done to him but that would do for a starter. Stassen does not care anything about that good and great Governor of Massachusetts, Chris Herter. Stassen is just promoting Stassen and aiding his Red international backers.

Mr. THOMPSON of New Jersey. The rules prohibit discussing exactly what he may have deserved in the estimation of those who think highly of Mr. NIXON.

Mr. HOFFMAN of Michigan. Well, we all think highly of Mr. NIXON. I know on your side you are all unanimous in your high regard for him; very much like it was today here with our friend from Massachusetts, Mr. Nicholson—you all loved him and praised but some voted against him. I assume you all respect and admire NIXON. I know you do but some of you of course will vote for your own candidate come November—and with that no one will complain.

If you put up a ticket after Eisenhower is through his next term—which will be around 1960—of NIXON and KENNEDY, if I am around—and I do not expect to be—I will vote for both on that ticket NIXON and KENNEDY. That would make a wonderful ticket of outstanding, patriotic young Americans.

Mr. THOMPSON of New Jersey. The gentleman says our distinguished former colleague, the Senator from Massachusetts, Senator KENNEDY, is a distinguished and fine representative of the American people and is worthy to be on anyone's ticket?

Mr. HOFFMAN of Michigan. You have it right so far as you have gone—but you might well have said much more in his praise. Having served 6 years with him on the Committee on Education and Labor I cannot do otherwise than agree with you. He certainly is an outstanding, able, sincere young man, and I am sure will be deemed qualified and deserving by the people of this country in time to come for any office he may seek, but I hope that he has a switch in his party convictions. It would be a wonderful ticket, NIXON and KENNEDY, or KENNEDY and NIXON.

But I am not trying to take over Stassen's role of suggesting anyone as a candidate. You know how it is, somebody comes along and suggests something to you and you think you thought

of it and then you find you did not, but I wanted to pretend I did, and I think there is something to this idea of the dollar worshipers and Reds backing Stassen in the effort to keep NIXON whom they fear off the Republican ticket.

Mr. THOMPSON of New Jersey. Does the gentleman think the Scripps Howard paper may have had any support of Stassen's move against our former colleague, the distinguished Vice President, Mr. NIXON?

Mr. HOFFMAN of Michigan. I never had any support from any national newspaper that I know of. I know, having been here a couple of years I am supposed to know everything; as a matter of fact I know nothing at all of the newspaper business.

Mr. THOMPSON of New Jersey. The basis of my question is that they apparently had some advance information and perhaps fostered this a little with the New York crowd the gentleman mentioned.

Mr. HOFFMAN of Michigan. Scripps-Howard?

Mr. THOMPSON of New Jersey. Yes.

Mr. HOFFMAN of Michigan. I do not know about that. But they have been against the Reds always. I would not want to say anything about Scripps-Howard papers because I do not know. Have no idea of their political policy.

Mr. TUMULTY. It seems to me that Stassen by his move has demonstrated lack of judgment and lack of regard for his leader. It seems to me he has shown lack of party loyalty.

Mr. HOFFMAN of Michigan. Where does the gentleman get the idea that Stassen was ever loyal to any party? To any idea?

Mr. TUMULTY. I never got that idea; I was just making the observation.

Mr. HOFFMAN of Michigan. Is not that expecting too much of Mr. Stassen—that is that he be loyal to anyone, to anything other than to his own selfish ideas, if he is a member of Ike's team he is throwing his passes the wrong way.

Mr. TUMULTY. We all expect a lot of everyone, but I was speaking by and large.

Mr. HOFFMAN of Michigan. You were what?

Mr. TUMULTY. Speaking by and large of the Republican Party itself.

The SPEAKER pro tempore. The time of the gentleman from Michigan has expired.

Mr. THOMPSON of New Jersey. Mr. Speaker, I ask unanimous consent that if the gentleman wants it he be given 5 additional minutes.

Mr. HOFFMAN of Michigan. Pardon me, Mr. Speaker, does the gentleman want me to take the 5 minutes and then yield it to him? I would be glad to do so.

Mr. THOMPSON of New Jersey. I was just enjoying this colloquy so much.

Mr. HOFFMAN of Michigan. You and I are two at least. I do not wish to longer delay adjournment.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. HOSMER, of California for Thursday, Friday, and Saturday, on account of personal emergency.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House following the legislative program and any special orders heretofore entered was granted to:

Mr. STAGGERS, for 5 minutes today.

Mr. HESELTON, today and tomorrow, for 15 minutes.

Mr. THOMPSON of New Jersey, for 30 minutes, today.

Mr. MINSHALL, for 30 minutes today, Friday, and Saturday.

Mr. HOLIFIELD, for 5 minutes today.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. DIES.

Mr. KING of California in two instances and to include extraneous material.

Mr. TEAGUE of Texas and to include extraneous material.

Mr. O'BRIEN of New York and to include a statement.

Mr. HESELTON, the remarks he expects to make in Committee of the Whole today on H. R. 8902, and include certain related matter.

Mr. LAIRD on the cranberry bill, and include a wire and three letters.

Mr. SIMPSON of Pennsylvania (at the request of Mr. MARTIN), and include a statement.

Mr. HAND and include an article.

Mr. PELLY and to include extraneous material.

Mr. WOLVERTON and include extraneous matter.

Mr. REECE of Tennessee (at the request of Mr. ARENDS).

Mr. CORBETT and to include extraneous matter.

Mr. EVINS in two instances relative to the record of the 84th Congress.

Mr. LESINSKI and to include extraneous matter.

Mr. KEOGH (at the request of Mr. ALBERT) and include extraneous matter.

Mr. FLOOD (at the request of Mr. ALBERT) and to include extraneous matter.

Mr. POWELL (at the request of Mr. ALBERT) and to include extraneous matter.

ENROLLED BILLS SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 1420. An act for the relief of Mr. and Mrs. Herman E. Mosley, as natural parents of Herman E. Mosley, Jr.;

H. R. 1637. An act for the relief of Sam H. Ray;

H. R. 1774. An act to abolish the Verendrye National Monument, and to provide for its continued public use by the State of North Dakota for a State historic site, and for other purposes;

H. R. 3062. An act for the relief of Paul H. Sarvis, Sr., and for other purposes;

H. R. 4090. An act to provide for a study by the Federal Communications Commission, the United States Coast Guard, and the Federal Maritime Administration with respect to the need for automatic radiotelegraph call selectors and other such safety devices on certain cargo ships of the United States;

H. R. 4096. An act to provide for the disposal of public lands within highway, telephone, and pipeline withdrawals in Alaska, subject to appropriate easements, and for other purposes;

H. R. 5738. An act to authorize flight instruction during Reserve Officers' Training Corps programs, and for other purposes;

H. R. 6040. An act to amend certain administrative provisions of the Tariff Act of 1930 and to repeal obsolete provisions of the customs laws;

H. R. 7890. An act to authorize the commissioner of public lands to sell public lands located at Kaneohe Bay, Oahu, to certain persons;

H. R. 8008. An act for the relief of Mrs. Warren D. Cooper and her son, Teddy Devere Cooper;

H. R. 8750. An act to amend the Watershed Protection and Flood Prevention Act;

H. R. 8837. An act to amend certain sections of the Hawaiian Organic Act, as amended, relating to the Legislature of the Territory of Hawaii;

H. R. 9699. An act to provide for the conveyance to the State of Oregon of the land and improvements known as the Clackamas National Guard target range, at Clackamas, Oreg., to be used for National Guard purposes;

H. R. 9810. An act to provide for the conveyance of certain land of the United States to the State of Indiana;

H. R. 9970. An act to provide for the disposition of the Stockton Air Force Station and the Stockton Annex, Sharpe General Depot, Calif.;

H. R. 10432. An act to amend further the Federal Civil Defense Act of 1950, as amended, to authorize the Administrator to pay travel expenses and per diem allowances to trainees in attendance at the National Civil Defense Staff College, and for other purposes;

H. R. 11207. An act for the relief of Cyrus B. Follmer;

H. R. 11522. An act to implement section 25 (b) of the Organic Act of Guam by carrying out the recommendations of the Commission on the Application of Federal Laws to Guam, and for other purposes;

H. R. 11544. An act to improve and simplify the credit facilities available to farmers, to amend the Bankhead-Jones Farm Tenant Act, and for other purposes;

H. R. 11613. An act to extend the time limit which naval vessels may be loaned to friendly eastern nations and to authorize the loan of naval vessels to friendly European nations;

H. R. 11677. An act to provide for the advancement of Maj. Gen. Hanford MacNider, Army of the United States (retired), to the grade of lieutenant general on the retired list;

H. R. 11695. An act to extend until June 30, 1958, the programs of financial assistance in the construction and operation of schools in areas affected by the Federal activities under the provisions of Public Laws 815 and 874, 81st Congress, and to make certain other changes in such provisions;

H. R. 12138. An act making supplemental appropriations for the fiscal year ending June 30, 1957, and for other purposes;

H. R. 12170. An act to remove the present $1,000 limitation which prevents the Secretary of the Navy from settling certain claims arising out of the crash of a naval aircraft at the Wold-Chamberlain Air Field, Minneapolis, Minn.;

H. R. 12237. An act to encourage and assist the States in the establishment of State committees on education beyond the high school, and for other purposes; and

H. R. 12354. An act relating to clerk hire of Members of the House of Representatives.

SENATE ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

The SPEAKER announced his signature to enrolled bills and joint resolutions of the Senate of the following titles:

S. 497. An act to authorize the Secretary of the Interior to construct, operate, and maintain the Washoe reclamation project, Nevada and California;

S. 1161. An act to abolish the Fossil Cycad National Monument, S. Dak., and for other purposes;

S. 1243. An act for the relief of certain aliens;

S. 1324. An act to waive certain provisions of section 212 (a) of the Immigration and Nationality Act in behalf of certain aliens;

S. 1400. An act to protect the integrity of grade certificates under the United States Grain Standards Act;

S. 1873. An act to increase the minimum postal savings deposit, and for other purposes;

S. 1915. An act to provide for further effectuating the act of May 15, 1862, through the exchange of employees of the United States Department of Agriculture and employees of State political subdivisions or educational institutions;

S. 2216. An act to amend the act of March 4, 1915 (38 Stat. 1086, 1101; 16 U. S. C. 497);

S. 2569. An act to provide certain basic authority for the Department of State;

S. 2634. An act relating to the transportation of mail by highway post office service, and for other purposes;

S. 2887. An act to further protect and assure the privacy of grand or petit juries in the courts of the United States while such juries are deliberating or voting;

S. 3009. An act for the relief of certain aliens;

S. 3116. An act to provide for the promotion and strengthening of international relations through cultural and athletic exchanges and participation in international fairs and festivals;

S. 3149. An act to amend the Civil Aeronautics Act of 1938 in order to permit air carriers to grant reduced rate transportation to ministers of religion;

S. 3259. An act to amend the act to promote the education of the blind, approved March 3, 1879, as amended, so as to authorize wider distribution of books and other special instructional material for the blind, to increase the appropriations authorized for this purpose, and for other purposes;

S. 3430. An act to amend title III of the Public Health Service Act, and for other purposes;

S. 3458. An act to grant leaves of absence to homestead entrymen and to permit suspension of cultivation and improvement operations on homestead and desert land entries, and for other purposes;

S. 3481. An act to amend the Foreign Service Act of 1946, as amended, and for other purposes;

S. 3556. An act to amend Public Law 551, chapter 616, 83d Congress, 2d session;

S. 3592. An act to provide in certain additional cases for the granting of the status of regular substitute in the postal field service;

S. 3616. An act to amend the Railroad Retirement Act of 1937 to provide increases in benefits and for other purposes;

S. 3650. An act for the relief of the town of Freeport, Maine;

S. 3658. An act to amend the Act of May 11, 1938 (52 Stat. 347), so as to authorize, by agreement, the subsurface storage of oil or gas in restricted Indian lands, tribal or allotted;

S. 3768. An act to amend section 158 of the Revised Statutes of the United States, as amended, so as to include the Department of Health, Education, and Welfare among the executive departments here listed, and for other purposes;

S. 3779. An act to amend the Act of August 27, 1954 (68 Stat. 868), with respect to the Uintah and Ouray Reservation in Utah:

S. 3820. An act to increase the borrowing power of the Commodity Credit Corporation;

S. 3875. An act to amend section 4 (a) of the Vocational Rehabilitation Act, as amended;

S. 3879. An act to supplement the antitrust laws of the United States, in order to balance the power now heavily weighted in favor of automobile manufacturers, by enabling franchise automobile dealers to bring suit in the district courts of the United States to recover damages sustained by reason of the failure of automobile manufacturers to act in good faith in complying with the terms of franchises or in terminating or not renewing franchises with their dealers.

S. 3926. An act to authorize the Secretary of the Interior to charge for special services to purchasers of timber from Indian lands;

S. 3958. An act to improve the health of the people by assisting in increasing the number of adequately trained professional and practical nurses and professional public-health personnel, assisting in the development of improved methods of care and treatment in the field of mental health, and for other purposes;

S. 3968. An act to provide for the termination of Federal supervision over the property of the Peoria Tribe of Indians in the State of Oklahoma and the individual members thereof, and for other purposes;

S. 3969. An act to provide for the termination of Federal supervision over the property of the Ottawa Tribe of Indians in the State of Oklahoma and the individual members thereof, and for other purposes;

S. 3970. An act to provide for the termination of Federal supervision over the property of the Wyandotte Tribe of Oklahoma and the individual members thereof, and for other purposes;

S. 3998. An act to provide for the development of the Federal fish hatchery, known as the Holden trout hatchery, at Pittsford, Vt.;

S. 4060. An act to amend section 607 of the Postal Field Service Compensation Act of 1955 to include employees in the motor vehicle service;

S. 4215. An act to amend the act of July 15, 1954, authorizing the sale of certain vessels to Brazil;

S. J. Res. 71. Joint resolution to commend the foundation known as the Memorial to the American Indian Foundation for its project to establish a permanent memorial in honor of the North American Indians;

S. J. Res. 105. Joint resolution authorizing the President of the United States to designate the period beginning September 17 and ending September 23 of each year as Constitution Week;

S. J. Res. 114. Joint resolution to change the name of Bedloe's Island in New York Harbor to Liberty Island;

S. J. Res. 165. Joint resolution approving the relinquishments of the consular jurisdiction of the United States in Morocco;

S. J. Res. 183. Joint resolution authorizing an appropriation to enable the United States to extend an invitation to the World Health Organization to hold the 11th World Health Assembly in the United States in 1958;

S. J. Res. 186. Joint resolution authorizing an appropriation for expenses of the pan-American games to be held in Cleveland, Ohio, in 1959;

BILLS AND JOINT RESOLUTIONS PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills and joint resolutions of the House of the following titles:

H. R. 1637. An act for the relief of Sam H. Ray;

H. R. 1774. An act to abolish the Verendrye National Monument, and to provide for its continued public use by the State of North Dakota for a State historic site, and for other purposes;

H. R. 2121. An act to provide for the relief of certain members of the Armed Forces who were required to pay certain transportation charges covering shipment of their household goods and personal effects upon return from overseas, and for other purposes;

H. R. 3882. An act to require the registration of certain persons who have knowledge of or have received instruction or assignment in the espionage, counterespionage, or sabotage service or tactics of a foreign government or foreign political party, and for other purposes;

H. R. 5299. An act to authorize the establishment of the Virgin Islands National Park, and for other purposes;

H. R. 5712. An act to provide that the United States hold in trust for the Pueblos of Zia and Jemez a part of the Ojo del Espiritu Santo Grant and a small area of public domain adjacent thereto;

H. R. 6024. An act to withdraw and restore to its previous status under the control of the Territory of Hawaii certain land at Kaakaukukui, Honolulu, Oahu, Territory of Hawaii;

H. R. 6794. An act to authorize certain members and former members of the Armed Forces of the United States to accept and wear decorations, and supporting documents conferred upon them by the Government of the Philippines;

H. R. 7290. An act to authorize female Reserve officers of the Army or Air Force appointed as nurses or women medical specialists to be members of the Army National Guard of the United States or Air National Guard of the United States, as appropriate;

H. R. 7888. An act to authorize the commissioner of public lands to sell public lands located at Weliweli, Island of Kauai, to certain claimants;

H. R. 8008. An act for the relief of Mrs. Warren D. Cooper and her son, Teddy Devere Cooper;

H. R. 8068. An act for the relief of Elma Agnes Gibson Hollingsworth.

H. R. 8110. An act to incorporate the National Music Council;

H. R. 8474. An act to quiet title and possession with respect to certain real property in the State of Alabama;

H. R. 9314. An act granting the consent of Congress to the States of Illinois and Wisconsin to enter into a compact relating to interstate public school districts where an educational community extends into both such States;

H. R. 9547. An act to amend sections 401 and 701 (e) of the Federal Food, Drug, and Cosmetic Act so as to simplify the procedures governing the prescribing of regulations under certain provisions of such Act, and for other purposes;

H. R. 9956. An act to amend subdivision e of section 58, Notices, of the Bankruptcy Act, as amended;

H. R. 11636. An act to amend chapter 8 of title 18, United States Code, relating to animals, birds, and fish;

H. R. 11696. An act to authorize the conveyance of homestead allotments to Indians, Aluets, or Eskimos in Alaska;

H. R. 12237. An act to encourage and assist the States in the establishment of State committees on education beyond the high school, and for other purposes;

H. J. Res. 317. Joint resolution designating the week of November 16 to 22, 1956, as National Farm-City Week;

H. J. Res. 396. Joint resolution to establish a national motto of the United States;

H. J. Res. 511. Joint Resolution granting the consent of Congress to the States of New York, New Jersey, and Connecticut to confer certain additional powers upon the Interstate Sanitation Commission, established by said States pursuant to Public Resolution 62, 74th Congress, August 27, 1935;

H. J. Res. 613. Joint resolution to authorize the vessel operations revolving fund of the Department of Commerce to be used for expenses in connection with the chartering of merchant ships under jurisdiction of the Secretary of Commerce;

H. J. Res. 643. Joint resolution to provide for an investigation of the need for a geophysical institute in the Territory of Hawaii;

H. J. Res. 650. Joint resolution for the relief of certain aliens; and

H. J. Res. 661. Joint resolution to waive certain provisions of section 212 (a) of the Immigration and Nationality Act in behalf of certain aliens.

ADJOURNMENT

Mr. ALBERT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 8 o'clock and 51 minutes p. m.) under its previous order, the House adjourned until tomorrow, Friday, July 27, 1956, at 10 o'clock a. m.

EXECUTIVE COMMUNICATIONS, ETC.

2081. Under clause 2 of rule XXIV, a letter from the Comptroller General of the United States, transmitting a report on the audit of the National Advisory Committee for Aeronautics for the fiscal year ended June 30, 1955, pursuant to the Budget and Accounting Act, 1921 (31 U. S. C. 53), and the Accounting and Auditing Act of 1950 (31 U. S. C. 67) was taken from the Speaker's table, and referred to the Committee on Government Operations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. CELLER: Committee of Conference. H. R. 11124. A bill to amend title 28, United States Code, to provide for the payment of annuities to widows and dependent children or judges (Rept. No. 2934). Ordered to be printed.

Mr. MURRAY of Tennessee: Committee of Conference. H. R. 7619. A bill to adjust the rates of compensation of the heads of the executive departments and of certain other officials of the Federal Government, and for other purposes (Rept. No. 2935). Ordered to be printed.

Mr. COOPER: Committee on Ways and Means. H. R. 7225. A bill to amend title II of the Social Security Act to provide disability insurance benefits for certain disabled individuals who have attained age 50, to reduce to age 62 the age on the basis of which benefits are payable to certain women, to provide for continuation of child's insurance benefits for children who are disabled before attaining age 18, to extend coverage, and for other purposes; without amendment (Rept. No. 2936). Ordered to be printed.

Mr. LONG: Joint Committee on the Disposition of Executive Papers. House Report No. 2937. Report on the disposition of certain papers of sundry executive departments. Ordered to be printed.

Mr. BONNER: Committee on Merchant Marine and Fisheries. Report pursuant to House Resolution No. 18 pertaining to an investigation into the activities of foreign freight forwarders and brokers; without amendment (Rept. No. 2939). Referred to the Committee of the Whole House on the State of the Union.

Mr. BLATNIK: Committee on Public Works. H. R. 11481. A bill granting the consent of Congress to the Potomac Electric Power Co. for the construction of a dam on the Potomac River; with amendment (Rept. No. 2940). Referred to the Committee of the Whole House on the state of the Union.

Mr. CANNON: Committee of conference. H. R. 12350. A bill making supplemental appropriations for the year ending June 30, 1957 and for other purposes (Rept. No. 2941). Ordered to be printed.

Mr. BONNER: Committee of conference. S. 3275. A bill to establish a sound and comprehensive national policy with respect to the development, conservation for preservation, management and use of fisheries resources, to create and prescribe the functions of the United States Fisheries Commission, and for other purposes (Rept. No. 2942). Ordered to be printed.

Mr. FORRESTER: Committee of conference. H. R. 3957. A bill for the relief of Pauline H. Corbett; without amendment (Rept. No. 2943). Ordered to be printed.

Mr. HAYS of Ohio: Committee on House Administration. House Concurrent Resolution 268. Concurrent resolution authorizing the disposal of certain obsolete Government publications now stored in the folding rooms of the Congress; without amendment (Rept. No. 2944). Referred to the House Calendar.

Mr. HAYS of Ohio: Committee on House Administration. Report on Farm Management in the United States Government pursuant to House Resolution 262 (84th Cong.); without amendment (Rept. No. 2945). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. WALTER: Committee on the Judiciary. H. R. 11830. A bill for the relief of George Nakamura; without amendment (Rept. No. 2938). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. SIMPSON of Pennsylvania:

H. R. 12421. A bill to amend the Internal Revenue Code of 1954 to provide for the recodification of retailers' excise taxes imposed by subtitle D, chapter 31, and for other purposes; to the Committee on Ways and Means.

By Mr. HYDE:

H. R. 12422. A bill granting the consent of Congress to the Pittsburgh Plate Glass Co. for the construction of a dam on the North Branch of the Potomac River; to the Committee on Public Works.

By Mr. FASCELL:

H. R. 12423. A bill to amend the Internal Revenue Code of 1954 to provide for treating severance pay received by former members of the Armed Forces as a long-term capital gain; to the Committee on Ways and Means.

H. R. 12424. A bill to exempt severance pay received by former members of the Armed Forces from income tax; to the Committee on Ways and Means.

By Mr. FULTON:

H. R. 12425. A bill to amend the Internal Revenue Code of 1954 with respect to bonds filed under the Internal Revenue Code of 1939 on installment obligations; to the Committee on Ways and Means.

By Mr. HYDE:

H. R. 12426. A bill to amend the name and corporate purposes of the Mutual Fire Insurance Co. of the District of Columbia; to the Committee on the District of Columbia.

By Mr. THOMPSON of New Jersey:

H. R. 12427. A bill to provide for a special assistant to the Secretary of Health, Education, and Welfare for the arts, crafts, and other cultural activities; to the Committee on Education and Labor.

By Mr. ASPINALL:

H. R. 12428. A bill to direct the Secretary of the Interior to formulate a plan and make recommendations for consolidation in a single executive agency of the responsibility for, and supervision of, activities involving Antarctica; to the Committee on Interior and Insular Affairs.

By Mr. ENGLE:

H. R. 12429. A bill to direct the Secretary of the Interior to formulate a plan and make recommendations for consolidation in a single executive agency of the responsibility for, and supervision of, activities involving Antarctica; to the Committee on Interior and Insular Affairs.

By Mr. HALEY:

H. R. 12430. A bill to direct the Secretary of the Interior to formulate a plan and make recommendations for consolidation in a single executive agency of the responsibility for, and supervision of, activities involving Antarctica; to the Committee on Interior and Insular Affairs.

By Mr. HOSMER:

H. R. 12431. A bill to direct the Secretary of the Interior to formulate a plan and make recommendations for consolidation in a single executive agency of the responsibility for, and supervision of, activities involving Antarctica; to the Committee on Interior and Insular Affairs.

By Mr. MILLER of Nebraska:

H. R. 12432. A bill to direct the Secretary of the Interior to formulate a plan and make recommendations for consolidation in a single executive agency of the responsibility for, and supervision of, activities involving Antarctica; to the Committee on Interior and Insular Affairs.

By Mr. O'BRIEN of New York:

H. R. 12433. A bill to direct the Secretary of the Interior to formulate a plan and make recommendations for consolidation in a single executive agency of the responsibility for, and supervision of, activities involving Antarctica; to the Committee on Interior and Insular Affairs.

By Mr. PILLION:

H. R. 12434. A bill to direct the Secretary of the Interior to formulate a plan and make recommendations for consolidation in a single executive agency of the responsibility for, and supervision of, activities involving Antarctica; to the Committee on Interior and Insular Affairs.

By Mr. SAYLOR:

H. R. 12435. A bill to direct the Secretary of the Interior to formulate a plan and make recommendations for consolidation in a single executive agency of the responsibility for, and supervision of, activities involving Antarctica; to the Committee on Interior and Insular Affairs.

By Mr. METCALF:

H. R. 12436. A bill to amend the Federal Power Act to define comprehensive plan and to provide for multipurpose development of water resources for optimum public benefit; to the Committee on Interstate and Foreign Commerce.

By Mrs. PFOST:

H. R. 12437. A bill to amend the Federal Power Act to define comprehensive plan and to provide for multiple-purpose development of water resources for optimum public benefit; to the Committee on Interstate and Foreign Commerce.

By Mr. GAVIN:

H. R. 12438. A bill to provide for the establishment of a fish hatchery in the northwestern part of the State of Pennsylvania; to the Committee on Merchant Marine and Fisheries.

By Mr. BLATNIK:

H. J. Res. 700. Joint resolution to authorize the Secretary of Commerce to sell certain war-built vessels; to the Committee on Merchant Marine and Fisheries.

By Mr. BECKER:

H. Con. Res. 272. Concurrent resolution relative to faith in the Word of God and renewed observance of the 10 Commandments; to the Committee on Foreign Affairs.

By Mr. DINGELL:

H. Con. Res. 273. Concurrent resolution relative to faith in the Word of God and renewed observance of the 10 Commandments; to the Committee on Foreign Affairs.

By Mr. MURRAY of Illinois:

H. Con. Res. 274. Concurrent resolution urging the free nations to join in an International Magna Charta agreement with respect to protection of private property of foreign nationals; to the Committee on Foreign Affairs.

By Mr. BOGGS:

H. Res. 642. Resolution creating a select committee to conduct an investigation and study of national civilian air policy and its enforcement; to the Committee on Rules.

By Mr. HOLIFIELD:

H. Res. 643. Resolution creating a select committee to conduct an investigation and study of national civilian air policy and its enforcement; to the Committee on Rules.

By Mr. MOULDER:

H. Res. 644. Resolution to create a select committee to conduct a full and complete investigation and study of national civilian air policy, etc.; to the Committee on Rules.

By Mr. DIES:

H. Res. 645. Resolution authorizing the Committee on Interstate and Foreign Commerce to investigate certification of nonscheduled air carriers as scheduled air carriers; to the Committee on Rules.

By Mr. MILLER of Maryland:

H. Res. 646. Resolution authorizing a select committee to investigate certification of nonscheduled air carriers as scheduled air carriers; to the Committee on Rules.

By Mr. UTT:

H. Res. 647. Resolution authorizing a select committee to investigate certification of nonscheduled air carriers as scheduled air carriers; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. DAGUE:

H. R. 12439. A bill for the relief of Antonio Frezza; to the Committee on the Judiciary.

By Mr. ENGLE:

H. R. 12440. A bill for the relief of Stanley Teitzel and F. M. Crawford Lumber, Inc.; to the Committee on the Judiciary.

By Mr. FULTON:

H. R. 12441. A bill for the relief of Ursula Gwendolyn Kunze; to the Committee on the Judiciary.

By Mr. GATHINGS:

H. R. 12442. A bill for the relief of Quan Yee Lum; to the Committee on the Judiciary.

By Mr. HILLINGS:

H. R. 12443. A bill for the relief of William Radkovich Co., Inc.; to the Committee on the Judiciary.

By Mr. LESINSKI:

H. R. 12444. A bill for the relief of Michael Spak; to the Committee on the Judiciary.

By Mr. MORANO:

H. R. 12445. A bill for the relief of Wai Ling Vivian Wong; to the Committee on the Judiciary.

By Mr. ROONEY:

H. R. 12446. A bill for the relief of Felix Rincon; to the Committee on the Judiciary.

By Mr. ROONEY (by request):

H. R. 12447. A bill for the relief of Antonio Rosa; to the Committee on the Judiciary.

By Mr. SHELLEY:

H. R. 12448. A bill for the relief of Ernesto Uglesic; to the Committee on the Judiciary.

By Mr. ZABLOCKI:

H. R. 12449. A bill for the relief of Emmy B. Heinrichmeier; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

Reimbursement of the State of California

EXTENSION OF REMARKS
OF
HON. CECIL R. KING
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 26, 1956

Mr. KING of California. Mr. Speaker, I submit for inclusion in the RECORD, under leave to extend my remarks, extracts from House and Senate Reports, 74th Congress; the report on June 8, 1955, of the House Judiciary Subcommittee on Claims, and a statement prepared by me on May 3, 1955, all relating to H. R. 5253, relating to the claims of the State of California.

The matters follow:

[From CONGRESSIONAL RECORD Daily Digest, vol. 101, pt. 12, p. 377]

"Claims: Committee on the Judiciary, House of Representatives, Subcommittee No. 2 ordered reported to the full committee H. R. 5253, amended, for the relief of the State of California."

Following is the favorable report on the bill, H. R. 5253, providing for the payment for the sum found by the Court of Claims to have been expended by the State of California, as determined by that court pursuant to the Knowland Act of September 25, 1950 (64 Stat. 1032):

"H. R. 5253

"A bill for the relief of the State of California

"This bill was introduced by Congressman CECIL KING, of California, and provides that the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the State of California, a sum equal to the aggregate amount of money expended by such State as reported in findings Nos. 24, 31, 33, 35, 36, 38, and 40 of the commissioner's report to the Court of Claims, filed May 28, 1953, No. 49912. Such sum shall be in full satisfaction of the claim of the State of California for reimbursement for all expenses incurred by such State in maintaining its militia and in recruiting, equipping, and supporting voluntary forces for the national defense during the War Between the States, including expenses resulting from indebtedness incurred for such purposes.

"In 1861 Congress passed an act authorizing the payment of the claim, but the Government contended that under the Chase (then Secretary of the Treasury) regulations, which the act did not set aside or waive, the law in regard to interest could not be complied with.

"Here the matter has rested ever since. The amount expended by the State of California at the request of the United States Government has never been in dispute; nor has it ever been contended that this claim was not the obligation of the United States, under the wording of the appeal made to California by President Lincoln.

"Finally Congress passed an act, Public Law 834, in the 81st Congress, 2d session, conferring on the Court of Claims jurisdiction to make findings of fact, waiving the Statute of Limitations. The Court of Claims gave judgment for a part of the claim, but found that in its judgment, under the Chase regulations, some claims for interest were not reimbursable.

"The court did find and make the following conclusions in the report of the commissioner filed May 28, 1953 (No. 49912):

"'MILITIA EXPENDITURES

"'24. Under the direction and superintendence of certain high ranking officials of the California militia, the State expended pursuant to the foregoing statutes the sum of $468,976.54 on account of its militia forces, itemized as follows:

Equipment	$179,000.00
Subsistence	37,075.47
Transportation	63,589.97
Supplies	64,805.78
Incidental expenses	8,779.16
Drill expenses	70,251.15
Organizational expenses	6,778.61
Pay of militia:	
State staff officers	7,063.82
Militia generally	30,902.58
Band	730.00
	38,696.40
Total	468,976.54

"'Of the total sum of $179,000 expended on equipping the militia, $70,140 was for uniforms and cavalry equipment with an additional $32,511.25 for like purposes, and the balance of $76,348.75 was applied to purposes which are not disclosed in the record.

"'The commanding general of the Department of the Pacific, United States Army, consulted with and advised the governor and members of the California legislature, and at all times promoted and encouraged the reorganization and strengthening of the California militia, but it is not shown that he or any other official of the United States requested or demanded the course of action taken with respect to the militia, or directed, superintended, or conducted the program.

"'EXTRA PAY TO VOLUNTEERS

"'31. Pursuant to said acts, the State of California expended the principal amount of $1,459,270.21 as extra pay to the California volunteers for their services in the United States Army. In addition, California expended $3,000 to print the relief or extra pay bonds.