cannot continue this pace of providing largess out of the goodness of the American people. We cannot afford it at the rate at which we are spending money. Therefore, I shall press for action on this amendment.

Mr. President, I submit my last amendment on which I shall comment. I ask that it be appropriately referred and I ask unanimous consent that it be printed at this point in my remarks.

The PRESIDING OFFICER. The amendment will be received and referred to the Committee on Foreign Relations; and without objection, it will be printed in the RECORD.

The amendment is as follows:

On page 25, line 18, add the following: "The number of such persons shall be reduced 10 percent below the number on January 1, 1961, and shall be held at that level."

Mr. MORSE. Mr. President, this amendment is an economy measure. Yes, it is more than an economy measure. Sometimes I think some of the personnel which are sent to some parts of the world are greater in number than is needed to do the job which should be done, and the resulting impression is not favorable to the United States. I think this is a very sound amendment from that standpoint, and I hope it will be favorably considered.

Mr. President, for the benefit of those who might seek to read into my remarks motives, intentions, and meanings which I do not possess, I have made this speech this evening because I consider it timely, in view of the work that the subcommittee of which I am chairman has been doing in the field of Latin American affairs. I consider it timely because I believe these statements need to be made before opinion crystallizes in the Senate on the mutual aid bill.

Mr. President, I am well aware—as a result of my experience in the past with mutual-aid bills—that during the consideration in the Senate of mutual security bills, the point is reached where Senators crystallize their judgment. They make up their minds; and then it is very difficult to permeate beyond that crystallization, and persuade them to change their minds. Their votes become set.

I plead with them not to make up their minds yet in regard to this mutual aid bill. I plead with them not to form any set opinions on this bill until they examine the evidence—which will be forthcoming from the Senate Foreign Relations Committee—that I believe will be such that fair judgment will cause them to decide that any doubts they may have should be resolved in favor of the position I have taken on the several amendments I have submitted this afternoon.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on today, June 20, 1961, he presented to the President of the United States the enrolled bill (S. 1619) to authorize adjustments in accounts of outstanding old series currency, and for other purposes.

ADJOURNMENT

Mr. MORSE. Mr. President, unless the minority leader has other business for the Senate today, I now move that the Senate adjourn until tomorrow, at 12 o'clock noon.

The motion was agreed to; and (at 7 o'clock and 2 minutes p.m.) the Senate adjourned until tomorrow, Wednesday, June 21, 1961, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 20, 1961:

DIPLOMATIC AND FOREIGN SERVICE

Edward T. Wailes, of the District of Columbia, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Czechoslovak Socialist Republic.

William P. Snow, of Maine, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Paraguay.

JUDICIARY

Roger J. Kiley, of Illinois, to be U.S. circuit judge for the seventh circuit, vice W. Lynn Parkinson, deceased.

William Harold Cox, of Mississippi, to be U.S. district judge for the southern district of Mississippi, vice a new position.

U.S. ATTORNEYS

Bernard J. Brown, of Pennsylvania, to be U.S. attorney for the middle district of Pennsylvania for the term of 4 years, vice Daniel H. Jenkins.

Frank R. Freeman, of Washington, to be U.S. attorney for the eastern district of Washington for the term of 4 years, vice Dale M. Green.

Thomas B. Mason, of Virginia, to be U.S. attorney for the western district of Virginia for the term of 4 years, vice John Strickler.

U.S. MARSHALS

James J. Moos, of Illinois, to be U.S. marshal for the southern district of Illinois for the term of 4 years, vice Gilbert B. Scheller.

Orville H. Trotter, of Michigan, to be U.S. marshal for the eastern district of Michigan for the term of 4 years, vice Clark W. Gregory.

HOUSE OF REPRESENTATIVES

TUESDAY, JUNE 20, 1961

The House met at 12 o'clock noon. The Chaplain, Rev. Bernard Braskamp, D.D., offered the following prayer:

Psalm 113: 3: From the rising of the sun, unto the going down of the same the Lord's name is to be praised.

Our Heavenly Father, may our hearts daily expand and enlarge with praise and penitence as we think of how marvelous are the works of Thy hand and how merciful are the wonders of Thy grace.

Purge us of the moods of pessimism and cynicism, of despair and defeatism and may they be supplanted by the pressures of noble aspirations, impelling us to dedicate ourselves anew to the great concerns of humanity and the vast national and international problems and issues which are still unsettled and unsolved.

Help us to believe that the anxious and restless feelings which come over us, during these days are perhaps divinely intended to turn our prodigal minds and hearts back and nearer to Thee that we may have a richer and more satisfying experience of Thy love and find the secret of conquest and peace.

To Thy name, through Christ Jesus, our Lord, we ascribe all the praise. Amen.

THE JOURNAL

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

FEDERAL-AID HIGHWAY ACT OF 1961

Mr. FALLON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 6713) to amend certain laws relating to Federalaid highways, to make certain adjustments in the Federal-aid highway program, 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 Maryland? The Chair hears none and appoints the following conferees: On title I, Messrs. FALLON, DAVIS of Tennessee, BLATNIK, SCHERER, and CRAMER; on title II, Messrs. MILLS, KING of California, O'BRIEN of Illinois, MASON, and BYRNES of Wisconsin.

CALL OF THE HOUSE

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

The SPEAKER. Evidently a quorum is not present.

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

	[Roll No. 87	I Div Douban
Adair	Grant	Powell
Alger	Green, Oreg.	Reifel
Auchincloss	Hagan, Ga.	Rivers, Alaska
Baring	Harrison, Va.	Roberts
Betts	Hosmer	Roosevelt
Blitch	Inouye	Rousselot
Burke, Ky.	Kilburn	Santangelo
Cederberg	Laird	Scherer
Celler	McSween	Shelley
Diggs	Macdonald	Siler
Evins	Magnuson	Thompson, La.
Findley	May	Thompson, N.J.
Fino	Michel	Williams
Flynt	Moore	Wright
Gavin	Norrell	Young
Giaimo	Poage	

The SPEAKER. On this rollcall 393 Members have answered to their names, a quorum.

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

COMMITTEE ON PUBLIC WORKS

Mr. BLATNIK. Mr. Speaker, I ask unanimous consent that the special subcommittee of the Highway Investigating Committee of the Committee on Public Works be permitted to sit during general debate this afternoon and for the balance of the week.

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

There was no objection.

SUSPENSION OF DUTIES ON METAL SCRAP

Mr. MILLS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 4591) to continue until the close of June 30, 1962, the suspension of duties on metal scrap, and for other purposes.

The Clerk read the title of the bill.

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

There was no objection.

The Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first sentence of section 2 of the Act of September 30, 1950 (Public Law 869, Eighty-first Congress), is hereby amended by striking out "June 30, 1961" and inserting in lieu thereof "June 30, 1962": Provided, That this Act shall not apply to lead scrap, lead alloy scrap, antimonial lead scrap, scrap battery lead or plates, zinc scrap, or zinc alloy scrap, or to any form of tungsten scrap; tungsten carbide scrap, or tungsten alloy, scrap; or to articles of lead, lead alloy, antimonial lead, zinc, or zinc alloy, or to articles of tungsten, tungsten carbide, or tungsten alloy, imported for remanufacture by melting.

manufacture by melting. SEC. 2. This Act shall not apply to any article provided for in section 4541 of the Internal Revenue Code of 1954.

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.

LEAVE TO EXTEND

Mr. MILLS. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. MASON], and I may insert our remarks at this point in explanation of the bill.

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

There was no objection.

Mr. MILLS. Mr. Speaker, the purpose of H.R. 4591, which was introduced by our colleague on the Committee on Ways and Means, the Honorable THAD-DEUS MACHROWICZ, is to continue for 1 year, from the close of June 30, 1961, to the close of June 30, 1962, the sus-pension of duties on metal scrap. This This bill provides for continuing for 1 year the suspension of duties on metal scrap, which have been suspended from time to time since 1942. Under the bill, the proviso of existing law that the suspension shall not apply to lead scrap, lead alloy scrap, antimonial lead scrap, scrap battery lead or plates, zinc scrap, or zinc alloy scrap, or to any form of tungsten scrap, tungsten carbide scrap, or tungsten alloy scrap, or to articles of lead, lead alloy, antimonial lead, zinc, or zinc alloy, or to articles of tungsten, tungsten carbide, or tungsten alloy, imported for remanufacture by melting, would be retained. The bill also con-

tinues the existing provision that the suspension shall not apply to any article provided for in section 4541 of the Internal Revenue Code of 1954, relating to copper-bearing ores and concentrates and articles of which copper is a component material.

The Committee on Ways and Means received favorable reports on the bill from the Departments of the Treasury, State, Defense, Commerce, and Labor. An informative report was received from the U.S. Tariff Commission. The committee has received no information which would indicate any opposition to this legislation.

The Committee on Ways and Means is unanimous in urging the enactment of H.R. 4591.

Mr. MASON. Mr. Speaker, the legislation before the House, H.R. 4591, pertains to the suspension of import duties on certain metal scrap. This is legislation that is similar to bills that have passed the House in previous years accomplishing the same thing. The suspension to be provided by this legislation would be for the period from July 1, 1961, to June 30, 1962.

The metals covered by the legislation have been referred to by the distinguished chairman of the committee, and are further described in the committee report accompanying the legislation to the House. These metals include iron and steel, aluminum, nickel, magnesium, and so forth.

In its deliberations on this legislation the Committee on Ways and Means received favorable reports from interested Government departments, and the committee was unanimous in recommending approval of the bill, H.R. 4591. The Tariff Commission in its report to the committee stated that the United States has for some years been a net exporter of scrap metals other than lead scrap.

While U.S. imports of metal scrap are not large relative to U.S. domestic production, the imports of scrap have been important sources of supply to some consumers in certain geographical sections of the Nation. Therefore, it is appropriate that the Congress should approve legislation extending the duty suspension on metal scrap for an additional year.

COMMITTEE ON HOUSE ADMINISTRATION

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the subcommittee on accounts of the Committee on House Administration may be permitted to sit today during general debate.

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

There was no objection.

HOSPITAL FACILITIES IN THE DISTRICT OF COLUMBIA

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 4913) to further amend the act of August 7, 1946 (60 Stat. 896), as amended by the act of October 25, 1951 (65 Stat. 657), as the same are amended, by providing for an increase in the authorization for funds to be granted for the construction of hospital facilities in the District of Columbia; by extending the time in which grants may be made; and by authorizing a grant for funds to the George Washington University Hospital, and for other purposes.

The Clerk read the title of the bill.

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

Mr. AVERY. Mr. Speaker, reserving the right to object, could I inquire of the gentleman from Massachusetts whether this proposal has been cleared on this side of the aisle?

Mr. McCORMACK. Yes, it has been cleared. And, I might say that the amendment I shall offer simply extends the Hospital Act for the District of Columbia from June 30, 1961, to June 30, 1962.

Mr. AVERY. Could I inquire from which committee this came?

Mr. McCORMACK. The Committee on the District of Columbia. They have authorized me to ask unanimous consent for its consideration because I introduced the original bill.

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

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

There was no objection.

The Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subparagraph (c) of section 1 of the Act of August 7, 1946 (60 Stat. 896), as amended by the Act of October 25, 1951 (65 Stat. 657), as the same are amended, entitled, "An Act to provide for the establishment of a modern, adequate, and efficient hospital center in the District of Columbia, to authorize the making of grants for hospital facilities to private agencies in the District of Columbia, to provide a basis for repayment to the Government by the Commissioners of the District of Columbia, and for other purposes," is hereby further amended, by inserting after the words "including, in addition thereto," the words "George Washington University Hospital," and by striking the figure "\$17,320,000" after the word "appropriation" and inserting in lieu thereof the figure

SEC. 2. Section 6 of such Act of August 7, 1946, as amended, is further amended (1) by striking out the figures "1961" and inserting in lieu thereof the figures "1965", and (2) by striking out the figures "\$40,730,000" and inserting in lieu thereof the figures "\$43,-280,000".

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

The Clerk read as follows:

Amendment offered by Mr. McCORMACK: Strike out all after the enacting clause and insert in lieu thereof the following: "That section 6 of the Act entitled 'An Act to provide for the establishment of a modern, adequate, and efficient hospital center in the District of Columbia, to authorize the making of grants for hospital facilities to private agencies in the District of Columbia, to provide a basis for repayment to the Government by the Commissioners of the District of Columbia, and for other purposes,' approved August 7, 1946, as amended, is further amended by striking out '1961' and inserting in lieu thereof '1962'." The 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 so as to read: "A bill to amend the act of August 7, 1946, relating to the District of Columbia hospital center to extend the time during which appropriations may be made for the purposes of that act."

A motion to reconsider was laid on the table.

PRIVATE CALENDAR

The SPEAKER. This is Private Calendar day. The Clerk will call the first individual bill on the calendar.

WORTHINGTON OIL REFINERS, INC.

The Clerk called the bill (H.R. 1414) for the relief of the Worthington Oil Refiners, Inc.

Mr. AVERY. 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 Kansas?

There was no objection.

MRS MAURICIA REYES

The Clerk called the bill (H.R. 3843) for the relief of Mrs. Mauricia Reyes.

Mr. ANDERSON of Illinois. 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 Illinois?

There was no objection.

nere was no objection.

ANNA CATANIA PUGLISI

The Clerk called the bill (H.R. 1336) for the relief of Anna Catania Puglisi.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Anna Catania Puglisi, who lost United States citizenship under the provisions of section 349 (a) (5) of the Immigration and Nationality Act, may be naturalized by taking prior to one 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 Anna Catania Puglisi shall have the same citizenship status as that which existed immediately prior to its loss.

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.

AMELIA ANDREOLI D'ATTORRE

The Clerk called the bill (H.R. 1337) for the relief of Amelia Andreoli D'Attorre.

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

Be it enacted by the Senate and House of Representatives of the United States of

America in Congress assembled, That Amelia Andreoli D'Attorre, 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 one 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 Amelia Andreoli D'Attorre shall have the same citizenship status as that which existed immediately prior to its loss.

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.

JUNG NGON WOON

The Clerk called the bill (H.R. 1390) for the relief of Jung Ngon Woon.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of sections 101(a) (27) (A) and 205 of the Immigration and Nationality Act, Jung Ngon Woon shall be held and considered to be the natural-born minor alien child of Thomas Wook Jung, a citizen of the United States.

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. WONG, LAU SAU KAM

The Clerk called the bill (H.R. 1391) for the relief of Mrs. Wong, Lau Sau Kam.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Mrs. Wong, Lau Sau Kam 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.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following: "That, the Attorney General is authorized and directed to cancel any outstanding orders and warrants of deportation, warrants of arrest, and bond, which may have issued in the case of Mrs. Wong Lau Sau Kam. From and after the date of the enactment of this Act, the said Mrs. Wong Lau Sau Kam 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 engrossed and read a third time, was read the third time, and passed. The title was amended to read: "A bill for the relief of Mrs. Wong Lau Sau Kam."

A motion to reconsider was laid on the table.

EN2C. HIDEO CHUMAN, U.S. NAVY

The Clerk called the bill (H.R. 1459) for the relief of En2c. Hideo Chuman, U.S. Navy.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, EN/2 Hideo Chuman, United States Navy, 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 engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WOODY W. HACKNEY

The Clerk called the bill (H.R. 3863) for the relief of Woody W. Hackney of Fort Worth. Tex.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the America in Congress assembles, that the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Woody W. Hackney of Fort Worth, Texas, the sum of \$9,894.31. The payment of such sum shall be in full satisfaction of his claim against the United States for compensation for all losses directly or indirectly sustained by him through injury or damage to live-stock, real property, crops, and equipment, and all losses in milk production, resulting from the crashing upon his real property on April 23, 1960, of an F-86L aircraft (SN 53-4085) while such aircraft was engaged in a training flight of the One Hundred and Thirty-sixth Air Defense Wing, Texas Air National Guard: *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 find in any sum not exceeding \$1,000.

With the following committee amendment:

Page 2, line 5, strike out "in excess of 10 per centum 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.

JENO BECSEY

The clerk called the bill (S. 32) for the relief of Jeno Becsey.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Jeno Becsey shall be held and considered to have been lawfully admitted to the United States for permanent residence as of January 3, 1957: 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.

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.

KAY ADDIS

The Clerk called the bill (S. 68) for the relief of Kay Addis. There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Inmigration and Nationality Act, Kay Addis 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.

MAH NGIM HAY (JOE MAH)

The Clerk called the bill (S. 70) for the relief of Mah Ngim Hay (Joe Mah). There being no objection, the Clerk

read the bill, as follows: Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for

America in Congress assembled, final, for the purposes of the Immigration and Nationality Act, Mah Ngim Hay (Joe Mah) 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.

MAH NGIM BELL (BILL MAH)

The Clerk called the bill (S. 71) for the relief of Mah Ngim Bell (Bill Mah). There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Mah Ngim Bell (Bill Mah) shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such allen 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.

DR. WILLIAM KWO-WEI CHEN

The Clerk called the bill (S. 186) for the relief of Dr. William Kwo-Wei Chen. There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Doctor William Kwo-Wei Chen shall be held and considered to have been lawfully admitted to the United States for permanent residence as of September 27, 1947, 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.

DR. NOBUTAKA AZUMA

The Clerk called the bill (S. 219) for the relief of Dr. Nobutaka Azuma.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Doctor Nobutaka Azuma shall be held and considered to have been lawfully admitted to the United States for permanent residence as of March 18, 1951.

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.

HOK YUEN WOO

The Clerk called the bill (S. 268) for the relief of Hok Yuen Woo.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of sections 101(a)(27)(A) and 205 of the Immigration and Nationality Act, Hok Yuen Woo shall be held and considered to be the minor natural-born alien child of Chew Yat Woo, a United States citizen.

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.

ANNA LEKOS

The Clerk called the bill (S. 304) for the relief of Anna Lekos.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Anna Lekos 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.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following: "That the Attorney General is authorized and directed to 'ancel any outstanding orders and warrants of deportation, warrants of arrest, and bond, which may have issued in the case of Anna Lekos. From and after the date of the enactment of this Act, the said Anna Lekos 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, and a motion to reconsider was laid on the table.

FAUSTO LAVARI

The Clerk called the bill (S. 395) for the relief of Fausto Lavari.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the periods of time Fausto Lavari has resided in the United States since March 13, 1921, shall be held and considered to meet the residence and physical presence requirements of section 316 of the Immigration and Nationality Act.

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.

MRS. KEUM JA ASATO (MRS. THOMAS R. ASATO)

The Clerk called the bill (S. 400) for the relief of Mrs. Keum Ja Asato (Mrs. Thomas R. Asato).

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the Immigration and Nationality Act, Mrs. Keum Ja Asato, the widow of a United States citizen who served honorably in the Armed Forces of the United States, shall be held and considered to be within the purview of section 101(a) (27) (A) of that Act and the provisions of section 205 of that Act shall not be applicable in this case.

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.

RODOPI STATHEROU (STATHERON)

The Clerk called the bill (S. 441) for the relief of Rodopi Statherou (Statheron).

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Rodopi Statherou (Statheron) 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 allen 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.

CHARLES EDWARD PIFER

The Clerk called the bill (S. 485) for the relief of Charles Edward Pifer.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of sections 101(a)(27)(A) and 205 of the Immigration and Nationality Act, the minor child, Charles Edward Pifer, shall be held and considered to be the naturalborn allen child of Joy J. Pifer and Griffin Watson Pifer, citizens of the United States: *Provided*, That the natural parents of the said Charles Edward Pifer shall not, by virtue of such parentage, be accorded any right, privilege, or status under the Immigration and Nationality Act.

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.

YEE MEE HONG

The Clerk called the bill (S. 746) for the relief of Yee Mee Hong.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of sections 101(a)(27)(A) and 205 of the Immigration and Nationality Act, Yee Mee Hong, shall be held and considered to be the natural-born minor alien child of Jew Num Yee, citizen of the United States: Provided, That no natural parent of the beneficiary, by virtue of such parentage, shall be accorded any right, privilege, or status under the Immigration and Nationality Act.

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.

SADAKO SUZUKI REEDER.

The Clerk called the bill (S. 759) for the relief of Sadako Suzuki Reeder.

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

Be it enacted by the Senate and House of Representatives of the United States of

America in Congress assembled, That for the purposes of the Immigration and Nationality Act, Sadako Suzuki Reeder 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.

WIESLAWA BARBARA KRZAK

The Clerk called the bill (S. 865) for the relief of Wieslawa Barbara Krzak.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purpose of sections 101(a)(27)(A) and 205 of the Immigration and Nationality Act, the minor child, Wieslawa Barbara Krzak, shall be held and considered to be the natural-born alien child of Stanley Krzak and his wife, Maria Krzak, citizens of the United States: *Provided*, That the natural parents of the said Wieslawa Barbara Krzak, shall not, by virtue of such parentage, be accorded any right, privilege or status under the Immigration and Nationality Act.

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.

MARTHA UCHACZ BARRAS

The Clerk called the bill (S. 921) for the relief of Martha Uchacz Barras.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of sections 101(a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child Martha Uchacz Barras shall be held and considered to be the naturalborn alien child of Anne Barras, a citizen of the United States.

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.

SZE-FOO CHIEN

The Clerk called the bill (S. 1093) for the relief of Sze-Foo Chien.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Sze-Foo Chien 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.

DOCTOR TUNG HUI LIN

The Clerk called the bill (S. 1343) for the relief of Doctor Tung Hui Lin.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Doctor Tung Hui Lin shall be held and considered to have been lawfully admitted to the United States for permanent residence as of November 27, 1952, upon payment of the required head tax. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quotacontrol officer to deduct one number from the appropriate quota for the first year that such quota is available.

With the following committee amendments:

Page 1, line 6, strike out "November 27, 1952" and substitute in lieu thereof "No-vember 25, 1959".

vember 25, 1959". Page 1, line 7, strike out the words "head tax" and substitute the words "visa fee".

The committee amendments were 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.

WILLIAM W. STEVENS

The Clerk called the bill (H.R. 1338) for the relief of William W. Stevens.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That William W. Stevens, 28 Little Nahant Road, Nahant, Massachusetts, is hereby relieved of all liability to pay the United States the amount of \$1,325.10, representing an indebtedness resulting from the payment by the Veterans' Administration for a nonservice pension.

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.

CAPT. JACOB HABERLE

The Clerk called the bill (H.R. 1507) for the relief of Capt. Jacob Haberle.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Captain Jacob Haberle (Army serial number 884763) is relieved of all liability to refund to the United States the sum of \$4,876.82 which represents the aggregate amount of retired pay alleged to have been erroneously paid to him by the United States computed on the basis of the retroactive application of a decision of the Comptroller General dated April 1, 1959, to the retired pay he received in the period from May 1, 1953, through September 30, 1959. In the audit and settlement of the accounts of any certifying or disbursing officer of the United States, full credit shall be given for the amount for

which liability is relieved by this section. SEC. 2. The Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Captain Jacob Haberle (Army serial number 884763), Route 2, Greenfield, Ohio, the amount certified to him by the Secretary of the Army as the aggregate amount paid to the United States by the said Captain Jacob Haberle, or withheld by the United States from amounts due him, on account of the liability referred to in the first section of this Act: *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. Anv 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 amendments:

Page 1, line 3, strike out "884763" and in-sert "0183349".

Page 2, line 7, strike out "864763" and in-ert "0183349". sert

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.

MRS. AMINA YOUSSIF COSINO

The Clerk called the bill (H.R. 1903) for the relief of Mrs. Amina Youssif Cosino.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Mrs. Amina Youssif Cosino (nee Simaan) 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 pro-vided 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

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following: "That, the Attorney General is authorized and directed to cancel any outstanding orders and warrants of deportation, warrants of arrest, and bond, which may have issued in the case of Mrs. Amina Youssif Cosino (nee Simaan). From and after the date of the enactment of this Act, the said Mrs. Amina Youssif Cosino (nee Simaan) shall not again be subject to deportation by reason of the same facts upon which such deportation pro-ceedings were commenced or any such war-rants and orders have issued."

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.

CAPT. LEON B. KETCHUM

The Clerk called the bill (H.R. 2656) for the relief of Capt. Leon B. Ketchum.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Captain Leon B. Ketchum, Army of the United States, retired (service number O162966), is relieved of liability to pay to the United States the sum of \$1,422.75, which sum represents the balance due the United States on account of an overpayment of retired pay in the amount of \$1,907.15 during the period beginning October 1, 1949, and ending December 31, 1958, both dates inclusive. In the audit and settlement of the accounts of any certifying or disbursing officer of the United States, credit shall be given for the amount for which liability is relieved by this. section.

SEC. 2. The Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise ap-propriated, to Captain Leon B. Ketchum, Army of the United States, retired (service number O162966), the sum certified to him by the Secretary of the Army as the total amount withheld by the Secretary of the Army from retired pay due the said Captain Leon B. Ketchum beginning February 1, 1960, on account of the indebtedness of \$1,422.75 referred to in the first section of this Act. No part of the amount appropriated in this section 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 section shall be deemed guilty of a misdemeanor and upon conviction there-of shall be fined in any sum not exceeding \$1,000.

With the following committee amendment:

Page 2, lines 12-13: strike out "in excess of 10 per centum 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.

LUCILLE COLLINS

The Clerk called the bill (H.R. 3132) for the relief of Lucille Collins.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding any period of limitation or lapse of time, refund or credit shall be made allowed to Lucille Collins, Milwaukee, or Wisconsin, of any overpayment of income tax made by her for any taxable year after 1948 and before 1954 and resulting from the application of section 22(b) (5) of the Inter-nal Revenue Code of 1939, if claim therefor is filed within one year after the date of the enactment of this Act: Provided, That no interest shall be allowed or paid on any overpayment to which this Act applies.

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.

LT. COL. EDWARD C. CAMPBELL

The Clerk called the bill (H.R. 3862) for the relief of Lt. Col. Edward C. Campbell.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress asembled, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to otherwise appropriated, Lieutenant Colonel Edward C. Campbell, Army of the United States, retired, the sum of \$427.83, in full settlement of his claims against the United States for reimbursement of expenses and losses incurred by him during the period beginning September 14, 1959, and ending October 1, 1959, both dates inclusive, during which period he was required to travel from Fort Sill, Oklahoma, to Fort Sam Houston, Texas, for the purpose of sub-mitting to physical and medical examina-tions in connection with his application for correction of his military record to indicate his retirement from military service for physical disability: 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 con-trary notwithstanding. Any person violatthe provisions of this Act shall be deemed ing 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, line 6, strike out "in excess of 10 per centum 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.

WALTER H. HANSON

The Clerk called the bill (H.R. 4381) for the relief of Walter H. Hanson.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Walter H. Hanson of Denver, Colorado, the sum of \$7,680. The payment of such sum shall be in full settlement of all claims of Walter H. Hanson against the United States on account of the loss of the mid fore leg of his right leg as the result of injuries sus-tained by him on May 13, 1957, while he was operating a mobile crane unloading sand and gravel from a scow at the Still Harbor Dock at the United States penitentiary at Mc-Neil Island, Washington: 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 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.

This claim is not cognizable under the tort claims procedure.

With the following committee amendments:

Page 2, line 2, strike "appropriated" and insert "appropriated". Page 2, line 3, strike the words "in excess of 10 per centum thereof".

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.

MRS. DAVID ISHMAEL

The Clerk called the bill (H.R. 5501) for the relief of Mrs. David Ishmael, Manhattan, Kans.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of \$862.17, to Mrs. David Ishmael, Manhattan. Kansas, in full settlement of her claim against the United States for the reimbursement of the amount of expenses and other losses and damages occurred in resettlement as a result of her displacement in connection with the acquisition of land (tract numbered A-154) due to the construction of Tuttle Creek Dam and Reservoir project, Kansas: *Provided*, That no part of the amount appropriated in this Act in excess 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 amendments:

Page 1, line 8, strike out "occurred" and insert "incurred".

Page 2, line 2, strike out "in excess of 10 per centum thereof".

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.

ADOLPHE C. VERHEYN

The Clerk called the bill (H.R. 6158) for the relief of Adolphe C. Verheyn.

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

Mr. SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

ESTATE OF GEORGE S. RUMLEY

The Clerk called the resolution (H. Res. 249) providing for sending the bill H.R. 6012 and accompanying papers to the Court of Claims.

Mr. CONTE. Mr. Speaker, I ask unanimous consent that the resolution be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts? There was no objection.

mere was no objection.

NELLIE V. LOHRY

The Clerk called the bill (S. 452) for the relief of Nellie V. Lohry.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Nellie V. Lohry of Ashland, Nebraska, the sum of \$3,000. The payment of such sum shall be in full settlement of all her claims against the United States for payment of an additional amount for certain property purchased from the said Nellie V. Lohry and Fred H. Lohry (deceased), pursuant to an option signed by them on November 14, 1941, by the United States in connection with the construction of an Army ordnance plant, such option having been exercised by the United States notwithstanding a previous attempt made on behalf of the said Nellie V. Lohry and the said Fred H. Lohry (deceased) by the project officer acquiring such property to have such option withdrawn on the grounds that it did not adequately reflect the value of the property: 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. ing. Any person violating the provisions of this Act shall be deemed guilty of a mis-demeanor 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.

HYACINTH LOUISE MILLER

The Clerk called the bill (H.R. 1383) for the relief of Hyacinth Louise Miller.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of sections 101(a)(27)(A) and 205 of the Immigration and Nationality Act, the minor child, Hyacinth Louise Miller shall be held and considered to be the naturalborn alien child of Robert Miller.

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. VICENTA A. MESSER

The Clerk called the bill (H.R. 1486) for the relief of Mrs. Vicenta A. Messer.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Mrs. Vicenta A. Messer may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of such Act.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following: "That Mrs. Vicenta A. Messer, the widow of a United States citizen, shall be deemed to be within the purview of section 101(a) (27) (A) of the Immigration and Nationality Act, and the provisions of section 205 of that Act shall not be applicable in this case."

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.

MANUEL NIDO

The Clerk called the bill (H.R. 1499) for the relief of Manuel Nido.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Manuel Nido 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 allen as provided for in this Act the Secretary of State shall instruct the proper quotacontrol officer to deduct one number from the appropriate quota for the first year that such quota is available.

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.

NICK GEORGE BOUDOURES

The Clerk called the bill (H.R. 1699) for the relief of Nick George Boudoures. There being no objection, the Clerk

read the bill as follows: Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Na-

the purposes of the Immigration and Nationality Act, Nick George Boudoures 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.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following: "That, for the purposes of sections 101(a)(27)(A)and 205 of the Immigration and Nationality Act, Nick George Boudoures shall be held and considered to be the minor naturalborn alien child of Mr. and Mrs. Peter Gregory Boudoures, citizens of the United States: *Provided*, That the natural parents of the beneficiary shall not, by virtue of such parentage, be accorded any right, privilege, or status under the Immigration and Nationality Act."

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.

ADELA MICHIKO FLORES

The Clerk called the bill (H.R. 1706) for the relief of Adela Michiko Flores. There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That for the purposes of the Immigration and Nationality Act, Adela Michiko Flores 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 allen as provided for in this Act, the Secretary of State shall instruct the proper quotacontrol officer to deduct one number from the appropriate quota for the first year that such quota is available.

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. HEMPHILL. Mr. Speaker, I ask unanimous consent that the further call of the Private Calendar be dispensed with.

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

There was no objection.

MARIAN WALCZYK AND MARYA MAREK

Mr. WALTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 1425) for the relief of Marian Walczyk and Marya Marek, 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:

Page 1, lines 6 and 7 strike out "John and Stanislawa Walczyk, citizens of the United States" and insert: "John Walczyk, a citizen of the United States".

The SPEAKER pro tempore. 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.

MARIA CASCARINO AND CARMELO GIUSEPPE FERRARO

Mr. WALTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 2346) an act for the relief of Maria Cascarino and Carmelo Giuseppe Ferraro, with an amendment of the Senate thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment as follows:

Page 1, lines 11 and 12, strike out "and Mrs. Carmelo Leo, citizens of the United States" and insert: "Carmelo Leo, a citizen of the United States".

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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.

REORGANIZATION PLAN NO. 3 OF 1961—CIVIL AERONAUTICS BOARD

Mr. FASCELL. 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 resolution (H. Res. 304) disapproving Reorganization Plan No. 3 transmitted to Congress by the President on May 3, 1961.

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 resolution, House Resolution 304, with Mr. ULLMAN in the chair.

The Clerk read the title of the resolution.

By unanimous consent, the first reading of the resolution was dispensed with.

The CHAIRMAN. Under the consent agreement of Thursday, June 15, 1961, the gentleman from Florida [Mr. FAS-CELL], will be recognized for 20 minutes, and the gentleman from Illinois [Mr. ANDERSON], will be recognized for 20 minutes.

The gentleman from Florida is recognized.

Mr. FASCELL. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the present resolution deals with one of the two reorganization plans which were carried over from last week until today under the unanimous consent request. This pending resolution is a resolution of disapproval, and it comes out of the Committee on Government Operations with the recommendation that the disapproval resolution be not agreed to; in other words, the Government Operations supports the plan for reorganization and recommends that it be allowed to take effect as proposed.

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield?

Mr. FASCELL. I yield to the gentleman from California.

Mr. HOLIFIELD. Then, the gentleman is implying that those in favor of the plan should vote "No" on the disapproving resolution when the roll is called?

Mr. FASCELL. The gentleman is correct.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. FASCELL. I am happy to yield for a contrary opinion.

Mr. GROSS. And those who do not want to see the Chairman of the Civil Aeronautics Board become a czar will vote "Aye"; is that correct?

Mr. FASCELL. Those who favor the resolution would vote "Aye."

Mr. Chairman, as I say, the language of this plan is identical to the language of the plan which was before the Committee last week. It provides that the Civil Aeronautics Board may by published rule or order delegate to a member of the Board or any employee of the Board any function of the Board; and it provides, of course, that the Board in making this delegation shall retain a discretionary right of review. It also has a safeguard on all adjudicatory matters. They cannot supersede the provisions of section 7(a) of the Civil Procedures Act. Cases shall only be heard by trial examiners, and also the discretionary right of review is retained. A matter becomes final and the parties may go directly to review, as they now do.

Mr. MEADER. Mr. Chairman, will the gentleman yield?

Mr. FASCELL. I yield.

Mr. MEADER. I wonder if the gentleman from Florida, or possibly the gentleman from Arkansas, chairman of the Committee on Interstate and Foreign Commerce, would be willing to give us examples of the powers of the Board which can be delegated to employees other than trial examiners.

Mr. FASCELL. I would simply say in response to that, without having a specific case before me, that it would apply to nonadjudicatory functions under the statute administered by the commission.

Mr. MEADER. I am unable to clarify in my own mind what nonadjudicatory functions or powers of the Board it might delegate to employees other than trial examiners or to members. Of course, some of the important functions of the Board are the granting of certificates of convenience and necessity for air transportation, also the granting of subsidies.

In the judgment of the gentleman from Florida or the gentleman from Arkansas, are those adjudicatory or nonadjudicatory powers?

Mr. FASCELL. I yield to the gentleman from Arkansas [Mr. HARRIS], to answer that question.

Mr. HARRIS. Mr. Chairman, I may say to the gentleman from Michigan any matter that is referred by the Board to a hearing examiner on which a decision may be rendered is obviously an adjudicatory matter. There is a fine distinction on certain other functions of any of these regulatory agencies, or most of them, of matters that become adjudicatory. As an example, in some of their rate problems they may very well be-come adjudicatory within the framework of the proceedings submitted that could very well be worked out by the Board in its administrative capacity: but usually those types of things, where there is a contest on proceedings filed before the Board, they are referred to hearing by a member of the Board or a hearing examiner as adjudicatory.

Mr. MEADER. Would the granting of such power be an adjudicatory power or nonadjudicatory power?

Mr. HARRIS. That, I assume, could be considered adjudicatory, in that in some instances they are referred to hearing examiners on which a record is made. I think they would become adjudicatory in the sense of a record being made.

Mr. BENNETT of Michigan. Mr. Chairman, will the gentleman yield? Mr. FASCELL. I yield to the gentleman from Michigan.

Mr. BENNETT of Michigan. What my distinguished chairman is saying is that no one knows for sure what is or what is not an adjudicatory function; is that true?

Mr. HARRIS. You get into the problem of rulemaking, as the gentleman knows, insofar as adjudicatory matters are concerned. It has been argued from time to time that many matters, in which other regulatory agencies, including the Board, attempt to arrive at a decision by rulemaking, become adjudicatory, but when they are administrative in their functions then they are nonadjudicatory. It is pretty difficult to give a definition that will cover all facts and circumstances before the Board.

Mr. FASCELL. I would just add that certainly under the operations as they exist now from the standpoint of procedure, practice, administration, and law, it is pretty well determined what are adjudicatory matters and what are not. If the Board decides to make a record, it is up to the members themselves to determine whether or not any of their rights have been in any way circumscribed. I would doubt very much that that would be the case.

Mr. BENNETT of Michigan. That illustrates again the difficulty of trying to determine what powers are delegated here, and to whom. What I mean is this: It seems clear that the adjudicatory functions are not intended to be delegated to employees of the Board. You get into this gray area of what is adjudicatory and what is nonadjudicatory. I assume the Board then can exercise its own discretion and hand these important decisions out to employees.

Mr. FASCELL. I do not agree with the theory of the gentleman at all. The intent of the plan is very clear with respect to adjudicatory rights under section 7(a) of the Administrative Procedures Act. I do not see any difference between the Board exercising its judgment subsequent to the adoption of the plan than it is in exercising its judgment now. If it is difficult, as the gentleman says, to distinguish now between adjudicatory and nonadjudicatory matters, it will not be any easier or more difficult after the plan is adopted. Neither will it be any easier if the plan is rejected. You still have the same problem.

Mr. BENNETT of Michigan. At the present time the Board cannot delegate its functions to employees. That is one of the things this plan would do.

Mr. FASCELL. How do you know whether it has delegated that authority or not?

Mr. HARRIS. In further reply to the gentleman from Michigan, I think probably we could use as an example the matter of a route structure. The Commission by rulemaking procedure will determine a certain route structure to be in the public interest. That would be a nonadjudicatory proceeding, in my judgment. But when it becomes a question of who is going to serve that route structure as between applicants, then it becomes adjudicatory.

Therefore each case must be determined on the facts and circumstances, and I might say to the gentleman from Florida that that is the reason this plan ought to be adopted, because under the existing situation there are many of these things, administratively speaking, that are permitted to be dealt with in this manner, but the Board must proceed on the basis now along the lines as outlined in this reorganization plan, and then ultimately, sooner or later, they must come back and ratify that action in order to make it affirmative and final.

Mr. FASCELL. I thank the gentleman from Arkansas. As a matter of fact, in the colloquy with the Chairman of the Board before our committee this very point was raised, and the Board unanimously supports this plan for that very reason in order to be able to dispense with some of the routine things which come before it now.

Mr. MEADER. Mr. Chairman, will the gentleman yield?

Mr. FASCELL. I yield to the gentleman from Michigan.

Mr. MEADER. The thing that I was trying to get at-and perhaps I should have made this statement before I asked the question-the Board presently is set up with safeguards. It says that not more than three of the five members shall be appointed from the same political party. Their 6-year terms are staggered. And, it provides that no member of the Board shall engage in any other business, vocation, or employment. There is a Board vested with all of these vast powers. Now, the Board also has the right to appoint temporary employees. What I am trying to get at is just what we are authorizing this Board to do, a Board that we can see and which we have circumscribed with safeguards against abuse of powers, including Senate confirmation, limited terms, and so forth. Now, what can they transfer to some unknown employee? What powers can they transfer? Apparently they can transfer to all employees who are not trial examiners all of their powers which could be regarded as nonadjudicatory, and I want to know just what those functions are. As the gentleman from Arkansas said, if they can call in some consultant as a temporary employee and then delegate to him the power to establish air routes, I think that is going pretty far. But, I think we ought to know before we act on something just what we are doing.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. FASCELL. I yield to the gentleman from Arkansas.

Mr. HARRIS. In order to make the record complete on it, I think it would be perhaps advantageous to refer to the statement of the Chairman of the Board before the gentleman's committee, which appears on page 35. I think this would shed some light on the matter. He said:

The Board would expect to delegate certain types of cases which require hearing before an examiner as well as nonhearing cases. In most categories of cases, particularly those requiring hearing, the Board may wish to limit its delegation to routine or simple cases.

The use of employee boards presents a number of advantages. While the Board has had no experience with employee boards, it would appear that their use may consume considerable time of high-level employees. We would thus utilize this type of delegation with considerable caution.

And that is what we would expect.

Mr. FASCELL. I would say that already, under prior reorganization plans, the executive and administrative functions of the Board are already in the Chairman; so I do not see where we have any problem on that.

Mr. Chairman, the record is clear from the investigations by our legislative committee and from the hearings before our committee and from many other independent studies that we have to give these regulatory agencies all of the tools possible, circumscribed, as we have made them, in order to carry out their functions in the best interest of the public.

I would say that in this view, with the Board unanimously supporting this plan, authorizing the delegations only by the Board itself, under public rules and order, as with the other plans, we are doing that which is reasonable and logical in allowing the Board to carry out their business, expedite their functions, and doing a service for the public. This is the intent of the plan. This is the purpose of it. This is the reason it is recommended. Accordingly the Committee on Government Operations has recommended that the House resolution disapproving the plan be not agreed to.

Mr. GRIFFIN. Mr. Chairman, will the gentleman yield?

Mr. FASCELL. I yield to the gentleman.

Mr. GRIFFIN. Would it not be a fair statement, after reading the hearings and I know the gentleman participated in all of the hearings—to say that with regard to each one of these four reorganization plans that we are considering, the witnesses were very vague and very indefinite about what kinds of duties and functions they would in fact delegate, if these reorganization plans were adopted?

Mr. FASCELL. I would not agree with the gentleman at all. I will say this, that they gave us examples in each case of the kind of things they would consider, but they were not prepared at the present time without full collaboration of the Board, based upon experience and judgment, actually to begin to decide now, that is, under the consideration of the plan, on the specific delegation.

Mr. GRIFFIN. In almost every instance they indicated that they had to have further time and study before they could develop any definite program as to what they would be delegating.

Mr. FASCELL. I think I know what my interpretation of the testimony is that with these plans being adopted the Board would then sit down and begin to formulate the public rules and regulations under which they would make their delegations, but they did not have any right at the moment; in other words, they had not taken a vote then on that Board for a specific delegation.

Mr. GRIFFIN. Mr. Chairman, I thank the gentleman for yielding. I would only make the observation that it seems to me we are operating in reverse. We ought to let them come up first with the specific request for what they want to delegate and then we ought to legislate on the basis of that.

Mr. HOFFMAN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. FASCELL. I yield to the gentleman from Michigan.

Mr. HOFFMAN of Michigan. As I understood the gentleman, in answer to the question by my colleague from Michigan [Mr. GRIFFIN], what he is saying is that the Board wanted some more power, but they did not know what they wanted it for.

Mr. FASCELL. I did not say that at all. The gentleman knows that I did not say it. The gentleman may answer any way he wants on his own time. But what I do say is this specifically: the basic purpose is to give the Board the right in adjudicatory matters to delegate to trial examiners the final decision. Everybody knows that. That is specific. It is not nebulous. It is not in the clouds. It is not underground, overground, or out of ground. It says specifically that is what we are seeking to do. Heretofore, in other plans, and by other legislation, we have already delegated the nonadjudicatory matters in many cases. Specifically, basically, and fundamentally these plans deal with the right of trial examiners to make final decisions in routine cases, as the Board may direct in certain adjudicatory matters, giving the right to the applicants immediately to go into judicial review. but retaining the right in the Board or the Commission discretionary review in those cases where they believe the matter is of such complexity that it ought to go to the Board, or it is of an unusual character, or it sets up some new precedent. In that case the Board has the right by rule and order to reserve unto itself the right of discretionary review. But in all cases applicants in any of these Boards and Commissions would have the right to go to a judicial review.

So, basically and fundamentally, despite all of the smokescreen that has been thrown up this morning, and all the nebulousness which others would like to read into these plans—fundamentally what they do is to deal with the right of making final decisions by the hearing examiner in an adjudicatory matter which the Board in its judgment determines is reasonable and right in carrying out the public's business, determines that it should be final so the parties can get into court for final review.

Mr. ANDERSON of Illinois. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, I have already commented on the floor of this House in connection with the debate held here the other day on plan No. 2 that there is a basic and fundamental objection that inheres in all the plans; namely, that by the adoption of these plans it will centralize more authority and power in the hands of the Chairman. What we are doing, whether we know it or not, is placing these regulatory agencies under the control of the Chief Excentive, whereas they were specifically created by the Congress to carry out legislative policies decreed by the Congress.

However, I want to take the very brief time I have this afternoon to point out something with respect to the colloquy that just occurred between my colleague, the gentleman from Michigan [Mr GRIFFIN] and my colleague on this committee, the gentleman from Florida [Mr. FASCELL]. I would quote in that connection from page 35 of the hearings that were held:

While time has not permitted the finallzation of a plan to implement Reorganization Plan No. 3, I would like to make some general observations.

There, Mr. Chairman, is the word of the Chairman of the Civil Aeronautics Board that he himself has not had time to appreciate what the impact and import of this plan is, yet we in the Congress are expected to go along and vote on something on which we are not fully informed.

I said the other day and I say again that these plans presumably were drawn by Dean Landis. Presumably they were drawn with the Landis report very much in mind, since he authored that as well. It may be that in the mind of Dean Landis it is entirely clear what the impact of these plans is going to be, but we on the subcommittee did not have the benefit of the testimony of Dean Landis. He sat there but he did not testify. Therefore we find ourselves on the floor today exactly in the position of the Chairman of the Civil Aeronautics Board, we simply do not know what this plan is going to amount to.

Let me point out another portion of the testimony that I do not think has been mentioned, on pages 43 and 44 of the record of this hearing. I asked the Chairman of the Civil Aeronautics Board, Mr. Boyd:

Mr. Boyd, do you have any general categories or classifications of authority or duties presently exercised by the Board itself that you feel should not be delegated?

This is the answer that he gave:

No. I am in no position to make a categorical statement, Congressman.

I can only say that it will be the plan of the Board to make haste very slowly; that we will proceed in areas where there is clearcut policy established by the Board.

Mark this well:

I just do not want to say that there is any area that would be out of bounds so far as we are concerned in the distant future because I do not know.

We may certainly appreciate the good intentions of the Chairman of the Civil Aeronautics Board with respect to the use of this particular delegation of authority, but remember, we are changing the law not for this Chairman or this Board but perhaps for many, many years to come. We owe it to ourselves and the people of this country to know what we are doing when we give away or permit the delegation of power by a board which was set up by Congress to implement its policies.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the distinguished gentleman from Arkansas. Mr. HARRIS. In view of the discussion I should like to clarify some apparent misunderstanding and emphasize just what is being done here. Referring to the statement of the Chairman of the Civil Aeronautics Board on page 35 in the same paragraph which the gentleman read, he said:

In order to assist the committee, we have attached as appendix A a statement outlining the various functions and responsibilities of the Civil Aeronautics Board. Obviously, many of these matters which are now being handled by the Board members could and should be resolved at a lower level.

All we have to do is refer to the end of his statement and there will be found an outline of those functions.

Chairman Boyd stressed the importance of giving the Board more time for planning when he told the Committee on Government Operations:

It is important to note that the enactment of Reorganization Plan No. 3 will not only permit a more expeditious handling of the Board's workload, but will enable the individual Board members to devote more time to major policy and planning.

During my tenure as Chairman, I can think of no problem that I have dealt with where there is more agreement than in the need for an all-out planning effort.

Chairman Boyd assured the committee that the Board has no ambitious plans to jump into this reorganization without adequate consideration of the consequences:

The Board believes that it will be desirable to begin with a relatively modest initial program and expand it gradually as experience is gained.

He said:

This is necessary to insure that the Board will retain primary responsibility for the more important problems, and that overburdening of the staff will be avoided.

There is no justification for a partisan approach to plan No. 3. The Board is a bipartisan body and every member favors the plan, as Chairman Boyd told the subcommittee.

The Board has very important and far-reaching responsibilities in the regulation of civil aeronautics.

The Board needs to be freed from as many trivial matters as possible to give more time to the consideration of such major problems as airlines scheduling, the reduction of subsidy payments, and developing policies to promote the financial stability of the industry, which is skating on mighty thin ice, profitwise, due largely to the very huge investments made necessary by the advent of the jets.

In fact, during the first 4 months of this year the domestic trunk airlines of the United States lost nearly \$16 million.

Mr. ANDERSON of Illinois. I appreciate the contribution of the gentleman from Arkansas. May I say this: I feel with respect to this plan just as he felt the other day on the floor with respect to plan No. 2, that this is a matter which we might well take time to consider in the proper legislative committee of this House. If the basic law creating these commissions and boards has to be changed, then let us hold hearings and make changes, but let us not rush through a reorganization plan without knowing what we are doing.

Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. YOUNGER].

Mr. YOUNGER. Mr. Chairman, there are two things I would like to call to the attention of the Committee that were not mentioned the other day. I think the RECORD should be clear on this matter.

One is that our Committee on Interstate and Foreign Commerce, which has the jurisdiction over these regulatory agencies, has had the privilege of considering only one of these reorganization plans, that is, plan No. 2, and we turned it down. I asked the chairman if we could not consider the other plans. The chairman, evidently, decided otherwise. But, I have felt all the time that the Congress is entitled to the recommendation and opinion of the committee which has jurisdiction over these regulatory agencies. I think you are entitled to it, and I regret exceedingly that our committee did not have the privilege of having hearings, debating and making a recommendation to the House as we did on Reorganization Plan No. 2 which you turned down.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. YOUNGER. I yield to the gentleman from Arkansas.

Mr. HARRIS. The gentleman referred to me with reference to a decision regarding the possibility of hearings on all four plans. Is it not a fact when the gentleman did call this to my attention, I explained to him that we had a time limitation and by the time we got through with Reorganization Plan No. 2, the Committee on Government Operations was holding hearings and we had to act within what time we had in connection with holding hearings on these programs? In addition to the fact that we did develop in that plan in two specific instances that the basic law was being changed, the statute applicable to that agency was being changed, which is not true in these other three plans.

Mr. BENNETT of Michigan. Mr. Chairman, will the gentleman yield?

Mr. YOUNGER. I yield to the gentleman from Michigan.

Mr. BENNETT of Michigan. I think it is recognized that the Committee on Government Operations and not our committee had jurisdiction to consider these plans. But, the thing I believe our chairman will someday regret is the fact that he took such little interest in these plans with the exception of that one plan, the reorganization of the FCC, and that no hearings were held by our committee in spite of the fact that many Members expressed interest in going into these plans to see what inroads they were making on our jurisdiction.

I would like to say to the gentleman, to my distinguished chairman, that with the approval of these plans, and they do have his approval, he is eating into the heart of the jurisdiction of his committee. Furthermore, this is not the last of these plans—this is only the first of them and the chairman well knows it. The President sent up 10 or 12 different suggestions here which our chairman rejected informally, which would have

completely changed the philosophy and the characteristics of these independent agencies. Do you think Dean Landis is going to stop now? He is going to keep on going, Mr. Chairman, and you are going to have to put a sign on your committee door saying—"We are closed for business so far as regulatory agencies are concerned—go and see Dean Landis."

Mr. YOUNGER. I thank the gentleman from Michigan.

Mr. Chairman, I also would like to read into RECORD this statement so that my colleagues on the right may have a peg on which to hang their hats when they vote on this measure.

I would like to quote from your own Democratic platform on which you were elected. I read this:

The Democratic Party condemns the usurpation by the Executive of the powers and functions of any of the independent agencies and pledges the restoration of the independence of such agencies and the protection of their integrity of action.

I have yet to hear in the debate on these reorganization plans any reasons for promoting them such as to restore the independence of the agencies. I would like to have the RECORD show this, and I would like to have the Members take this into consideration when they cast their votes.

Mr. ANDERSON of Illinois. Mr. Chairman, I yield 3 minutes to the gentleman from Iowa [Mr. GROSS].

Mr. GROSS. Mr. Chairman, the gentleman from Florida (Mr. FASCELL) says that those who oppose these reorganization plans are operating behind a smokescreen.

It seems to me that those who are operating behind a smokescreen or smogscreen, are the Members who last Thursday voted against Reorganization Plan No. 2, dealing with the Federal Communications Commission and then turned right around in a matter of an hour and voted for basically the same kind of a reorganization for the Securities and Exchange Commission. I have no doubt these same Members will vote this afternoon to make dictators out of the Chairmen of the Civil Aeronautics Board and the Federal Trade Commission.

Mr. HOFFMAN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Michigan.

Mr. HOFFMAN of Michigan. Did not the gentleman ever hear of the payoff?

Mr. GROSS. Payola?

Mr. HOFFMAN of Michigan. Yes, you scratch my back and I'll scratch yours; did you never hear of that?

You heard the gentleman from Arkansas [Mr. HARRIS] tell us of the iniquity of plan No.2. This pending plan and the others all have the same basic fault a surrender of power by the Congress to the executive agencies.

Mr. GROSS. I have heard of payola, and I have heard of back-scratching. I am sure a lot of the latter has been involved here.

This is just another grab for power, as I said the other day. I join with the gentleman from Michigan [Mr. BENNETT] in imploring the gentleman from Arkansas

[Mr. HARRIS], chairman of the Committee on Interstate and Foreign Commerce to help us save these independent agencies and remind him that if he does not, he may soon have a sign hanging on his office door reading: "Closed for business with the independent agencies."

Yes, the Kennedy administration is seeking unbridled powers. The President apparently wants the power to levy We. taxes on the people of this country. the Congress, are to have no further responsibility in the matter of taxes. The Attorney General, another Kennedy, wants the power to fix the salaries of 800 class act attorneys in the Department of Justice up to \$19,000 and \$20,000 a year. Each passing day finds this administration reaching for more naked power. Unless the public demonstrates its wrath and brings pressure to bear on Congress, we may as well disband the House and Senate and let it be known that we have capitulated.

Mr. ANDERSON of Illinois, Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. MEADER].

Mr. MEADER. Mr. Chairman, I think all Members should be impressed by the remarks of the gentleman from Illinois [Mr. ANDERSON], quoting the Chairman of the Civil Aeronautics Board saying that he himself did not know what delegations could be made under this plan, and he did not recognize any limits upon that power of delegation.

What is the significance of this power of delegation? It simply means that the safeguards that Congress consciously, intentionally, and with careful consideration wrote into the law, in which vast power was vested in these independent commissions over our economy and our business community, are being done away with. It means an accretion of power to the executive branch of the Government, contrary to longstanding congressional policy. I tried to find out just what important powers and functions could be delegated.

Mr. FASCELL. Mr. Chairman, will the gentleman yield?

Mr. MEADER. I yield to the gentleman from Florida. Mr. FASCELL. The gentleman said

Mr. FASCELL. The gentleman said certain safeguards would be abolished. Will he name one of them?

Mr. MEADER. Yes; the fact that these decisions will not be made in the open by men who have been confirmed by the Senate, whose qualifications are prescribed by statute. They will be made by some anonymous employee.

Mr. FASCELL. Is it not true that the plan says adjudicatory matters must be heard by a trial examiner or the Board?

Mr. MEADER. That is why I was asking the question about adjudicatory matters, and I could not get a very good reply.

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield?

Mr. MEADER. I yield to the gentleman from California.

Mr. HOLIFIELD. If the gentleman will read page 39 of the hearings, he will find there about nine paragraphs.

Mr. MEADER. I have read that, and I was going to read it to the House. Mr. HOLIFIELD. There are the nonadjudicatory functions which can be delegated.

Mr. MEADER. You are permitting these powers to be exercized by some anonymous future employee or temporary employee who is not required to be confirmed by the Senate, who does not have the other qualifications, such as not having stock in any air carrier, or being prohibited from engaging in any other business, vocation, or employment. This anonymous employee could be delegated the power to do this, for example: I read from page 39 of the hearings:

The Board is empowered to guarantee loans to air carriers engaged in local, feeder or short-haul air transportation. These guarantees may be made without hearing.

In other words, I say, and I want to be contradicted if I am wrong, that is a nonadjudicatory function which may be transferred even to a temporary employee and would bind the United States of America on a guarantee of loans to feeder air carriers, for equipment, and so forth.

Mr. FASCELL. That can be done now. It will not be changed under the plan one bit.

Mr. MEADER. This power is vested in the Board. These men of outstanding character, whose appointment is confirmed by the Senate, make that decision and bind the United States now. Under this plan that power could be delegated to anybody. We do not know who he may be.

Mr. BENNETT of Michigan. In that connection, the Board gives away some \$83 million a year of the taxpayers' money in what we call airline subsidies. In determining whether an airline should get a subsidy, and particularly how much of a subsidy it should get, is not strictly an adjudicatory matter. Hence under this broad authority the Board can delegate to employees the gentleman is talking about, who have no responsibility to the Congress, the people, or under the law the power to dispense the \$83 million. The question of whether the taxpayer will be harmed or not seems to be entirely beside the point. That is one of the more harmful things that definitely, it seems to me, could be done under this program.

Mr. MEADER. I thank the gentleman.

In connection with these adjudicatory matters which are required to be delegated to no other than trial examiners, we are placing in the trial examiners a power which we placed in a board, where we could hold them responsible. Even if the subsidy matter of \$83 million is an adjudicatory function of the Board it could be delegated to a trial examiner. We do not seem to be sure whether it is or is not adjudicatory. But under this plan the CAB could let some trial examiner dispense the taxpayer's funds; a man who could not be held responsible to Congress. He does not have a limited term, nor is he required to submit to Senate scrutiny and confirmation. The trouble is that the vast power we have vested in these commissions is going to be shuttled around. Who has the authority? You will never know who has responsibility for important powers and important decisions if you adopt the pending reorganization plan.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. ANDERSON of Illinois. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. GRIFFIN. Mr. Chairman, will the gentleman yield?

Mr. MEADER. I yield to the gentleman from Michigan.

Mr. GRIFFIN. With respect to the primary function, as the gentleman from Florida said, of this reorganization plan to make it possible to delegate adjudicatory functions only to hearing examiners, if this were the primary function, would it not be much better to have that additional language in the reorganization plan instead of this very broad language which indicates that any function whatsoever may be delegated to anybody, including employees.

to anybody, including employees. Mr. MEADER. I certainly agree with the gentleman. I certainly do not think we should deal with an independent administrative tribunal by a reorganization plan, with such broad, sweeping language that nobody knows what it means, and we do not know where to look for the person who is responsible for making decisions. That is the effect of this: to hide responsibility for making decisions in a great big bureaucratic agency, and Congress can never hold them accountable.

Mr. GROSS. This argument over adjudicatory powers is a part of the sidetracking smokescreen. This reorganization plan and all the rest of them have no meaning unless the power is delegated to the Chairman; is that not correct? They have no real meaning unless the power to run the agencies is given to the Chairmen.

Mr. MEADER. The language says that the board does the delegating, but the Chairman is given the right to assign personnel pursuant to that delegation.

Mr. GROSS. Of course, and the majority members are dictated to by the White House; they are appointed by the White House; they vote to transfer their individual power to the Chairman, and from there on a majority minus one takes over.

Mr. MEADER. The safeguard of minority membership—that is, having two political parties—is completely wiped out by this type of reorganization plan.

Mr. FASCELL. Mr. Chairman, I yield the remainder of the time to the gentleman from Arkansas [Mr. HARRIS].

Mr. HARRIS. Mr. Chairman, as I said a few days ago during the consideration of Reorganization Plan No. 2 on the Federal Communications Commission, it is one thing to investigate and find out some inadequacies in connection with these major regulatory agencies and their administration, but it is another thing, and most difficult, to bring about the kind of reform necessary to correct such inadequacies. Now, there is not a man, in my judgment, in this Congress that does not recognize that there are or have been inadequacies in these agencies and that there should be adequate reform. This plan is in the nature of reform.

Let me again remind the Members of the Committee that notwithstanding the apparent confusion that is attempted here in considering this reorganization plan and what it provides, as to authority in section 1, which you cannot overlook, we must keep in mind for consideration the authority of the Board to delegate. As I said in debate on Reorganization Plan No. 2, as long as we retain authority within an agency to control the operation of that agency and its decisions, then we have ample safeguards whereby the Congress and the American people can require the agency, the responsible members who have been appointed and confirmed by the Senate, to assume their responsibility.

Let me repeat for emphasis:

Section 1. Authority to delegate. (a) In addition to its existing authority, the Civil Aeronautics Board, hereinafter referred to as the ' "Board", shall have the authority to delegate, by published order or rule, any of its functions to a division of the Board, an individual Board member, a hearing examiner, or an employee or employee board, including functions with respect to hearing, determining, ordering, certifying, reporting, or otherwise acting as to any work, business, or matter: Provided, however, That nothing herein contained shall be deemed to supersede the provisions of section 7(a) of the Administrative Procedure Act (60 Stat. 241), as amended.

No action can be taken under this authority except by approval of the Board. There must be composite action of the Board.

The CHAIRMAN. The time of the gentleman from Arkansas has expired. All time has expired.

Mr. FASCELL. Mr. Chairman, I move that the committee do now rise and report the resolution back to the House with the recommendation that it be not agreed to.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. ULLMAN, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the resolution (H. Res. 304) disapproving Reorganization Plan No. 3, transmitted to Congress by the President on May 3, 1961, he reported the resolution back to the House with the recommendation that it be not agreed to.

The SPEAKER. The Clerk will report the resolution.

The Clerk read as follows:

Resolved, That the House does not favor the Reorganization Plan Numbered 3, transmitted to Congress by the President on May 3, 1961.

The SPEAKER. The question is on the resolution.

The question was taken; and the Speaker announced that the "noes" appeared to have it.

Mr. GROSS. 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.

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CONGRESSIONAL RECORD - HOUSE

The question was taken; and there were yeas 178, nays 213, not voting 46, as follows:

Evins

Fallon

Fascell

Fisher

Giaimo

Gilbert

Feighan

Bonner

Boykin

Brademas

Breeding

Brewster Brooks, La. Brooks, Tex.

Buckley Burke, Mass.

Burleson

Byrne, Pa. Cannon Carey

Casey

Celler

Clark

Cook Cooley

Coad Cohelan

Corman

as follows:	1 第 1 第 1 年 1 日 1 日
	[Roll No. 88]
	YEAS-178
Abernethy	Dwyer
Adair	Ellsworth
Alford	Fenton
Andersen, Minn.	Ford Forrester
Anderson, Ill.	Frelinghuysen
Arends	Fulton
Ashbrook	Garland
Ashmore	Glenn Goodell
Auchincloss Avery	Goodling
Ayres	Griffin
Baker	Gross
Baldwin	Gubser
Barry Bass, N.H.	Haley Hall
Bates	Halleck
Battin	Halpern
Becker	Harrison, Wyo.
Beermann Belcher	Harsha Harvey Ind
Bell	Harvey, Ind. Harvey, Mich.
Bennett, Fla.	Herlong
Bennett, Mich.	Hiestand
Berry	Hoeven
Bolton Bow	Hoffman, Ill. Hoffman, Mich
Bray	Horan
Bromwell	Jensen
Broomfield	Johansen
Brown Broyhill	Jonas Keith
Bruce	King, N.Y.
Byrnes, Wis.	Knox
Cahill	Kunkel
Chamberlain	Kyl Landrum
Chelf Chenoweth	Langen
Chiperfield	Latta
Church	Lindsay
Clancy	Lipscomb McCulloch
Collier Colmer	McDonough
Conte	McIntire
Corbett	McMillan
Cramer	McVey
Cunningham Curtin	MacGregor Mailliard
Curtis, Mo.	Martin, Mass.
Dague	Martin, Nebr.
Davis,	Mason
James C. Derounian	Mathias
Derwinski	Meader Merrow
Derwinski Devine	Miller, N.Y.
Dole	Milliken
Dominick	Minshall
Dooley Dorn	Montoya Moorehead,
Dowdy	Ohio
Durno	Morris
	NAYS-213
Abbitt Addabbo	Daddario Daniels
Addonizio	Davis, John W
Alexander	Davis, Tenn. Dawson
Andrews	Dawson
Anfuso	Delaney Dent
Ashley Aspinall	Denton
Baring	Dingell
Barrett	Donohue
Bass, Tenn.	Downing
Beckworth Blatnik	Doyle Dulski
Boggs	Edmondson
Boland	Elliott
Bolling	Everett

-178 Morse Mosher Natcher Nelsen Nygaard huysen O'Konski Osmers Ostertag Pelly Pilcher Pillion Pirnie Poff Quie Ray Reece Rhodes, Ariz. Riehlman n, Wyo. Riley. Rivers, S.C. Robison Roudebush Ind. Mich. St. George Schadeberg Schenck Scherer Schneebeli n, 111. n, Mich. Schweiker Scott Scranton Seely-Brown I.Y. Short Shriver Sibal Smith, Calif. Springer Stafford Taber Teague, Calif. Thomson, Wis. och Tollefson ough Tupper Utt Van Pelt Van Zandt Wallhauser egor Weaver Mas Weis Westland . Nebr. Whalley Wharton Whitten Widnall NY. Williams Wilson, Calif. Wilson, Ind. Winstead head. Younger S-213 Griffiths Hagan, Ga. Hagen, Calif. John W. Tenn. Hansen Harding Hardy Harris Hays Healey Hébert Hechler Hemphill Henderson Holifield idson Holland Holtzman Huddleston Hull Ichord, Mo. Ikard, Tex. Inouye Farbstein Finnegan Jarman Jennings Joelson Johnson, Calif. Johnson, Md. Johnson, Wis. Jones, Aia. Jones, Mo. Karsten Fogarty Fountain Frazier Friedel Gallagher Garmatz Gary Gathings Karth Kastenmeler Kee Kelly Granahan Keogh Kilday Gray Green, Pa. Kilgore

King, Calif.	Murphy	Selden		
King, Utah Kirwan	Murray Nix	Shipley Sikes		
Kitchin	Norblad	Sisk		
Kluczynski Kornegay	O'Brien, Ill.	Smith, Iowa Smith, Miss.		
Kowalski	O'Brien, N.Y. O'Hara, Ill. O'Hara, Mich.	Smith, Va.		
Lane	O'Hara, Mich.	Spence Staggers		
Lankford	Olsen O'Neill	Steed		
Lesinski	Patman	Stephens		
Libonati	Perkins Peterson	Stratton Stubblefield		
McCormack	Pfost	Sullivan		
McDowell McFall	Philbin Pike	Taylor Teague, Tex.		
McSween	Powell	Thomas		
Macdonald Machrowicz	Price Pucinski	Thompson, Tex. Thornberry		
Mack	Rabaut	Toll		
Madden Mahon	Rains	Trimble		
Marshall	Randall Reuss	Tuck Udall		
Matthews	Rhodes, Pa.	Ullman		
Miller, Clem Miller,	Rodino Rogers, Colo.	Vanik Vinson		
George P.	Rogers, Fla.	Walter		
Mills	Rogers, Tex.	Watts		
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Mr. Judd for, with Mr. Morgan against.				
Mr. Slack for, with Mr. Sheppard against. Mr. Gavin for, with Mr. Rooney against.				
Mr. Laird for, with Mr. Zablocki against.				
Mr. Kilburn for, with Mr. Thompson of Louisiana against.				
Mr. Miche		fr. Thompson of		
New Jersey against.				
Mr. Findley for, with Mr. Diggs against. Mr. Betts for, with Mr. Magnuson against.				
Mr. Alger for, with Mr. Shelley against.				
Mr. Alger for, with Mr. Shelley against. Mr. Curtis of Massachusetts for, with Mr.				
Albert against. Mr. Fino for, with Mr. Roberts against.				
Mr. Fino f	or, with Mr. Ro	oberts against.		
	and the second second	Young against.		
Until fur	ther notice:			
Mr. Wright with Mr. Siler.				
Mr. Bailey	with Mr. Saylo	r.		
Mr. Flynt	with Mr. Cede	rberg.		
Mr. DAVIS of Tennessee changed his				
vote from "yea" to "nay."				
The result of the vote was announced as above recorded.				
		was announced		

REORGANIZATION PLAN NO. 4 FEDERAL TRADE COMMISSION

Mr. FASCELL. 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 resolution (H. Res. 305) disapproving Reorganization Plan No. 4.

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 resolution (H. Res. 305) with Mr. SMITH of Mississippi in the chair.

The Clerk read the title of the resolution.

By unanimous consent, the first reading of the resolution was dispensed with.

The CHAIRMAN. Under the consent agreement of Thursday, June 15, 1961, the gentleman from Florida [Mr. Fas-CELL] will be recognized for 20 minutes, and the gentleman from Illinois [Mr. ANDERSON] will be recognized for 20 minutes.

The gentleman from Florida is recognized.

FASCELL. Mr. Chairman, I Mr. yield myself 5 minutes.

Mr. Chairman, pending before the Committee is House Resolution 305 which would disapprove Reorganization Plan No. 4. It comes before the Committee today on the recommendation of the Committee on Government Operations that the pending resolution of disapproval be not agreed to.

Mr. Chairman, this reorganization plan, dealing with the Federal Trade Commission, is identical in language to the previous reorganization plan before the Committee. The arguments that were made for and against that plan can be made for and against this plan, and I see no reason, therefore, since we have had adequate discussion both on the language and other arguments concerning the plan, to go into detail on the matter. I would simply add this, Mr. Chairman, that at the present time, as the Chairman of this Commission has testified before our committee, and he has been amply substantiated by the investigation of the legislative committee over a long period of time, something needs to be done. The average time to close a case before this Commission is 3½ years. Now, I think anybody who is reasonable would realize that some tangible step must be taken to cut down on that time lag, which is the largest single factor, perhaps, which thwarts the service to the public of these regulatory agencies.

The Chairman of this Commission testified that if Reorganization Plan No. 4 is not put into effect, "the increasing of manpower at the lower levels will only further bog down the Commissioners themselves since more work will be channeled up to them. As the overall action of the Commission increases, the need for clear delegation authority becomes even more acute."

Now, Mr. Chairman, in this case, as it was with the others, we have previously delegated administrative and executive functions to this Commission, and this plan deals primarily with the right to give the trial examiners freedom to make final decisions in those cases where the Board, by published rule, or regulation, determines that a delegation should be made. The plan is no different in that respect than in the others. The Chairman of the Commission has indicated in his testimony that it is desirable and that there is a need for having it. Our committee, after its study, as well as the legislative committee, says that this plan should be put into effect.

Therefore, Mr. Chairman, we urge and recommend that the resolution of disapproval be not agreed to.

Mr. ANDERSON of Illinois. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. MEADER].

Mr. MEADER. Mr. Chairman, the gentleman from Florida [Mr. FASCELL] is correct when he says all of these reorganization plans are from the same pattern. I believe one aspect of these plans has not been emphasized sufficient-The delegation of powers and func-10 tions which the Congress vested in the Board to employees of the Board and the assignment of functions to members and employees by the Chairman has the necessary effect of eliminating one of the important safeguards that Congress enacted in order to prevent abuse of power. I speak now of the provision that these boards and commissions be bipartisan in membership.

The Federal Trade Commission which has broad authority over the business community in the enforcement of the antitrust and other laws is a five-man commission and it provides, as is the case with the rest of the administrative tribunals, that not more than three of the Commissioners shall be members of the same political party.

Commissioner Sigurd Anderson, who happens to be a Republican and was Chairman of the Commission under the last administration, testified against these plans. His testimony commences on page 65 of the committee hearings. This is what Commissioner Anderson had to say on this point about down-grading the Commissioners and doing away with their power and their authority. He savs:

I am of the further opinion that Reorganization Plan No. 4 of 1961 vests too much power in the Chairman. I feel that the imposition of the plan would reduce the status of individual Commissioners. I am sure that it is not the intention of the Executive to create a one-man agency out of our multi-member agency. This will, however, be the inevitable result if the individual Commission members are further reduced in status and the powers of the Chairman increased. I feel that the members of a regulatory body who serve in quasi-judicial, quasi-legislative, and administrative capacities should not be reduced to staff status.

Then, on page 68:

I would also like to point out that according to the plan it would appear that the Commission members could be sent to any place in the United States, provided. of course, a majority of the Commissioners so agreed, and I could see how three Commissioners, under the aegis of a very aggressive Chairman, would exile other Commissioners to remote sections of the United States.

What does this mean? In the Federal Trade Commission you have three Democrats under a Democratic administration, and two Republicans. The delegating authority of the Commission could be controlled by the three Democratic members and the Chairman is given authority under the plan to make assignments. He could assign the two Republican members, one in California and one in Oregon, and destroy the bipartisan character of the independent agency.

Will the people of the country be protected by this very important check against abuse or misuse of power?

Suppose there should be misconduct on the part of a commission member or political maneuvers and political influence in the use of these very important powers of independent regulatory agencies, such as were exposed by the Legislative Oversight Subcommittee.

Where is the watchdog of the opposite party who can stand up and shout to high heaven against improper conduct? Under this plan the minority commissioners can be circumvented, rendered impotent and be kept in the dark concerning the operations of the commission.

Mr. BENNETT of Michigan. Chairman, will the gentleman yield?

Mr. MEADER. I yield. Mr. BENNETT of Michigan. We have heard a great deal in the last few months about the impact of Executive orders, particularly as they affected our friends in the South. Those orders go further, I must say, and are more far reaching because they do not have any congressional veto. I was surprised to see some of my friends from the South voting for this vast delegation of power in all these agencies. They are the people who are screaming to high heaven about the adverse effect upon them of having the President of the United States issue Executive orders which have the force of law without the approval of Congress to govern and to change their way of life and their way of living. I have supported their point of view in my 17 years in Congress. I have voted for just one civil rights bill. I want to say this, Mr. Chairman, that I will shed no more tears for my brethren in the South when they start complaining about the adverse effect of these Executive orders and decrees upon them and their people and their way of living.

Under this plan it is Mr. MEADER. possible for a majority to take any real power away from the minority members of a commission. They can either send the minority into exile, as Commissioner Anderson suggests, or they can assign cases to everybody but them, and they will have no real power to prevent any political maneuvering that the majority of the commission wants to engage in.

Mr. GRIFFIN. Mr. Chairman, will the gentleman yield?

Mr. MEADER. I yield to the gentleman from Michigan.

Mr. GRIFFIN. Would it not also be possible through the maneuvering the gentleman is describing for the chairman, because he is given the power to make assignments of personnel, to assign and transfer the personnel who are going to work for the various commission members and to give any commissioner people who would have different political views and with whom he would not even want to work, under this reorganization plan?

Mr. MEADER. It is clear that the power of assignment of personnel and commissioners is vested in the chairman under the express terms of this reorganization plan. I think it is a bad plan. I think we are establishing a bad precedent. I do not think the Reorganization Act was ever intended to reach to these independent agencies. I think what is being done to the independent agencies under these plans is something the American people would not want to have happen.

Mr. GROSS. Mr. Chairman, will the gentleman yield? Mr. MEADER. I yield to the gentle-

man from Iowa.

Mr. GROSS. The gentleman from Arkansas [Mr. HARRIS] in the preceding debate spoke of the delegation of power. Basically, is not the delegation of power in plans 1, 3, and 4 the same as that under plan 2, for which the gentleman from Arkansas voted, that is, against the reorganization of that agency?

Mr. MEADER. I listened carefully to the gentleman's attempt to distinguish between them and I cannot say that he made any clear or persuasive distinction.

Mr. GROSS. I do not think so. either.

Mr. MEADER. I agree with the gentleman from California [Mr. Moss] when he said there was no difference in these plans.

Mr. FASCELL. Mr. Chairman, I yield 5 minutes to the gentleman from Massachusetts [Mr. McCORMACK].

Mr. McCORMACK. Mr. Chairman, I ask unanimous consent to proceed out of order.

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

There was no objection.

Mr. McCORMACK. Mr. Chairman, if there is a Member of the Congress who deserves recognition and honor, it is our valued friend from Rhode Island [Mr. FOGARTY]. His service in this body has brought honor and glory to the House of Representatives. Of the many dedicated men and women who have served in the Congress, there has been no one more dedicated than JOHN FOGARTY of Rhode Island. Referring particularly to a special field of legislation and appropriations, under the leadership of JOHN FOGARTY, with, of course, the able members of his subcommittee cooperating, there has been no Member of the Congress in the history of our country who has done more for medical research and medical progress to protect the health of the people of America and in other parts of the world than JOHN FOGARTY. JOHN FOGARTY is a dedicated legislator. He has a love for the House of Representatives, which is clearly shown by the fact that last fall he was offered, without opposition, the Democratic nomination for the U.S. Senate, the other coequal branch of the Congress. In the State of Rhode Island, this meant that JOHN FOGARTY would have been elected. But, he did not accept the nomination, first, because dedicated to the public service as he is, he felt that with his position and his seniority in the House of Representatives he could render

greater, broader, and more effective service to our people and our country, and, secondly, he did not accept that nomination because of his love for the House of Representatives.

These are qualities of greatness and at the same time qualities of humbleness which JOHN FOGARTY possesses so abundantly. The name of JOHN FOGARTY, the legislator—JOHN FOGARTY, American— JOHN FOGARTY, the man, has grown by leaps and bounds. This is evidenced by the many honors he has received in the past and the many honors he will surely receive in the future and which he so richly deserves.

It was only within the last few weeks that JOHN FOGARTY received a number of additional honors.

On June 5, 1961, our valued friend received an honorary degree of doctor of laws from Brown University in the State of Rhode Island.

On the same afternoon of June 5, 1961, JOHN FOGARTY received an honorary degree of doctor of laws from Salve Regina College in Rhode Island.

On June 11, JOHN FOGARTY received another honorary degree, doctor of laws, from Brandeis University in Massachusetts.

Mr. Chairman, these are great honors which JOHN FOGARTY richly deserves and which reflect great credit on the House of Representatives of which he is a great Member. But these are not all the honors that JOHN FOGARTY has received in the last few weeks. In addition, the following things have been done in honor of our colleague:

First. A rehabilitation center for retarded children was named in honor of JOHN FOGARTY.

Second. A fourth-degree class in the Knights of Columbus was named in his honor.

Third. He was recently named "outstanding Catholic layman" by the Newport public speaking class of the Newport council.

Fourth. He received the Annual Award of Merit from the Rhode Island Optometric Association.

Fifth. He was awarded the national citation for distinguished service in the field of cystic fibrosis by the National Cystic Fibrosis Association.

Mr. Chairman, I congratulate our colleague, JOHN FOGARTY, personally and on behalf of my colleagues. I also congratulate the three institutions of higher learning and the other organizations I have mentioned for selecting this great and humble gentleman, JOHN FOGARTY, of Rhode Island, as a recipient of these honors and awards.

Mr. Chairman, I include at this point the following resolutions commending our distinguished colleague:

> THE PRESIDENT OF BROWN UNIVERSITY, June 5, 1961.

JOHN EDWARD FOGARTY, DOCTOR OF LAWS

For two decades you have served this State with increasing distinction as its Representative in Congress. Your concern for medical care, education, and research has changed the pattern of our lives and improved the health of our people. At home you have seen that all must rise beyond ethnic origins and inherited prejudices to work to-

gether as citizens of this State and Nation. We honor you as a thoughtful and compassionate man and a devoted public servant.

Ergo, auctoritate michi commissa te ad gradum in legibus doctoris admitto, omniaque jura atque privilegia ad hunc gradum pertinentia, tibi concedo. In testimonium serviti vestri hoc diploma tibit respectuose do.

SALVE REGINA COLLEGE, Newport, R.I., June 5, 1961. The Honorable John E. Fogarty, LL.D.

JOHN EDWARD FOGARTY, distinguished Member of Congress; devoted leader in the advancement of education, scientific research and the cause of improved public health; warmhearted humanitarian, and exemplary Catholic layman.

For over 20 years you have directed your efforts in the U.S. House of Representatives on behalf of social justice and the public good. As a legislator, and as chairman of the House Subcommittee on Appropriations for the Departments of Labor, Health, Education, and Welfare, you have risen above merely partisan considerations to create programs which have brought not only hope but help to retarded children, the disabled, the mentally ill, and those who suffer from the most dreaded diseases that afflict mankind.

As a pioneer in promoting research in environmental health problems, you have shown your farsighted awareness of a growing modern need. In a similar way, you have responded to the urgent necessity to ease world tensions by helping to create the Institute for International Health and Medical Research as an effective instrument of world peace.

A national leader in the fight against harmful influence upon youth, you have also been responsible for the White House Conference on Aging and have shown a genuine concern for the welfare of our older citizens.

You were instrumental in the development and passage of the National Defense Education Act and its program of financial aid to students in colleges and universities, and you continue to play a conspicuous role in broadening opportunities for education in the medical and nursing professions.

In your efforts for conservation and flood control, you have shown a profound sense of the inestimable worth of those natural resources with which God has endowed our Nation. In your work for the development of libraries, you have shown an equal sense of the need to conserve and make available the treasures of the intellect.

For these reasons and especially for your personal interest in the progress of Salve Regina College, we gratefully bestow upon you the degree of doctor of laws (honoris causa) with all its rights and privileges.

BRANDEIS UNIVERSITY, June 11, 1961.

JOHN EDWARD FOGARTY, DOCTOR OF LAWS

Representative of the State of Rhode Island in the Congress of the United States but guardian for all of America in health and welfare programs. Undeterred by humble beginnings, and with virtually no formal schooling, sensitively aware of the import which today's spectacular science developments hold for man's well being. As chairman of the House Subcommittee on Appropriations for the Departments of Labor and Health, Education, and Welfare, giving incisive leadership to the expansion of the National Institutes of Health, vigorously promoting generous subventions by Congress for its burgeoning program. Sponsor of legislation which helps alleviate the tragedy of the Nation's retarded children through subsidies for teaching and research. Combining the talents of an expert parliamentarian

with the zeal of a crusader, stimulating Federal agencies so that the vast resources of the Government may be utilized in man's unceasing struggle against the attritions of disease.

Mr. MARSHALL. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I am glad to yield to my colleague.

Mr. MARSHALL. It is my privilege to serve on the Appropriations Subcommittee with JOHN FOGARTY as chairman. I join with our distinguished majority leader in congratulating our colleague. JOHN FOGARTY, on receiving these well merited and well earned awards that have been given to him. JOHN FOGARTY is a great American. His interest is not only nationwide, but worldwide. The people of this country will forever be grateful to JOHN FOGARTY for the dedicated service he has rendered in the fields of medicine and health.

Mr. McCORMACK. I thank the gentleman.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield to my colleague.

Mr. YATES. Mr. Chairman, I should like to associate myself with the very eloquent remarks of the gentleman from Massachusetts, our distinguished majority leader. I have served with JOHN FOGARTY on the Committee on Appropriations for a number of years and have seen the masterful way in which he has contributed to the growth and development of medical science and research in institutions of learning and in various institutions of medicine and medical research throughout the country. The great National Institutes of Health in Bethesda, Md., stand as landmarks to the progress made in the field of medicine and they stand, too, as testimonials to the magnificent work that JOHN FOGARTY has done in this Congress. I am proud to join with the gentleman from Massachusetts in saluting him today.

Mr. MARTIN of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I am glad to yield to the former Speaker of the House, the gentleman from Massachusetts, Mr. MARTIN.

Mr. MARTIN of Massachusetts. Mr. Chairman, I would like to join with the distinguished majority leader, Mr. Mc-CORMACK, in congratulating my friend and neighbor, Mr. FOGARTY, of Rhode Island, upon the high honors that have been conferred upon him by Brown, Brandeis, and several other institutions. Mr. FOGARTY richly deserves these high honors.

He is a man of great ability and high integrity. He has served his State and country in Congress for many years. He has rendered particularly outstanding service in behalf of the unfortunate and the ill. The results of his labors will be of lasting benefit to the country. I am delighted to see that this unselfish work has found appreciation.

Mr. DENTON. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Indiana.

Mr. DENTON. Mr. Chairman, I have had the pleasure of serving a great many years on the subcommittee that deals with appropriations for Labor, Health, Education, and Welfare, of which the gentleman from Rhode Island is chairman. I want to associate myself with the remarks made by the majority leader. I know of the time the gentleman from Rhode Island [Mr. Focarry] has put in working on health problems. He worked hard for the retarded children's program. He is a great humanitarian. His heart beats for the people. I know how dedicated he has been to the subject of health and public welfare in general.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. HARRIS. I would like to join our distinguished majority leader and other colleagues in paying tribute to a great American, a great public servant, our colleague, and my friend, JOHN FOGARTY. JOHN and I came to the Congress at the same time, January 1941. We have had the most pleasant associations during all these years. From my experience and associations in the Congress, no Member has contributed more to the health and welfare of the people of the United States than JOHN FOGARTY.

I have served on the Committee on Interstate and Foreign Commerce during these many years, the committee which has jurisdiction over the health problems of this country. The gentleman from Rhode Island is chairman of the Subcommittee on Appropriations handling these health matters. He and I have had occasion to work together. I am, therefore, glad to join the gentleman from Massachusetts in paying a most deserving tribute to the great service of this great man.

Mr. McCORMACK. I thank the gentleman, and when we get back in the House I shall ask unanimous consent that all Members may extend their remarks at this point in the RECORD, and also for 5 legislative days, on the public service of this great man, JOHN FOGARTY.

Mr. BOLAND. Mr. Chairman, I want to join with the remarks of our esteemed majority leader concerning the honors that have been conferred upon our distinguished colleague from Rhode Island, Congressman FOGARTY, who is one of the most able, understanding, and capable legislators in this House.

I can think of no Member who is more deserving of receiving three honorary doctorates in law, from Brandeis University in Massachusetts, and Brown University, and Salve Regina College in Rhode Island, all within a period of several days, than Congressman FOGARTY. He now adds these honorary doctorates to the honors that have been given to him in the past by other colleges and universities for his illustrious service to his people in Rhode Island and to humanity during the past 21 years as a Member of Congress. His alma mater, Providence College, had conferred upon him an honorary doctorate in political science; the University of Rhode Island an honorary doctorate in law; Rhode Island School of Pharmacy an honorary doctorate in science; and Bryant College,

in Providence, R.I., an honorary doctorate in human letters.

Mr. Chairman, it is a privilege to know and serve in Congress with JOHN FOGARTY. I know that the people of Rhode Island take equal pride in his accomplishments and the deserving academic honors that have been conferred upon him this month by three outstanding New England colleges having Jewish, Baptist, and Roman Catholic sponsorship, respectively, Brandeis University, Brown University, and Salve Regina College in Newport, R.I.

Mr. DOOLEY. Mr. Chairman, I would like to take this opportunity to join with the host of friends and colleagues of JOHN FOGARTY, the distinguished Representative from Rhode Island, in congratulating him on the recent honors which were showered on him most deservingly.

Few men in our lifetime have had the opportunity to render such helpful service as Mr. FOGARTY has to the people of this country.

His judicious direction of public funds into the fields of cancer research, heart studies, and other humanitarian areas is to be commended.

Few men in the House are as erudite in the field of medical research as the Representative from Rhode Island. His dedicated work and long periods of devotion to the responsibilities confronting him have resulted in substantial financial aid to those fields of medical research which if properly explored might result in adding many years to the life of the average citizen.

Brandeis University, Brown University, and Salve Regina College are to be commended for their part in honoring so worthy a gentleman.

Mr. PHILBIN. Mr. Chairman, I was very happy to learn of the two high academic degrees recently conferred upon my dear and distinguished friend, Congressman JOHN E. FOGARTY, of Rhode Island, by Brown University and Brandeis University, two of the great liberal arts schools of the country. Brown University is long established

Brown University is long established and has won a precious niche in American education.

Brandeis University has been established for only a few years, yet it has won the approbation and admiration of all students of American education who are familiar with its fine work and its marked progress.

Both of these institutions are distinguished for their fine leadership in American education, their accomplished teaching staffs and competent managers.

It is most appropriate that Congressman FOGARTY should be selected for these high degrees, because his great work in the Congress in the field of health, labor, and human welfare has been preeminent. Through his dedication to the alleviation of human misery and uncompromising warfare against so-called great killer diseases that afflict the people of our Nation and the world, he has unselfishly labored for the people and his leadership has been outstanding.

Congressman FOGARTY has been unceasing and determined in his superb work and has demonstrated great ability, zeal, and high purpose in furnishing the leadership necessary to shape essential Government programs to better the lot of the sick, the afflicted, the handicapped, and the lowly.

I take genuine pleasure in congratulating him and his family upon these new honors, which I am sure he will wear with characteristic modesty.

Congressman FOGARTY may well be proud of this richly deserved recognition of his outstanding work. The Nation is greatly in his debt. I am proud of him, too, and wish for him and his family every measure of success and happiness in the future.

Mr. DONOHUE. Mr. Chairman, it is a very personal and particular privilege to join with the Members here in extending warmest congratulations to my dear friend, and our distinguished colleague, Congressman JOHN E. FOGARTY, for the great academic honors most recently bestowed upon him by Brown University, Salve Regina College, and Brandeis University, and for those that he has so thoroughly merited in the past.

I truly think the officials of these outstanding educational institutions should also be given our congratulations for their selection of a man so preeminently deserving of their highest academic awards in the exacting fields of laws and humanities.

Those of us in this House, and thousands of people throughout this country, who have been associated with JOHN FO-CARTY have long esteemed him in our minds, in our friendship, in our affection, and in our admiration unofficially, you might say, as a practicing, learned doctor of laws and dispenser of all the humanities; of course, we are all overjoyed that our judgment has been officially substantiated through the formal degrees recognition of these great universities and colleges.

If there is any living man who knows as much as our distinguished colleague about the foundation and superstructure of what we call the humanities, I have never met or heard of him. I know there is not a living man who exercises such knowledge for the benefit of his country and his fellow men with a truer character, more generous heart, more genial nature, more inspiring spirit, more unselfish humility, or more understanding encouragement and sympathy than the Honorable JOHN E. FOGARTY.

Mr. Chairman, not only is this a very joyful day for us and our honored colleague, but it is also, in a deep and significant sense, a great day in the educational history of this blessed Nation.

JOHN would be the first man in the world to shun the pretensions of formal educational labels for their descriptive nature alone.

Early circumstances denied him most of the average opportunities but by sheer integrity of character, determination of will, and persevering industry, he has advanced to the heights of public responsibility and formal educational recognition.

His knowledge and practice of the art of legislating and the applied science of government has indeed been hard earned.

Salve Regina College, Brown, and Brandeis Universities, together with those other institutions that have honored JOHN FOGARTY in the past, have done a distinct service to the people of this country by demonstrating that the custodians of formal educational award can apply their most rigid standards to the essential work and superior achievements of uncommon character and rightfully and realistically bestow their academic laurels accordingly.

Congressman JOHN E. FOGARTY, in the highest patriotic devotion over a period of 21 years, has helped mightily to make and keep this country great; the directors of these various universities, by their actions, have helped to prove its greatness by the distinctions they have conferred upon our colleague.

JOHN, you have once more brought great honor upon yourself and this House. Sincere congratulations to you and may the good Lord grant many more long years of heavenly blessings to you and yours.

Mr. MONAGAN. Mr. Chairman, I am happy to join all the other Members in expressing my appreciation of the magnificient services of the gentleman from Rhode Island [Mr. FOGARTY] to his State and to our country.

JOHN FOGARTY'S principal characteristics are fearlessness and independence. These characteristics added to his personal integrity have made him one of the outstanding Representatives in the history of the Congress of the United States.

In his work as chairman of the Appropriations Subcommittee of Labor and Health, Education, and Welfare, he has contributed more than any other American to the development of Governmentsponsored research into the cause of disease, and in the National Institutes of Health, he has created a living monument to his zeal and dedication that will endure as long as the United States.

We Members of the House of Representatives are grateful for his decision to stay in this body rather than to move, as he might have, to the Senate and it is my firm hope that JOHN FOGARTY will be with us for many years to continue to give his outstanding public service to the State of Rhode Island and to the United States of America.

Mr. KIRWAN. Mr. Chairman, I would like to join with our distinguished majority leader and other colleagues in paying tribute to a great American, a great humanitarian, and a dedicated public servant, my good friend, the gentleman from Rhode Island, JOHN FOGARTY.

The honorary degrees which have recently been bestowed upon him are a tribute to the courageous leadership that he has exerted here in the House of Representatives on behalf of all mankind. As chairman of the Appropriation Subcommittee on Labor and Health, Education, and Welfare, he has done an outstanding job for medical science and research by creating more moneys each year than has been requested by the budget.

JOHN FOGARTY is a man of character and integrity. He is one of those individuals who is endowed with the vision of greatness and the determination to see

it accomplished. I shall never forget the fight that JOHN FOGARTY made in defense of the Labor, HEW appropriation bill for fiscal 1958. On April 4, 1957, efforts were made to delete moneys that were not only needed, but in some instances vital for the continuation of medical research, and medical studies in the fields of mental and physical disabilities; the defense against this action on 14 rollcall votes was led successfully by JOHN FOGARTY. The great National Institutes of Health is also a monument to the great efforts put forth by this great son of the State of Rhode Island.

It has been my privilege to serve on the Appropriations Committee with this distinguished colleague for almost 20 years, and I sincerely believe that this country owes a great debt of gratitude to JOHN FOGARTY for the service he has rendered to our country and the world. Again, I congratulate him today for being the recipient of these high honors.

Mr. LANE. Mr Chairman, Congressman JOHN FOGARTY, of Rhode Island, is a man of few words, but of many constructive actions.

His biography in the Congressional Directory, is brief and modest:

JOHN EDWARD FOGARTY, Democrat, of Harmony, R.I., elected in 1940 and reelected to succeeding Congresses.

His work and his popularity speak for him.

In the 1960 election, he received the impressive total of 151,000 votes with a plurality of 87,749 over his opponents.

Our colleague is one of the most industrious Members of the House. His specialty is legislation in the field of health, education, and welfare. Having had to work overtime to pay for his own education, and with firsthand knowledge of the social and economic burdens of the textile employees of his home State, he came to Congress with the singleminded determination to do everything within his power to solve these problems.

By his concentration on the facts, and by his devotion to the objective of helping his fellow man, he has succeeded in shaping much of the humane legislation that has been enacted by the Congress in recent years.

He has never sought appreciation for his accomplishments in behalf of so many, but it came to him naturally from those who believe in the recognition of his merits.

In the month of June 1961, Congressman FOGARTY was awarded honorary degrees for his excellence as a national legislator by Brown University, Salve Regina College, and Brandeis University of Massachusetts, in addition to the previous distinctions bestowed by Providence College, University of Rhode Island, Bryant College, and the Rhode Island School of Pharmacy.

His colleagues in the Congress are proud and happy for Representative JOHN FOGARTY and for the honors conferred upon him.

We hope and expect that this is but the beginning of the greater appreciation that he deserves—from the Nation.

Mr. O'HARA of Illinois. Mr. Chairman, America has never produced a finer man than John Focarry. There is not

anyone in this body who is higher in the esteem and in the affection of his colleagues. It is he more than any one other person who is responsible for a program of medical research that is directed toward lifting the fog of fear over every American home that cancer, heart, and other fatal diseases will strike at that home. To pursue this work to which he has dedicated his life, JOHN FOGARTY passed up a seat in the other body offered him on a silver platter. I join heartily with my colleagues in congratulating JOHN FOGARTY on the new honors and recognition that deservedly have come to him. No man in one lifetime could accomplish more for mankind.

Mr. ST. GERMAIN. Mr. Chairman, I am very pleased to have the opportunity to extend my remarks concerning recent honors which have come to my friend and colleague from Rhode Island, John FOGARTY.

Three great institutions of higher learning have conferred honorary degrees upon Mr. FOGARTY within the past These degrees have been month. awarded for his great contributions to this Nation, particularly in the area of public health. As chairman of the House Appropriations Subcommittee for the Departments of Labor and Health, Education, and Welfare, his devoted interest in medical research, the training of doctors, and the expansion of modern facilities for the care of the sick have earned him a national and international reputation.

JOHN FOGARTY has worked untiringly to promote projects for the benefit of the State of Rhode Island and to advance the well-being of its people. His election to the House for 11 consecutive terms is proof of the trust and confidence which the people of Rhode Island's Second Congressional District have in him.

His outstanding record in the Congress, the respect and affection in which he is held by his fellow Members, and his efforts on behalf of his country have been recognized on numerous occasions by the many educational, professional, and civic organizations which have paid him tribute. It is my privilege to join with them and others in expressing my admiration for JOHN FOGARTY.

Mr. RHODES of Pennsylvania. Mr. Chairman, I take this opportunity to join with my colleagues in paying tribute to the distinguished gentleman from Rhode Island, the Honorable JOHN E. FOGARTY, for the high honors which were recently bestowed upon him.

Within the past month, three great institutions of higher learning have conferred honorary degrees upon Mr. Fo-GARTY in tribute to the tremendous contribution he has made to the American people and the Nation in the field of public health.

As a member of the Health and Safety Subcommittee of the Interstate and Foreign Commerce Committee, I have become very familiar with the work of Mr. FOCARTY and his untiring efforts in the important field of public health. I am sure that many of our fellow citizens have been saved from crippling disease or death because of the progress that has been made through programs which 1961

he sponsored or supported to seek the cause and cure of crippling and killing diseases.

In his position as chairman of the Appropriations Subcommittee of Labor and Health, Education, and Welfare, Mr. FOGARTY has contributed immeasurably to many indispensable programs.

It is indeed a pleasure, Mr. Chairman, to commend the gentleman from Rhode Island on the magnificent job he has done. I am personally appreciative of his help to the Schools of Public Health which give essential service to the Nation in training doctors, technicians, nurses, and other specialists for public health service in the United States.

Congressman FOGARTY played a leading part in the enactment of several bills which I introduced for aid to these Public Health schools. He has recognized the essential role these schools play in the field of public health.

The honors bestowed upon our colleague are well earned. I trust that he will serve many more years as a Member of this House so he may continue his outstanding work and service to the people and to the Nation.

Mr. ANDERSON of Illinois. Mr. Chairman, I yield 1 minute to the gentleman from Missouri [Mr. Hall].

Mr. HALL. Mr. Chairman, I ask unanimous consent to revise and extend my remarks, and to speak out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. HALL. Mr. Chairman, today I have introduced in the House a bill to amend the Internal Revenue Code which, I believe, will make it possible for our elder citizens to meet the cost of medical care. It is my firm belief that this bill, if adopted, together with the Kerr-Mills bill passed in the last session of Congress, will go a long way toward enabling our senior citizens and their families to meet their own responsibilities without relying on the Federal Government to care for them at the risk of toppling our entire social security structure. I would like to discuss this bill in some detail so that Members of the House will have an opportunity to reflect on the philosophy which it embodies.

As a surgeon who practiced for 26 years in the armed services and in my district before coming to Congress, I have more than a passing knowledge of the medical problems confronting our elder citizens and I also am aware of the threat to our system of high quality medical care posed by the administration's plan for socialized medicine.

I have analyzed section 213 of the Internal Revenue Code with respect to the amounts which may be deducted in providing medical care for persons who have attained age 65, and also with regard to the incentives, if any, which might exist in encouraging taxpayers to provide for their own medical care in their declining years.

I believe that the existing law is inequitable and discriminatory. Under certain circumstances a full deduction may be taken for the medical expenses incurred by a taxpayer on behalf of an aged individual, but under slightly different yet equally meritorious circumstances a considerably smaller or no deduction is allowable. Furthermore, there is no tax incentive which would encourage a taxpayer to look ahead and provide for the medical care which he might need in his old age.

Under existing law, a taxpayer is entitled to deduct, without limitation, the amounts he has spent for the medical care of his parents or his wife's parents who are his dependents and who have attained age 65. However, with respect to his sister, brother, grandparents, or other dependents who have attained age 65. the general rule applies which permits the taxpayer to deduct only those medical expenses which exceed 3 percent of his gross income. There is no reasonable basis for restricting the taxpayer to a smaller deduction merely because the dependent is not a parent. The financial hardship to the taxpayer is the same regardless of the degree of family relationship. In terms of incentive, there is perhaps an even greater necessity and reason to encourage a taxpayer to furnish medical care to a distant relative than a parent.

Another gross inequity is the requirement of dependency before a taxpayer can deduct for the medical expenses which he has paid for another person. Assume the following case: The taxpayer has paid \$1,500 during the year toward the medical care of his father, aged 65. The father's income consists of \$1,400 in nontaxable income derived from a source such as social security, railroad retirement, VA disability, or similar benefits. The father's other income amounts to \$600 in dividends produced by the corporate stocks which comprise his life's savings. Because the father's taxable income is less than \$675, he files a short-form tax return and pays no income tax.

Since the taxpayer did not contribute more than half of his father's support, the father is not a dependent and the \$1,500 paid for the latter's medical care is not deductible by the taxpayer. If the taxpayer had refused to provide for his father's medical care, the father might have sold some of his assets to pay for his own medical care but since he pays no income tax there would be no tax benefit. This is not a farfetched example but a common situation which emphasizes the need for appropriate tax relief.

This bill would amend section 213(a) of the Internal Revenue Code to permit a taxpayer to deduct, in full, the amounts paid for the medical care of any person who has attained the age of 65, irrespective of whether that person receives the majority of his support from the taxpayer as is presently required by section 152.

During the hearings in the other body conducted by the senior Senator from Tennessee, it was alleged that the high cost of drugs creates a particular hardship upon the aged who consume proportionately more drugs than the rest of the population. Under existing law, the total amount paid for medicine and drugs must first be reduced by 1 percent of the taxpayer's gross income. Only the excess is treated as a deductible medical expense.

The Treasury has defended the 1-percent rule with regard to medicine and drugs on the basis that even healthy persons spend a consistent percentage of their income for drugs. Whatever justification this argument may have, it would seem to have little application to persons who have attained 65 and with whom the consumption of drugs is more likely to be necessary because of actual illness rather than minor symptoms. Furthermore, insulin, cortisone, and other costly drugs are just as vital to medical care as bedpans and heating pads which are not subject to the 1-percent rule.

Section 213(b) should be amended so that the rule which permits only the amounts spent for medicine and drugs in excess of 1 percent of gross income to be treated as medical expenses should not apply to persons who have attained age 65.

I have given consideration to the idea of devising some mechanism by which the Federal tax system might be used to encourage people to provide for their own medical care during their declining years. I believe that we have the germ of an idea which the insurance industry and possibly the Blue Cross and Blue Shield plans could develop.

Millions of employees are now under tax-deferred pension plans which assure them of retirement income during their old age. If the tax system is a valuable adjunct in helping the population to be self-sustaining when they become senior citizens, why cannot the tax system also be used to encourage people to purchase medical care insurance during their working years which will become effective when they have attained age 65?

Under existing law, a taxpayer who has attained the age of 65 can deduct in full the cost of medical care insurance. Why not permit a taxpayer who has not attained the age of 65 to deduct in full the cost of prepaid medical care insurance which is to become effective when he has reached this age?

I have not discussed the possibilities of an insurance contract of this type with the insurance industry but it would seem that such insurance should be obtainable at a modest rate with broad comprehensive coverage. From the standpoint of the insurance company, the money received in the years before benefits begin will earn income which in turn will provide a larger fund for benefits. The fund will also be increased because of the mortality of those policyholders who do not attain 65 or who die shortly after they have attained this age. This prepaid coverage could be provided as a supplement to contracts which provide for present benefits.

There is reason to believe that labor organizations might also be interested in procuring protection of this type for their members through collective bargaining as an additional fringe benefit.

The cost of prepaid medical care insurance which is to become effective after age 65 should be made deductible in full. A taxpayer is always entitled to at least one exemption. A taxpayer is entitled to another exemption if he is blind or over 65. If he is blind and over 65, he will then have 3 exemptions. The theory upon which the additional exemptions are granted is that the aged or the blind person has a handicap which is reflected in his basic cost of living and therefore a compensating tax benefit is justifiable.

Similarly, additional exemptions might be given to a taxpayer who has incurred hardship medical expenses. An additional exemption might be allowed to a taxpayer—aged 65—who has spent 25 percent or more of his income for medical care and 2 additional exemptions if he has spent 50 percent or more of his income for such care.

My bill would provide additional exemptions for catastrophic medical care expenditures. A taxpayer aged 65 who pays medical care expenses which amount to 25 percent or more of his adjusted gross income should be given an additional exemption and a taxpayer who pays such expenses in an amount equal to 50 percent or more should be given 2 additional exemptions.

Medical expense deductions are of no value if the taxpayer has no taxable income. The taxpayer over age 65 who has not worked during the year because he has retired or has been sick is likely to have incurred the largest medical bill. Yet in these instances, where the hardship is the greatest, the taxpayer without income is barred from any tax benefit.

The carryback and carryover principle is part of the system by which corporations are subject to income tax. A corporation that has lost money this year but earned money last year can obtain a refund on the taxes paid last year to help offset this year's loss. Applying this principle, the taxpayer over age 65 whose income is insufficient to give him tax benefit for his current medical care expenses should be able to carry back or carry over for a period of 5 years his medical expense deduction so as to make it possible for him to realize tax benefit. For example, if a taxpayer had no income in 1960, but \$1,000 in medical expenses, he should be allowed to recompute his 1959 tax return, or if necessary his 1958, 1957, 1956, or 1955 returns so that he will be assured of a medical expense deduction for the entire \$1,000. If he still has no tax benefit for his medical expenses, then he should be allowed to carry the deduction over to future years.

My bill would permit medical care deductions to be carried back for as many as 5 years, or if necessary carried forward for 5 years so that the taxpayer over age 65 can receive full tax benefit for such expenses.

Mr. Chairman, the Congress must make a choice between two vastly different approaches in its attempts to ease the problems facing our elder citizens. It can go in the direction of more Government, less fiscal responsibility and complete chaos; or, it can go in the direction basic to our tradition of making it possible for individuals to meet their own

responsibilities. The bill I have introduced today would take us on this latter course and I urge its consideration and adoption by the House.

Mr. ANDERSON of Illinois. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. GRIFFIN].

Mr. GRIFFIN. Mr. Chairman, I take this time for two purposes. First of all, I wish to echo a statement made by the gentleman from California [Mr. Moss], and the gentleman from Wisconsin [Mr. REUSS], in their separate views contained in the report which accompanied Reorganization Plan No. 2. On page 19 of that report, they said:

What, then, is so different about Reorganization Plan No. 2?

Why are these arguments advanced by the majority against plan No. 2 and not plans 1, 3, and 4.

The answers to these questions may be found not in any purported differences between Plan No. 2 and the other plans. These differences are not substantial.

Mr. Chairman, I cannot bring myself to endorse what I believe is the implication of their next statement when they say:

The answer must be looked for elsewhere, and it can be found in the historical relationship between the broadcasting industry and the Government.

However, Mr. Chairman, those who have voted to disapprove Reorganization Plan No. 2 affecting the FCC, but have, or will, vote to approve Reorganization Plans Nos. 1, 3, and 4, can point to only tenuous and insubstantial distinctions to justify such a shift in position.

It is true that Reorganization Plan No. 2 would abolish a review staff established by statute. However, it is most interesting to notice how far beyond this difference the great legislative Committee on Interstate and Foreign Commerce is going now that it is asserting jurisdiction and is considering legislation in the normal procedure to reorganize the FCC.

On page 16 of the report accompanying Reorganization Plan No. 2 there is set forth a bill (H.R. 7333) introduced by the distinguished chairman of that committee, the gentleman from Arkansas [Mr. HARRIS]. I want to focus attention upon some of the safeguards which he has written into his bill and which his committee is likely to adopt—safeguards which are not included in the reorganization plans.

As the gentleman from Florida [Mr. FASCELL] has mentioned several times, one of the principal purposes of the several plans is to permit the delegation of adjudicatory functions to hearing examiners; but the broad language of the reorganization plans goes far beyond that and provides that powers over and beyond the adjudicatory function can be delegated to an employee.

One of the most important, if not the most important, nonadjudicatory function exercised by these boards or commissions is the rulemaking or ordermaking function. I have noticed with considerable interest that in his bill the gentleman from Arkansas [Mr. HARRIS] provides, with respect to the FCC, that any rule or order may be adopted only by a vote of a majority of the members of

the Commission then holding office but may be rescinded by a vote of the majority, less one. This is a very important safeguard. This makes it clear with respect to rulemaking that this important function, at least, cannot de delegated to an employee or to others not members of the Commission. The bill proposed by the gentleman from Arkansas [Mr. HARRIS] makes it clear that rulemaking must be done by the Commission, and a rule once adopted by the Commission may be rescinded by a majority, less one. This is a very important protection which is not included in the reorganization plans proposed by the President and which we are obliged to approve or disapprove without opportunity for amendment.

Further, the legislation proposed by the distinguished chairman of the Interstate and Foreign Commerce Committee provides that every application for review shall be passed upon by the Commission. On the other hand, the several reorganization plans give the Board or Commission carte blanche, absolutely discretionary power of review. There is no requirement in the reorganization plans that Board or Commission pass upon an application for review.

In addition, the distinguished chairman, in his bill, has made it clear that upon review the Board or Commission may affirm, modify, or set aside the action being reviewed.

A further safeguard is provided in the Chairman's proposed legislation, which is not contained in the reorganization plans. In his bill, he would limit the power of the FCC Chairman in making personnel assignments and would allow him to make assignments of personnel exclusive of Commission members. This limitation is extremely important if the bipartisanship nature of the Commission and the independence of the Commission are to be maintained, as my distinguished colleague from Michigan [Mr. MEADER] was pointing out.

Although I realize that the legislation affecting the FCC is still being considered by the Interstate and Foreign Commerce Committee, I understand after talking with members of this legislative committee, that very serious consideration is being given to incorporating certain provisions of a Senate bill which would provide a limited mandatory right of review by the Commission and also a right, in such instances, to present oral argument before the Commission. These are important safeguards which were not in Reorganization Plan No. 2, and they are not in the other reorganization plans.

Considerable discussion has been devoted to the possible functions which could be delegated to persons other than hearing examiners under these plans. It should be noted that under Reorganization Plan No. 4, affecting the Federal Trade Commission, the nonadjudicatory function of issuing a complaint could be delegated.

Under the present law the Federal Trade Commission itself, issues a complaint. However, under proposed reorganization plans this and other nonadjudicatory functions could be delegated to any employee of the Commission. If the President's proposed reorganization plans were sufficiently limited and were clear in their purpose, I would support them. I should like to be able to support them for I realize well that a heavy workload burdens and slows down the activities of these regulatory agencies; and I appreciate the need for streamlining some of their functions.

But, Mr. Chairman, I believe the Congress should be told precisely what functions are to be delegated and to whom. In 1959, the Congress passed a labormanagement reform bill. That act provides that the NLRB may delegate the processing of representation cases (not any function whatsoever); and the act specifies that this delegation can be made only to regional directors of the NLRB, not to any employee of the agency.

We should proceed in a similar manner in authorizing the delegation of functions by other agencies.

Mr. ANDERSON of Illinois. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, I take this time merely to point out briefly what I have taken the floor to point out with respect to the other plans that we have considered, namely that the full implications of the broad delegation of authority contained in this plan are something of which even the Chairman of the Commission is not fully aware. I call the attention of the committee to page 47 of the transcript of the hearings on Plan No. 4 where Mr. Dixon, Chairman of the Federal Trade Commission, stated:

We have not yet determined what delegations should be made in implementing the planned reorganization, or which of those delegations the Commission may desire to make can be made under existing authority.

I would also like to call the attention of the committee to the fact that section 2 in this plan, which provides for the transfer of functions to the Chairman, gives the Chairman of the Commission the power to delegate individual Commissioners to certain specific tasks. As has been pointed out by previous speakers, in the testimony before the subcommittee by Commissioner Sigurd Anderson, a member of the Federal Trade Commission, the possible effect of this part of the reorganization plan is clear. He says, for example, on page 67:

I would like to say I think that the Commissioners—we have five on our Commission—they have a status of being appointed by the President, and they are confirmed by the Senate. That if this plan goes into effect, the way I read it, it seems to me that the individual Commissioner is going to be kind of reduced insofar as status is concerned.

There is just one additional point that I want to call to the attention of the committee, particularly to the members on my side of the aisle. Under the basic law, as I understand it, that created the Federal Trade Commission, it provides that no more than three members of this five-member Commission shall belong to one political party. According to the testimony which we heard in our subcommittee, Commissioner Anderson is the only Republican on that Commission. The rest of them are Democrats,

and there is one independent. I think it is pretty clear that the bipartisan character of this Commission can be and will be destroyed, when this lone Republican member of the Commission can be subjected to the dictates of the Chairman who belongs to the other party.

Mr. Chairman, I now yield 2 minutes to the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN of Michigan. Mr. Chairman, I yield back the balance of my time. I am interested in hearing what they are saving their time for.

Mr. FASCELL. Mr. Chairman, I yield to the chairman of the House Interstate and Foreign Commerce Committee [Mr. HARRIS] such time as he may consume.

Mr. HARRIS. Mr. Chairman, I will consume only a few minutes.

Now, what do we have before us? The Chairman of the Federal Trade Commission said to the Committee on Government Operations that Reorganization Plan No. 4 of 1961, first, would provide the Federal Trade Commission with additional authority to delegate functions and, second, transfer from the Commission to the Chairman the authority to assign personnel to perform the functions which the Commission might delegate.

What else does the Chairman of the Commission say? He says that the work load of the Commission is greater today than ever before in its history.

Indeed, that is true with reference to all of these major regulatory agencies.

In response to the request made by the chairman of this subcommittee, the Chairman of the Commission said that they had prepared tabulations which show the tremendous increase in the work load of the Commission even during the past 5 years.

I invite the Members to read this information which is included in the REC-ORD.

Now, something has been said about Executive order. There is no Executive order involved in this. This is a reorganization plan. I did not originate the reorganization procedure. I have always been leery of reorganization proposals myself. I do not think it is the appropriate way to legislate, but the Congress has for many years decided otherwise. So this is an effort to carry out what the Congress has consistently over the years said should be done. There is no Presidential encroachment involved here, nor interference. We do not provide for that at all.

I want to say that my distinguished colleague, the ranking member of our committee, the gentleman from Michigan [Mr. BENNETT] is a great public servant, and I enjoy working with him. He need have no fear. We are not going to be out of business.

There is such a thing as oversight provided by this Congress. It is the result of an enactment of the Congress and provided for in the rules of this House. So we are going to be in business, and do not fear. We are going to be watching in the future the administration of these laws as we have in the last few years.

Mr. CONTE. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. Yes; I yield to the gentleman from Massachusetts.

Mr. CONTE. Speaking of oversight, I have a great deal of respect and admiration for the chairman of the House Interstate and Foreign Commerce Committee, and for that reason I would like to bring this issue up for his consideration, or set of facts, that happened to me on Sunday, and see if I cannot bring it before the Oversight Committee.

I contracted with the Allegheny Airlines-the gentleman from Connecticut, Congressman SEELY-BROWN, and Ihere at the Capitol to obtain an airplane ticket to fly out of Bradley Field, Conn., Sunday evening. We called the airline to make reservations for Sunday afternoon. When we got there, there was a long line waiting. When we talked to the person in charge of the Allegheny ticket counter he stated that the flight was oversold by 21 seats at Providence, I told him I had contracted for R.I. and bought the tickets 5 days before. He said he was sorry, that they were oversold, and this I could understand. But I happened to see him sell tickets to several persons there, and one of the persons happened to be the chairman of the National Democratic Party, Mr. Bailey.

Mr. HARRIS. The gentleman is using up my time on something which I would be glad to discuss with him at some appropriate time. I sympathize with him in his problem—I certainly do—but we do not operate the airlines. We do not run them, but we will be glad to take it up and go into it.

That does not have a thing in the world to do with the Federal Trade Commission. This is the Federal Trade Commission we are considering now, not the CAB.

Mr. CONTE. I felt that this was a matter for the Oversight Committee.

Mr. HARRIS. That has nothing to do with what we are discussing here. One of the best ways to attack a problem when you do not really have a good, substantial ground to stand on is to confuse the issue. Let us not confuse the issue here. Let us stay within the framework of what we are doing.

The gentleman from Michigan mentioned the bill I introduced. Yes. I introduced a bill. I told the House I would. We have held hearings. We are now in executive session trying to write the legislation. I might say to my distinguished friend from Michigan that the delegation of functions contained in the bill, and the one we have already agreed to in executive session is identical to the delegation of functions contained in these reorganization plans we are considering here today. It was other basic features of that proposal that we objected to, which I have explained, or tried to, emphatically, and have said so over and over again. I think if we will keep our minds on what we are undertaking here and the difference between that proposal and this, there will be no doubt about it.

Mr. GRIFFIN. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from Michigan. Mr. GRIFFIN. My chairman will recall I enumerated five or six important safeguards surrounding the delegation in the gentleman's legislation this year included in the reorganization plan. Does not the gentleman feel that those same safeguards are important as far as the other commissions are concerned, just as they are with regard to the Federal Communications Commission?

Mr. HARRIS. In the first place, the gentleman does not understand what our committee has done in executive session regarding the Federal Communications Commission proposal. Our committee is following along the line of the delegation of functions here. The gentleman read from a bill. We have virtually taken out of the bill some of the things the gentleman read, and proceeded along the lines of adopting some of the things the gentleman mentioned.

Mr. FASCELL. Mr. Chairman, I ask unanimous consent that the gentleman from Minnesota [Mr. KARTH] may extend his remarks at this point in the RECORD and include extraneous matter.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. KARTH. Mr. Chairman, I support the Committee on Government Operations in its report that the resolution to disapprove Reorganization Plan No. 4 be rejected.

I firmly believe that this reorganization plan should go into effect to help revitalize the Federal Trade Commission in this day when it is called upon to deal with a rapidly advancing technology and increasingly complex economic structure. Reorganization Plan No. 4, I believe, will go far toward achieving the high purpose of, in the words of Federal Trade Commissioner Philip Elman:

The harnessing of political and economic forces to meet the needs of the people in a democratic society pledged to the fullest enjoyment of life, liberty, and the pursuit of happiness.

Commissioner Elman in his speech to the American Marketing Association today has some significant observations on the administrative process which I think are especially appropriate to the matter under consideration. I commend his speech to the attention of my colleagues and ask that it be ordered to be printed in the RECORD as follows:

THE ADMINISTRATIVE PROCESS AND THE RULE OF LAW

(Remarks by Philip Elman, Federal Trade Commissioner, before the American Marketing Association, Los Angeles, Calif., June 20, 1961)

I appreciate the opportunity to participate in this 44th national conference of the American Marketing Association. When your kind invitation came, I, of course, accepted with alacrity. However, when the time approached for me to prepare a speech, I was filled with misgivings. What could I, out of the fullness of 2 months' experience as a member of the Federal Trade Commission, say to this group of economists and marketing experts? Whatever competence I have in economic matters is, at this stage at least, largely ex officio. It would be foolish and indeed presumptuous for me to utter Delphic pronouncements here on such sub-

jects, for example, as workable against real competition, the theory and fact of administered prices, etc. On these esoteric matters, as I'm sure you will agree, I would do better to listen and learn.

But perhaps my experience and background as a lawyer—more particularly, one whose entire professional life has been devoted to the public service in the Federal Government—may enable me to make some modest contribution to your deliberations. Lawyers are supposed to be experts in the administration of law, experts in the art of getting things done and in ways that are fair and just. And lawyers in Government, especially, become inescapably involved in that most challenging process: The attainment of justice through legal institutions administered by men.

I count myself fortunate to have been able to spend many years observing, and to some extent participating in, that process as manifested in the work of the Supreme Court of the United States, and of another institution of Government which is no less deserving of honor and respect because it is so little known to the general public, namely, the Office of the Solicitor General of the United States. The Solicitor General-who represents the Government at the bar of the Supreme Court-is an extraordinary, and I think wonderful, kind of lawyer. He cannot be an advocate of narrow partisan interests; his client is the United States and its 180 million people. The Solicitor General's concern, therefore, is not to win particular litigation, but to do justice a and to help establish broad and enlightened principles of law which will benefit all our people.

Self-appraisal is always treacherous, but I think I can say that my experience in the Solicitor General's Office, and the association with the Supreme Court that it brought, have left their mark on me. I bring to my present assignment a deep and abiding conviction—a prejudice, if you will—that, in all aspects of government, there is no acceptable alternative to the rule of law. And it is this lofty subject, and its relation to the administrative process and the Federal Trade Commission, that I should like to discuss with you.

The theme of my remarks is that while the rule of law is a lofty subject, we should bring it down to earth. It should be a living reality of the present, not an abstract ideal for the distant future. I submit to you, unabashedly, that the rule of law, and what we do about it in our everyday life, has bread and butter, even life and death, significance to each of us.

What do we mean by the rule of law? It is, of course, a shorthand phrase which summarizes the deposit of centuries of experience in the progressive development of Anglo-American law. "The liberty of the subject": "due process of law"; "equal protection of the laws"; "fundamental fairness"; "evenhanded justice"; "day in court"; "a fair hearing"; "he who decides must hear"; "justice delayed is justice denied"—these are phrases familiar to us all. But they are not empty cliches, to which we merely pay lipservice on ceremonial occasions. They express the principal elements of the rule of law, for which, I submit, there is absolute, uncompromising need in the day-to-day conduct of government.

Now, you may say, this is all very well, but isn't it Fourth of July talk—at best, idealistic, naive, and without much relation to the practical affairs of life? I could not disagree more.

Believe me, the cynical, wordedlywise view is not necessarily wise or even realistic. President Kennedy, in his inaugural address, eloquently articulated the basic, hard realitiles of our times. The way this generation of Americans meets its responsibilities may

determine whether liberty will survive in the world. The question all Americans must ask is, "What together can we do for the freedom of man?" This is not a rhetorical, abstract question. Each of us in his daily life is called upon to answer. And if we do not trouble ourselves to ask the question, or if we do not answer as we should and must, America and the cause of freedom are in deep trouble.

Perhaps Mr. Khrushchev is right in his belief that the tide of history is running against us, that Americans are too preoccupied with narrow, selfish, materialistic concerns. I think he is wrong-but we must prove him wrong if we are to survive as a free people. I say to you, with all the earnestness I can muster, that acceptance of the rule of law, with all that it implies, as the governing standard by which we live, and rejection of the cynical counsel of expediency and narrow self-interest, is our wisest, safest, most profitable course of ac-The future will be what we make tion. it. The world of 1984 will be determined by how we live in 1961 and the years to come. If we regard the rule of law as something we need not observe today, we should not be surprised if it does not exist tomorrow.

Now, what does all this have to do with the subject-matter of your conference? What connection does it have to the "impact on the businessman of the laws regulating marketing?" In every situation in life, it is important to ask the right question in order to get the right answer. If one asks, "Should these laws be repealed because they are too burdensome to business?" he will get one kind of answer. But if he asks, "What can we do to improve the administration of these laws?" the answer will be far more meaningful and constructive.

The American businessman has always prided himself on being realistic and hardheaded. He would have to be hopelessly naive to deny that, for the foreseeable future at least, big government, like big business and big labor, is a fact of modern life. So, business should not dissipate its time and energy in chasing an illusion. Government regulation of business in the public interest will not disappear from this land no matter how often it is decried as socialism. The right kind of regulation aids business and expands freedom of enterprise.

In the last analysis, a civilized society must place ultimate reliance on law and agencies of law for protection of the values holds dear. An example is the Federal Trade Commission, which was established by Congress in 1914 in response to the felt need for a more effective legal mechanism for preserving the benefits of a free economy by eliminating actual and potential abuses: the use of predatory or restrictive trade practices; what Brandeis called the competition that kills; the striking, not of hard, but of foul blows in the fight for profits; the exploitation of monopoly power; fraud in the mar-keting of goods and services. The laws the Commission administers are directed to these diseases, not the healthy manifestations, of a free economy. As President Ken-nedy pointed out in his recent message to Congress on the regulatory agencies, " these agencies are not merely regulatory; they are designed to further the expansion of certain facets of our economy, as well as the basic tenets that underlie our system of private enterprise." In our society free enterprise does not and cannot exist in vacuo. Free and unrestrained enterprise are not synonymous. Freedom has never been thought to include the right to act unfairly or irresponsibly in relation to the rights of others and the public.

Nor are freedom and regulation inconsistent or mutually exclusive. In a jungle, for example, there can be no real freedom. A degree of government regulation is necessary, therefore, and indeed must be insisted upon by free men. For without such regulation, freedom itself would be lost in chaos and disorder. The liberty which government seeks to preserve and enlarge is, as Judge Learned Hand has said, "not the ruthless, the unbridied will; it is not freedom to do as one likes. That is the denial of liberty, and leads straight to its overthrow. A society in which men recognize no check upon their freedom soon becomes a society where freedom is the possession of only a savage few, as we have learned to our sorrow."

Power in whatever form thus imposes responsibility for its fair and enlightened exercise, and this is no less true of economic power. Beginning in the latter part of the 19th century in the United States, enormous changes in the social and economic structure of our society have taken place, mainly because of the introduction of new and vastly advanced technology and the consequent revolution in our industrial com-The Square Deal of Theodore Rooseplex. velt, the New Freedom of Woodrow Wilson, the New Deal of Franklin Roosevelt, and the New Frontier of John Kennedy, all have had a common heritage and purpose: the harnessing of political and economic forces to meet the needs of the people in a demo-cratic society pledged to the fullest enjoyment of life, liberty and the pursuit of happiness.

We are faced today in the United States with the greatest concentration of economic power in the history of the Western World. A relatively few corporations control twothirds of the industrial economy. And these few corporations are in turn ultimately controlled by a much smaller group of managers and financiers. This extreme degree of concentration and control of economic power poses questions of the first magnitude in a society which places maximum value on maintenance of individual initiative and freedom. At the very least, it demands a correlatively high degree of responsibility from those who possess such vast power to destroy as well as to create.

But all of us, whether our power be great or small, would do well to ponder what was recently said by Mr. Henry Ford 2d:

"Morality is not just avoiding price-fixing or conflict of interest. Obedience to the law is not enough. The law is negative. It tells us only what we must not do. As Crawford Greenewalt, president of Du Pont, has suggested, we in industry must be concerned more specifically with 'obedience to the unenforceable—the things we do not because they are required but because they are right. This strength is more potent and compelling than the law.'"

We hear a good deal of talk nowadays that businessmen find it hard to comply with the antitrust laws because of uncertainty and doubt as to what the laws prohibit. I commend to your attention a statement made to the Federal Trade Commission on April 30, 1915, by Mr. Louis D. Brandeis before his appointment to the bench:

"Now, I do not believe * * * that the difficulty for the businessman is nearly as great as he imagines it to be. I have been at times counsel for a few trusts. The president of one of the largest of them, when we were discussing the law some 4 or 5 years ago-and he was full of his attacks against the Sherman law-said to me, 'Now, you have been speaking in favor of this Sherman law, and I have been going around and trying to find out what I can do, and I can't get any advice as to what I can do.' And he said, in rather a pleasant enough way, but in certain ways rather sneering, 'Perhaps you can advise me.' I said, 'I can advise you perfectly, but it is a question what advice I can give you. If you ask me how near you can walk to the edge of a precipice without go-

ing over, I can't tell you, for you may walk on the edge, and all of a sudden you may step on a smooth stone, or strike against a little bit of a root sticking out, and you may go over that precipice. But if you ask how near you can go to the precipice and me still be safe, I can tell you, and I can guarantee that whatever mishap comes to you, you will not fall over that precipice. You must not expect from the Sherman law any more than you do from any other law you are dealing with. You must not expect that you can go to the verge of that law without running any risks. Why should You do not in any other relation of vou? life that I know of.'

I think you will agree that Mr. Brandeis' remarks are just as timely today. In sum, let me put this to you: If perchance the antitrust and other laws administered by the Federal Trade Commission—though, to some, they seem burdensome and difficult to live with—were suddenly to be erased from the statute books, there would be an immediate and overwhelming demand from the public, including almost all segments of business, for new laws to take their place. I suggest to you that we would be fortunate indeed if the new laws were as good as those now on the books.

We should join, therefore, in a common determination to help the regulatory agencies fulfill the important functions for which they were created.

Consider the Federal Trade Commission. Woodrow Wilson envisaged it "as an instrumentality for doing justice to business where the processes of the courts or the natural forces of correction outside the courts are inadequate to adjust the remedy to the wrong in a way that will meet all the equities and circumstances of the case." In a notable opinion (*FTC* v. Gratz, 253 U.S. 421, 435), Mr. Justice Brandels, after noting that the Commission represented a new experiment on old lines in dealing with monopoly and unfair trade practices, stated:

"The task of the Commission was to protect competitive business from further inroads by monopoly. It was to be ever vigi-If it discovered that any lant. business concern had used any practice which would be likely to result in public injury-because in its nature it would tend to aid or develop into a restraint of trade-the Commission directed to intervene, before any was act should be done or condition arise violative of the Anti-Trust Act. * * * Its action was to be prophylactic. Its purpose in respect to restraints of trade was prevention of diseased business conditions, not cure.'

Today the Commission is no longer a new experiment. The Commission, more than 46 years old, cannot be regarded as a small child whose afflictions can be excused along with growing pains. It is a going concern, elaborately organized into bureaus, divisions, sections and field offices, with an annual budget of more than \$8 million and a staff of more than 800 men and women. I should doubt, however, that any dispassionate observer would say that, in preventing diseased business conditions, the Commission has fully realized the hopes of Wilson, Brandeis, and the other statesmen who presided over its birth.

I don't think it would serve any useful purpose to recount here the long, and somewhat disappointing history of the Federal Trade Commission's activity—or, if you will, inactivity. I should prefer to look to the opportunities of the present and the future, not those that may have been neglected in the past. And it is certainly true that, to the extent the Commission has failed to make the impact on our economy that its Founding Fathers hoped for, the causes of failure are largely to be found in conditions and circumstances for which it cannot be held solely accountable.

The administrative process generally is New passing through a period of crisis. stresses and strains are increasingly being put upon it. The country is growing by leaps, and the responsibilities of Government have multiplied correspondingly. The Federal Trade Commission, also, must raise its sights. I have already mentioned the growing concentration of economic power, par-ticularly in the basic industries. Standards of truth in advertising are appallingly low. The Commission's workload is increasing. It needs more basic policy planning, so as to allocate its limited resources most effectively. The woods should not be missed because there are so many trees. There are inordinate delays in the disposition of the Commission's business. The Commission should concentrate more on industrywide reforms, rather than on ad hoc formal litigation of isolated cases. Its functions should complement, not overlap, those of the Department of Justice.

Under the energetic leadership of its present Chairman, Mr. Paul Rand Dixon, the Commission is directing its attention to these urgent matters.

The problems of the regulatory agencies, as you know, are occupying the attention of the President, the Congress, the legal profession, and scholars, and the agencies them-Many proposals, general, and specific, selves. are under consideration, and I shall not take the time to detail them here. I should like, rather, to emphasize the broad areas where. in my view, the reforms, particularly in relation to the Federal Trade Commission, are to be sought and found. In short, I think we should adhere more closely to the original design of the Commission as an agency of law applying the rule of law in all its implications. I would lay stress on two fun-damental factors: (1) The nature of the tribunal; and (2) the procedures for disposition of its business.

The confidence of our people in legal institutions is derived ultimately from the integrity, high-mindedness, and sense of disinterested responsibility which are the prime qualifications of a judge or administrator. Never more than today must these qualities of character be infused in those who govern us. In 1778 John Adams wrote into the Massachusetts Declaration of Rights that "it is essential to the preservation of the rights of every individual, his life, liberty, property, and character, that there be an impartial interpretation of the laws, and administration of justice. It is the right of every citizen to be tried by judges as free, impartial, and independent as the lot of humanity will admit."

Today, almost two centuries later, that remains our ideal. Are we closer now to attaining it? I'm not sure that we are, but it makes a difference, perhaps all the difference in the world, how intensely we hold and cherish our ideals. The high moral tone of President Kennedy's administration has brought about a reinvigoration of government at all levels. The spirit of his inaugural address has communicated itself to the public service and has created a new mood and determination in dealing with problems of government.

In his message to Congress on the regulatory agencies, for example, the President recognized that the way to begin was to find the right men. He said:

"No amount of reorganization or new procedures can be effective without, or substitute for, high quality personnel in charge of these agencies. No other single step can accomplish as much.

"I shall continue to pursue that policy as the occasion demands, drawing from within and without the Government men of competence and imagination, who are anxious to further the ideals and goals that the Congress has formulated." There has been much discussion recently of expertness in the administrative agencles—and exactly how much, or how little, can actually be found. But surely the solution to the problems besetting the administrative agencies is not to be found by searching for expertness. The broad responsibilities and policy judgments entrusted to the Federal Trade Commission cannot be left to narrow technicians, whether they be economists or lawyers. In his book on "The Administrative Process," published in 1938, Dean Landis, referring to the enormous range of the Commission's jurisdiction, said:

"Expertness may well be expected to give answers to some of these questions * * *. But to assume that any 5, 10, or 20 men have the ability to acquire, within their brief official lifetime, the expertness to comprehend the full range of our industrial problems, from aluminum to zinc, is once more to put our trust in supermen."

The same prescience was shown by Mr. Gerard C. Henderson in his book on the Federal Trade Commission which, though written in 1924, is still the most scholarly and penetrating analysis of its work:

"In the long run, and until current ideals of public service change very radically, it cannot be expected that a Government Commission, paying modest salaries and exposed to the vicissitudes of political life, can command the services of those supermen whose decisions are always made of the substance of justice and wisdom, and who can scorn the adventitious aids of a correct formal procedure. The science of administration owes its being to the fact that most Government affairs are run by men of average capabilities, and that it is necessary to supply such men with a routine and a readymade technique, and to confine them to a formal procedure which may indeed at times clip the wings of genius, but which will serve to create conditions under which average men are more likely to arrive at just results" (p. 328).

Mr. Henderson's insight—that the administrative process, to be fair and effective, must be devised with a view toward those who will operate it—has great value for us today, and I shall return to this point in a few minutes.

What are the other qualities to be sought in an administrator? Independence, of course, is a prime requisite. In the famous Humphrey case (295 U.S. 602, 625-26), the Supreme Court said of the Federal Trade Commission that it "is to be nonpartisan; and it must, from the very nature of its duties, act with entire impartiality. It is charged with the enforcement of no policy except the policy of the law. * * * [it was] the congressional intent to create a body of experts who shall gain experience by length of service—a body which shall be inde-pendent of executive authority, except in its selection, and free to exercise its judgment without the leave or hindrance of any other official or any department of the Government."

Mr. Henderson spelled this idea out a bit more (p. 327): "Primarily, of course, impartiality and fair-mindedness are personal qualities. There are men who can preserve a detached and judicial point of view, however much their relation to the controversy may draw them toward one side or another. There are other men who become bitter partisans at the first opportunity, although every condition of formal impartiality has been carefully observed. In any problem of administration, these personal factors are in reality far more important than the questions of form and procedure."

Joseph B. Eastman, one of the great civil servants in American history, perhaps said it all on the occasion of the 25th anniversay of his appointment as a member of the Interstate Commerce Commission: "Good men

can produce better results with a poor law

than poor men can produce with a good law." The problem of finding and keeping competent personnel is not, of course, confined to the level of agency members. A regulatory body is no better than the people on its staff. In his report to the President, Dean Landis observed that "the prime key to the employment of the administrative process is the selection of qualified personnel. * * As long as the selection of men for key administrative posts is based upon political regard rather than competency, little else that is done will really matter."

To attract competent people to the public service, we must select and promote them on the basis of merit alone; we must offer them challenge and responsibility; we must treat the people's servants with the respect that their high calling deserves; and, as a bare minimum, we owe them a living wage. (In this regard, we can learn a lot by looking to England, which has a civil service excelled by none.) Those who complain how our agencies are staffed should ask themselves whether they do not bear a measure of re-sponsibility. We cannot bewail the low calisponsibility. ber of our civil servants and at the same time maintain the conditions which make it so difficult for government to secure competent people.

Then there is the matter of ethics in government. The President has submitted a message to the Congress on this subject, with recommendations for legislative and administrative actions designed to raise moral standards in the handling of the public's business. These actions must and doubtless will be taken. But none of us should degrade conscientious public officials by subjecting them to improper pressure or influence, political and otherwise. If a person has a problem with an agency, he or his lawyer should go to the responsible officials— and without the aid or intervention of a political fixer or operator. If improper pressure is constantly put on an agency or its officials, how can one be surprised if it makes its decisions on a meretricious basis? In the long run, all of us will be better off if we allow the agencies to act on the basis of law and principle.

Another important facet of the problem was emphasized by President Kennedy in his message to the Congress on ethics in Government: "* * public officials are not a group apart. They inevitably reflect the moral tone of the society in which they live. And if that moral tone is injured—by fixed athletic contests or television quiz shows by widespread business conspiracies to fix prices—by the collusion of businessmen and unions with organized crime—by cheating on expense accounts, by the ignoring of traffic laws, or by petty tax evasion—then the conduct of our Government must be affected. Inevitably, the moral standards of a society influence the conduct of all who live within it—the governed and those who govern."

Elsewhere, the President has stated: "I have tried to make the whole tone and thrust of this Office and this administration one that will demand a higher standard of excellence from every individual in his private life."

This higher standard of excellence is one to which all of us, in and out of Government, must repair.

To return to the point that Dean Landis and Gerard Henderson made: The administrative procedures we adopt, to be realistic and effective, must take into account the weaknesses, as well as the strengths, of those to whom they will apply. While we should do our utmost to secure the best people for the agencies, inevitably they will not be supermen. They will still have all the frailties to which the flesh is heir. That is the basic reason, historically, for strict insistence on compliance with the basic re-

quirements of fair procedure implicit in due process of law. The history of liberty, as the Supreme Court has frequently had to remind us, has largely been the history of observance of procedural safeguards.

The rule of law, as applied to administrative adjudication, makes certain minimum demands, beyond an independent, unbiased tribunal: full notice in advance of the nature of the controversy; a procedure giving fair opportunity for a party to present evidence in support of his case, to confront and cross-examine witnesses, and to argue the credibility, weight, and relevance of the evidence; and a reasoned judgment according to law, not the will of the tribunal, based solely on the record and not dictated or influenced from without.

or influenced from without. There is much concern these days, and rightly so, about the incredible delays in administrative proceedings. A man is entitled to a day in court—but, too frequently in agency proceedings, the day stretches into years and even decades. There is nothing inherent in the administrative process that requires proceedings not to be conducted (Whatever the with all deliberate speed. (Whatever the explanation, surely it should not take 16 "liver" from the name of a brand of "little pills.") The causes for delay are not too hard to find. To be sure, in many cases the issues are complicated and cannot be determined without broad factual inquiry. This is also true, for example, of the big antitrust cases tried in the Federal courts. But the courts have not sat idly by, watching the problem getting worse without doing something about it.

One of the reasons for the establishment of administrative agencies was to get away from what were believed to be the technicalities and rigidities of the judicial process. It was thought that the agencies could and would be more flexible, imaginative, and resourceful in devising efficient and expeditious procedures. It is ironic, and almost funny, that the converse has turned out to be true. The Federal courts have faced up to the problem of delay and have acted forthrightly to remedy it. The agencies, on the other hand, seem by comparison to have been stricken with rigor mortis.

The Federal judges, becoming increasingly concerned over the handling of so-called big cases, appointed a study group, which submitted a comprehensive report to the Judicial Conference of the United States, along with numerous recommendations for procedural changes. The report, adopted by the Judicial Conference last year, stated:

"The chief faults causing the difficulties in protracted cases were easily uncovered. They were (1) lack of central control, so that issues were cloudy, examination and cross-examination meandering and proffered material unlimited; (2) inadequate organization of personnel and material prior to the beginning of formalities, an absolute essential to any successful performance involving numbers of people or masses of materials; (3) lack of an overall plan for proceeding; and (4) an obstinate adherence to the possible use of surprise as a tactic, a tactic obviously impossible in proceedings such as these. Time and thought have yielded suggestions for remedies. These are in this handbook."

These causes of delay, and the proposals for eliminating them, would seem to be no less relevant to administrative adjudication. I have been dismayed to find, for example, that at the Federal Trade Commission, and it may also be true of other agencies, there has developed the practice of so-called peripatetic hearings and hearings at intervals. A hearing is treated as a kind of continuing investigation which sometimes proceeds at a relaxed, even languorous pace, interrupted from time to time by recesses lasting weeks, months, or even years. Perhaps I am only revealing my own inexperience in the ways of agency practice, but I am bound to say that this seems to me an Alice-in-Wonderland way to try a lawsuit.

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I do not think it is naive or impractical to suggest that agencies should show as much determination, resourcefulness, and enterprise in dealing with the problem of delay as the courts have. Nor does it seem unrealistic to urge that full investigations should come before, not after, the complaint is issued and the case is heard; that the is-sues should be defined in advance of the hearing; that the hearing is not a contest be-"winner," but is an inquiry for the ascertainment of truth; that, to achieve that objective, the examiner should actively preside, guide, and firmly control the proceedings, and not simply sit there as a passive onlocker or moderator; that full use should be made of prehearing procedures designed to simplify the issues and expedite presentation of evidence; that a case should be proved only once, not many times over, and that the ex-aminer should prevent the record from becoming cluttered with extraneous or only remotely relevant matter; and that the hearing should be held at one place and, once begun, should proceed to its conslusion with-out suspension or interruption, except for the usual kind of short recess incident to a judicial proceeding.

There are reasons to expect that progress in these matters will be made. One is the President's issuance of an executive order establishing the Administrative Conference of the United States and his designation of Judge Prettyman as chairman. Another is the President's recent message to Congress on the regulatory agencies and his direction to the agencies to take immediate steps to reduce delays and excessive workloads. And the Federal Trade Commission, I am glad to report, is now in the process of reexamining and revising its rules of procedure to achieve maximum expedition in the handling of cases

But there are no panaceas or talismanic formulas that will achieve perfection overnight. Improvement of the performance of the regulatory agencies will require contin-uing, unremitting endeavor. There is much to be done but, if I may quote the Presi-dent again, "Let us begin."

The sum and substance of what I have been trying to say here this afternoon was expressed very well by Judge Prettyman in 1959 at the University of Virginia Law School. Let me conclude by reading this excerpt from his remarks: "* * * a government administrative officer ought always to have in the forefront of his thought his sole function, with all the duties, the obligations, the limitations, the glories, and the frustrations embodied in that lone duty. The function of an administrative agency is the administration of law-no more, no less. It has no other function. It has no other power. It has no other duty. It is circum-scribed, restricted, bound by that proposi-tion. * * If I had my way with the ad-ministrative agencies I would have the assembled staff roar each morning in unison, 'The operation of this agency is the admin-istration of law.' If they knew that basic theorem and kept it in mind every day in every task, they could easily figure out the rest of it."

Mr. FASCELL. Mr. Chairman, I move that the Committee do now rise and report the resolution back to the House with the recommendation that the resolution be not agreed to.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. SMITH of Mississippi, Chairman of

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the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the resolution (H. Res. 305) disapproving Reorganization Plan No. 4 transmitted to Congress by the President on May 9, 1961, he reported the resolution back to the House with the recommendation that the resolution be not agreed to.

The SPEAKER. The Clerk will report the resolution.

The Clerk read as follows:

Resolved, That the House of Representatives does not favor the Reorganization Plan Numbered 4 transmitted to Congress by the President or. May 9, 1961.

The SPEAKER. The question is on the resolution.

The question was taken; and the Speaker announced that the noes appeared to have it.

Mr. ANDERSON of Illinois. 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 178, nays 221, not voting 38, as follows:

	[Roll No. 89]	
	YEAS-178	
Adair	Devine	McVey
Alford	Dole	MacGregor
Alger	Dominick	Mailliard
Andersen,	Dooley	Martin, Mass.
Minn.	Dowdy	Martin, Nebr.
	Durno	Mason
Anderson, Ill.	Dwyer	Mathias
Arends Ashbrook	Ellsworth	Meader
Ashmore	Fenton	Merrow
Auchincloss	Fisher	Miller, N.Y.
	Ford	Milliken
Avery	Forrester	Minshall
Ayres Baker		Moorehead,
	Frelinghuysen	Ohio
Baldwin	Garland	
Barry		Morse
Bass, N.H.	Gathings	Mosher
Bates	Glenn	Natcher
Battin	Goodell	Nelsen
Becker	Goodling	Nygaard
Beermann	Griffin	O'Konski
Belcher	Gross	Osmers
Bell	Gubser	Ostertag
Bennett, Fla.	Haley	Pelly
Bennett, Mich.	Hall	Pilcher
Berry	Halleck	Pillion
Bolton	Halpern	Pirnie
Bow	Harrison, Wyo.	Poff
Bray	Harsha	Quie
Bromwell	Harvey, Ind.	Ray
Broomfield	Harvey, Mich.	Reece
Brown	Herlong	Rhodes, Ariz.
Broyhill	Hiestand	Riehlman
Bruce	Hoeven	Riley
Byrnes, Wis.	Hoffman, Ill.	Rivers, S.C.
Cahill	Hoffman, Mich.	
Chamberlain	Horan	Roudebush
Chelf	Jensen	St. George
Chenoweth	Johansen Jonas	Schadeberg
Chiperfield	Judd	Schenck Scherer
Church	Kearns	Schneebelt
Clancy	Keith	
Collier Colmer	King, N.Y.	Schweiker
	Knox	Schwengel
Conte		
Corbett	Kunkel	Scranton Social Brown
Cramer	Kyl	Seely-Brown
Cunningham	Landrum	Short
Curtin Mo	Langen	Shriver Sibal
Curtis, Mo.	Latta	
Dague	Lindsay	Smith, Calif.
Davis,	Lipscomb	Springer
James C. Derounian	McCulloch	Stafford Taber
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On this vote:

Mr. Moore for, with Mr. Roosevelt against.

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Williams Wilson, Calif. Wilson, Ind. Mr. Hosmer for, with Mr. Harrison of Virginia against.

Mr. Reifel for, with Mr. Rivers of Alaska against.

Mrs. May for, with Mr. Burke of Kentucky against.

Mr. Rousselot for, with Mrs. Green of Oregon against.

Mr. Slack for, with Mr. Sheppard against. Mr. Michel for, with Mr. Ashley against. Mr. Laird for, with Mr. Thompson of New

Jersey against.

Mr. Betts for, with Mr. Magnuson against. Mr. Kilburn for, with Mr. Rains against.

Mr. Gavin for, with Mr. Diggs against.

Mr. Kilburn for, with Mr. Rains against. Mr. Fino for, with Mr. Roberts against.

Until further notice:

Mr. Wright with Mr. Cederberg.

Mr. Flynt with Mr. Siler.

Mr. Bailey with Mr. Saylor.

The result of the vote was announced as above recorded.

The doors were opened.

COMMITTEE ON RULES

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the Committee on Rules have until midnight tonight to file a report.

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

Mr. GROSS. Mr. Speaker, at the request of several Members on this side of the aisle, I object.

Mr. McCORMACK. Mr. Speaker, will the gentleman withhold his objection for the moment?

Mr. GROSS. Yes.

Mr. McCORMACK. Mr. Speaker, I might say simply that if a rule is reported out on the housing bill, the gentleman's objection will preclude its being brought up tomorrow, in which event it will be programed for Thursday and will continue until the bill is disposed of.

Mr. GROSS. I understand.

Mr. McCORMACK. Very well; it is the gentleman's own responsibility.

Mr. Speaker, I am putting on notice that if a rule is reported out and we are unable to bring it up tomorrow, I am programing the bill for Thursday, and consideration of the bill will continue the rest of the week until it is disposed of.

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

Mr. GROSS. Mr. Speaker, I object.

POSTPONEMENT OF CERTAIN LEG-ISLATIVE ACTION JULY 3 AND 4 TO JULY 10

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that motions to suspend the rules, in order on Monday, July 3, be transferred to Monday, July 10; that the call of the Consent Calendar, in order on Monday, July 3, be transferred to Monday, July 10; and that the call of the Private Calendar, in order on Tuesday, July 4, be transferred to Monday, July 10.

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

There was no objection.

HONORARY DEGREES AWARDED HON. JOHN E. FOGARTY

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to extend the remarks I made in Committee of the Whole today with reference to our friend from Rhode Island [Mr. FOGARTY], and to include therein copies of three citations in connection with honorary degrees he received; also that all Members desiring to do so may extend their remarks at that point in the Record; and also that all Members have 5 legislative days in which to extend their remarks.

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

There was no objection.

THE FARM PROBLEM

Mr. CONTE. Mr. Speaker, I ask unanimous consent that the gentleman from South Dakota [Mr. BERRY] may extend his remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. BERRY. Mr. Speaker, the Agriculture Committees in both the House and the Senate are holding hearings on one of the most highly publicized pieces of farm legislation in many years. The bill is entitled "The Agriculture Act of 1961"; across the country it has become known as the omnibus farm bill; in Washington it is called the Freeman-Cochrane farm bill. Officially, it is H.R. 6400 and S. 1643.

The bill has been publicized as an authorization for the farmers of America to write their own agriculture legislation by electing an advisory committee in each commodity group, which committee will write the law dealing with that commodity.

The serious truth is the advisory committee is appointed by the Secretary of Agriculture from a list of names submitted to him. The bill says "the Secretary shall consult and advise with such committee." But with or without their advice the Secretary writes the law. The so-called law is then submitted to Congress and must be affirmatively rejected by Congress within 60 days after its submission. If it is not affirmatively rejected, the program becomes law subject to referendum.

The Constitution provides that Congress and Congress alone is vested with the legislative authority. This bill would vest the legislative authority in the executive branch of government.

The Washington Newsletter of the National Farmers Union of June 9, 1961, echoed the defense of the argument for the Secretary of Agriculture to legislate, when they said:

Although this procedure has been followed for years without crumbling the Republic, in the case of reorganizations of the executive branch, opponents have shouted that it is unconstitutional for farm programs.

This argument was completely discredited on the floor of the House June 15, 1961, when the House rejected Reorganization Plan No. 2 of 1961. Representative OREN HARRIS, of Arkansas, said in part:

I yield to no one in my determination to see that these agencies remain independent agencies of the Government and arms of the Congress of the United States.

Later he said:

In my judgment, that deals with basic, fundamental policy and I think it is intended that such a change in basic policy should be considered by the regular legislative committee in the regular, ordinary way. (See CONGRESSIONAL RECORD, p. 10455:)

The Reorganization Act applies, as Representative HARRIS pointed out, to regulatory bodies which serve as an arm of Congress, the legislative branch, and not the executive branch. The Secretary of Agriculture is part of the executive branch as established by the Constitution.

Speaker SAM RAYBURN clinched the argument by saying:

My objection to this reorganization plan is that it attempts by a reorganization plan to amend the fundamental law in the Communications Act. I think that is a function of the Congress, and I think the gentleman from Arkansas believes something ought to be done about it, but he does not think it ought to be done in this way, and I do not either. (See CONGRESSIONAL RECORD, p. 10456.)

In other words, Speaker RAYBURN is saying that legislation is the function of the Congress and that to amend or change fundamental law is the sole function of Congress and the committees of Congress. The authority to "veto" is not legislating.

The bill would also provide complete credit needs for agriculture, supplanting the functions and purpose of the banking industry in the Midwest.

More serious than all of these objections, however, are the sections dealing with the establishment of "National Marketing Quotas" and the establishing each, the bill would require the Secretary to take into account first, the estimated carryover at the beginning of such marketing year; second, the estimated imports during such marketing year; and, third, the estimated production of the commodity.

In other words, with the possible exception of sugar, this is the first time in the history of agricultural legislation when the American farmer is being legally deprived of his production acreage and required to "move over" and make room for his foreign agricultural competitor.

There is not one word in the bill which proposes in any way to limit competitive agricultural imports. Quotas are established, but those quotas will only be enforced against the American producer. The foreign producer is in no way limited from flooding the American market with agricultural imports, which in fact this bill invites.

THE PROBLEM

The farmer has seen a growing bureaucracy taking more and more control over what he can plant and the acreage he can use, and tinkering with his market price. While he has been told by the politicians that the cutbacks and controls are designed to bolster his income, he knows the program has failed when he looks at his bank account and the growing mortgage on his plant.

The U.S. Department of Agriculture spent \$8.127 billion in 1960. The payroll covered a total of 81,751 man-years. Department officials, putting on their best "bib and tucker" when they came before Congress, told us this year that they got back more than \$1.648 billion from the sale of farm commodities. Then they say that services the Department performs for agriculture. like the services the Department of Commerce performs for business and like the Labor Department performs for the U.S. workingman, cannot be charged to farm support programs any more than the school lunch and milk programs can. They amounted to another \$11/2 billion.

They add that our foreign relations and military programs, using money and surplus commodities, amounted to another \$1½ billion. The conservation program still cost \$237 million; the soil bank cost \$324 million; payment, allotment, and marketing-quota programs cost \$207 million; and the Commodity Credit Corporation lost \$1.5 billion in commodity loan and purchase programs.

Using the Department's own "chargeoff to other uses" system, they still show that the taxpayers in 1960 fiscal year paid \$4 billion for farm subsidies. While that money was being paid out in loans and payments and to put American production into expensive storage, with other money spent to give it away for school lunches, relief, and foreign aid, look what else was happening. The United States imported \$4 billion worth of farm products.

During the past 10 years, farm programs have cost the taxpayers \$25.75 billion. During that same period we imported agricultural products valued at nearly \$42 billion. While this was going on, we piled up in Government storage, according to the latest figures, a record 1.1 billion bushels of wheat, 1.4 billion bushels of corn, 2.6 million bales of cotton, 2 million pounds of tobacco, and about 336 million pounds of butter, cheese, and dried milk, to name some of the major items. Those are valued in Government inventory at \$5.8 billion.

Those kinds of figures give us pause in Congress when we are called upon to vote for a new farm bill or new foreign trade legislation. The administrations of Presidents Truman and Eisenhower were so involved in postwar foreign policy programs to strengthen our allies and build a strong defensive ring around the Communist bloc countries that our foreign-trade program has gotten completely out of balance with our domestic farm price support program.

When the United States emerged from World War II as leader of the free world, emergency trade programs were tools badly needed at the time. But it is time now for these programs to face a realistic appraisal in the light of foreign economic recovery.

We do not have a domestic farm surplus problem today, we have an import problem which subsidies to the American farmer will not solve. No amount of money spent to fix minimum prices for U.S. farm products will do the job when American markets are left open to imported products from the low-labor-cost foreign countries.

FARM LEGISLATIVE HISTORY

Present type farm programs started with Henry Wallace as Secretary of Agriculture, using first, acreage and production controls to create a planned scarcity, thereby forcing prices up in the marketplace; and, second, Government purchase and storage of surpluses.

That theory was not working too well when agriculture—as well as the rest of our depression-ridden economy—was bailed out by the outbreak of World War II.

The Government set guaranteed prices for commodities and promised further that when war ended these prices would not be suddenly chopped back. The American farmers switched production on millions of acres, rangeland was converted to cultivated cropland, resulting in a magnificent production effort, in some crops, far beyond the needs of this Nation in times of peace.

The war effort called for production of staple transportable and storable commodities, so much of the heavy new investments and new crop acreages went into the so-called basic commodities such as cotton, corn, wheat and the like.

After the war was over, the Government lived up to its promise to continue supporting these basic commodity prices and strange things began to happen to the "balance" in our domestic farm production situation. It became more profitable for the farmer to sell his corn to the Government at a fixed price than to feed it to hogs, which then had to be sold on a nonsupported market. The corn went into Government storage.

Simultaneously the Nation was awakening to its new responsibilities in world reconstruction. With the necessity of building strong economies in the friendly nations—under the new threat of international communism—we began slashing American tariffs by international agreements. Foreign products began to take over more and more of our markets while our products went into Government storage.

Congress began to study the problem again but approaching it from a viewpoint of maintaining prices by curtailing production, it became just a patchwork affair tacked onto the old programs. And with the role of world leadership being new to both Congress and the administration, they failed to coordinate the foreign policy and trade programs with the farm programs.

Outbreak of war in Korea brought new demand and higher prices, postponing the showdown on these issues that had been shaping up in 1950. In 1954 with an uneasy truce in Korea, Secretary Benson's plan for flexible price supports ranging as low as 65 percent of parity ran headon into the unyielding opposition of congressional farm leaders who did not believe the economy would be served by drastic farm price cuts.

Since 1954 the Democrats have had control of Congress, and with a Republican President from 1953 to January 1961, we saw one of the strangest periods in political history, as it affects agriculture. Secretary Benson and the Agriculture Committees of Congress were at loggerheads on every major issue. The Secretary was unable to get his proposals through Congress. Bills brought out by the committees generally faced bitter administration opposition and certain veto if they were not changed by Congress as a whole.

PROBLEM IS OVERSUPPLY

With a growing recognition of the circumstances involved, the politicians this year should be a little wary of crying out that our farm problem is one of overproduction. A check of the records clearly shows that this is not the case, that the problem instead is one of oversupply. At first glance these two terms may seem synonymous; actually, there is a vast difference.

Oversupply of agricultural commodities for our domestic economy can be caused by three things: First, excessive domestic production; second, excessive imports; and, third, a lag in exports. An economic analysis of the situation leads to a pretty definite conclusion that it is the latter two causes which provide the cversupply situation in the United States.

To illustrate this with simple figures, here are some things the Congress must face up to when they try to keep their promises to solve the problem with new farm laws and programs.

In 1960 we imported live, or the carcass equivalent of 1,504,000 head of beef, 1,341,000 head of hogs, 1,105,000 head of sheep and lambs. It is difficult to determine just how many acres are required to produce a beef, a hog, or a lamb on a national average basis.

My section of South Dakota is fairly typical, though, of the great wheat and livestock producing areas of the Nation. The Federal Government owns a considerable portion of that area. On their land they permit the grazing of 22 head of cattle per section per year, meaning a requirement of almost 30 acres per beef for natural grazing. It takes 2 years on the range to get the beef ready for the feedlot. That means 60 acres total grazing, then the production of many more acres of grain are needed to finish out that beef in the feedlot.

IMPORTS-IDLE ACRES

However, there are many areas where a beef can be produced on considerably less acreage, so consulting with some experts in the Department of Agriculture. I have set a conservatively low estimate. that nationwide it would require an average of 20 acres to produce a finished beef. That means that the imports of beef alone in 1 year have supplanted more than 30 million acres of production in the United States. The total national wheat allotment is only 55 million acres and we think we are in trouble on wheat. Give the American farmer the privilege of producing just the beef that goes onto the American tables and you have solved a large share of the problem.

The acreage supplanted by imported pork, lamb, and mutton is also very large. Last year we imported half our sugar supply, which the Department of Agriculture estimates it would require 1,380,000 U.S. acres to produce if we had not imported it. But our domestic sugarbeet growers are under the strictest of production controls. For years we have been importing most of this sugar from Cuba at prices far above the world market. In 1959 that Castrocontrolled country received the equivalent of a \$178 million subsidy above world prices while the Government here was paying growers to keep land idle.

It is conservatively estimated that it would require the annual production of from 50 to 75 million acres to produce the wool that is imported for use in this country. In wool we have a real example of the impact of imports on our farm support programs. Prior to World War II this country produced 80 percent of the domestic consumption of apparel wool. After the war this country reduced its import duties on wool. By 1953, even with supports at 90 percent of parity and most of the U.S. wool going into Government storage, foreign competition had driven over 40 percent of American production out of existence.

The producers sought tariff protection from Congress. The President announced that he would veto any bill raising the wool tariff because it might interfere with our trade and relations with Australia and New Zealand. Congress adopted an alternate plan, allowing the American grown wool to be sold on the U.S. market at the price set by the imports. Then the Government pays the U.S. growers the difference. That one little item cost the American taxpayers \$55 million last year charged to farm subsidies, not foreign economic aid.

Much is made of the fact that we have in storage some 167 million bushels of barley, 268 million bushels of oats, costing us \$20 million per year just to store. During the past 10 years we have imported 225 million bushels of barley and 310 million bushels of oats. Considering these figures, whose feed grain is being stored at the taxpayers' expense?

Of course, we cannot now suddenly cut off all foreign imports and live in this world today. But some commonsense can be brought into the program, working toward the day when the American farmer will at least have an equal opportunity to feed and clothe the American people. Then we will need no soil bank, no set aside, no payment in kind, no acreage controls, no Government loan or purchase subsidy program, and we can take the Government out of the farm commodity storage business.

Congress and the Nation must recognize the fact that while these excessive imports were pouring into this country and the taxpayer was spending billions for farm price supports, the net income of the American farmer continued to drop.

Weighing the domestic farm problem and the foreign relations problem, the Congress must make some determinations. How much of the American market is the American farmer entitled to? How much farm subsidy can and will the taxpayers continue to pay as an adjunct to foreign aid? Should we sacrifice

American agriculture to the foreign producer as the omnibus farm bill proposes in view of the international situation and try to maintain our Nation's economic strength solely as an industrial Nation? In case we adopt the latter, may God help us in the event of war.

AGRICULTURAL EXPORTS

As to the third cause listed for an "oversupply" situation—a lag in exports—we face another hard fact of postwar world economics and foreign relations in this. Throughout our national history prior to World War II, America was an agricultural exporting Nation. This is no longer true. This fact is just catching up with us because we exported all we could spare during the war and very heavily in the world relief period following the war, with the Korean conflict hiding the true situation for another period of time.

Our first act to aid the free world nations after the war was to assist in getting their agricultural production roll-We provided modern equipment, ing. tools, seed and technical know-how to build their production for their own consumption and as the fastest way to provide them with products for international trade. We helped them build dams and develop irrigation projects. Soon these countries were taking advantage of their cheap labor to not only ship their products into the United States but to take over foreign markets to which we had traditionally exported. And you should hear the cries of "foul" when we try to sell or give away some of our surplus storage crops on foreign markets where these allies of the free world have now developed their own markets.

STRANGE EXPORT BUSINESS

Last year by using export subsidies of various kinds, our agricultural exports amounted to \$4.5 billion. Even that figure came about to a large degree because our Government needed to get rid of its farm program stockpiles. We disposed of much of it by export under Public Law 480.

This law permits the Department of Agriculture to give part of it away in the form of foreign relief and to sell part of it in foreign countries accepting their soft currencies in payment and agreeing to spend the money in that country, not bring it back home. These countries then generally spend that money to build dams, power projects, highways, industrial plants—many of which are then turned over to American firms to operate—and other things that will help them produce more and compete better.

Of the \$4.5 billion of agricultural exports last year, more than \$1 billion was disposed of through Public Law 480— \$2.2 billion received taxpayer subsidies through the Government selling their stocks at less than the market prices, and by export payments in cash or in kind and in short-term credits. Ocean transportation subsidies to get these commodities overseas cost another \$110 million. The subsidy paid by the taxpayer amounted to more than 10 percent of total value.

Agricultural exports which are not gifts or which are not subsidized in one

way or another are very small indeed. Yet the Government agencies use these subsidized export figures in calculating our trade balance while the Department of State claims we must keep our imports high to protect our farm export market.

We do not just have a lag in exports; we have almost a nonexistent market for legitimate exports because of the difference in the cost of production under the American standard of living and the standards of the low wage countries abroad.

Included in the cost-of-living figure is a tax upon the American farmer and consumer of \$48 billion annually for defense. Defense of whom? The entire free world, including our agricultural competitors. This defense figure must be added to the cost of everything we produce and sell; it is not included in the cost of production by our competitors.

Worse than this, however, is the dollar differential. The American farmer takes a cow to the packinghouse. He receives a dollar bill which, because of inflation, will purchase only 48 cents' worth of wire, grass, tractor, automobile, and everything else needed by him to operate his farm. His foreign competitor imports and sells a cow at the same packinghouse, receives an American dollar bill which appears to be exactly like the one received by the American farmer. except that the foreign farmer can take his dollar bill to any International Bank in the world, demand and receive 100 cents' worth of gold from our gold deposits at Fort Knox.

The boys with the striped pants in the State Department may be able to figure out how this is fair competition, but the man in overalls on the tractor is beginning to wonder just how this adds up to equality of opportunity.

IDLE ACRES

The situation is very serious. Out of the 391 million acres of cropland in the United States, only 321 million acres produced harvests in 1960. There were some crop failures and some land laying idle for summer fallow, but most of this idle acreage was not in production because of economic conditions, and the U.S. Government was paying farmers to keep 23 million acres of it idle in the so-called Soil Bank. Too few people today realize that the Soil Bank has longterm contracts, running as far ahead as 1969. The taxpayers have already paid out approximately \$2½ billion since 1956—including 1960—and are obligated, under existing rental agreements, to pay out another \$1.7 billion before the contracts expire.

The Government is paying to keep $28\frac{1}{2}$ million acres out of commodity production this year—up $5\frac{1}{2}$ million from 1959—meaning there are no tenant farmers or farmworkers producing income from that land. Coupled with another 14 million acres idled because of the economic situation, you can see what this is doing to the economy in the small farming communities. The tractor salesman, the filling station operator, and even the tax collector are feeling the pinch. And the American taxpayer is footing quite a bill.

THE SOLUTION

Congress must face up to the facts of life. We cannot continue to drift aimlessly along hoping to solve all problems by simply dishing dollars out of the Federal Treasury. Congress must make a determination on the basic policy of how to give the American farmer a fair and first chance at the American market, then on how to bring our own distorted production picture into balance.

The welfare-staters know full well the American people will not surrender their God-given freedom except on the promise of something for nothing. They plan to completely break the farm market with imports and then through plans to be offered under H.R. 6400 and S. 1643 they will give the farmer the choice between high price supports with strict regulation and regimentation or no support with freedom of operation and freedom of sale on a market broken with cheap foreign imports and constant market breaking disposal of Government surpluses. Yes; the farmer will have the right to vote on the acceptance of the program, but as in the case of plebiscites held in certain other countries, if he wants to stay in business he is forced to vote "yah."

With the majority in Congress preferring not to tackle the real problems confronting agriculture, but being willing to just pitch cash at the problem hoping it will go away, there is little hope of anything constructive coming out of this session. It will be easier just to sit back and accept the welfare state. Maybe the next generation will be willing to fight its way back to freedom.

OFFICE OF EDUCATION DREAM

Mr. CONTE. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan [Mr. JOHANSEN] may extend his remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. JOHANSEN. Mr. Speaker, a current U.S. Office of Education report sets some new records for bureaucratic arrogance and doubletalk.

The document is entitled "A Federal Education Agency for the Future." It is a blueprint for a grandiose expansion of the personnel, operating costs, programs, prestige, and power of this unit of the Department of Health, Education, and Welfare.

Empire building is nothing new for eager beaver bureaucrats and Government planners, but this report has its own special touch of brashness.

It develops much of its alleged case for the proposed expansion of the agency by, in effect, telling Congress what it— Congress—is going to do in the way of enlarging Federal intrusion in the field of education.

The report lists no less than 11 areas in which, it states, new or significantly expanded Federal assistance and activity in public education may be anticipated—all, of course, to be administered by this glorified, superduper agency. The report gives top position on this list to Federal grants to States for elementary and secondary education. This is a presumptuous counting of chickens before they are hatched, with this very issue scheduled for debate and decision in the House within the next few weeks.

The report dogmatically proclaims as gospel the popular line of Federal aid advocates regarding "the substantial revenue resources available to the Federal Government as opposed to those available to the States and localities." A great many Members of Congress, worried about the \$290 billion national debt, the administration's new multibillion dollar spending programs, and the prospect of a request for a \$298 billion debt ceiling, do not accept this self-serving bureaucratic dictum.

One of the 11 items of anticipated expanding Federal activity is described as "Broadening of Federal interest in curriculum and improvement of instruction."

This serves to underscore the dangerous doubletalk involved in this report.

The usual perfunctory bows are made in the report to the principle of State and local control of education. The reassuring word is offered that "the center of gravity in American education rests well outside the Federal Government."

Yet the preponderance of the report points in an exactly opposite direction including the reference to "Federal interest in curriculum."

For example, the report clearly relegates to the past "a society in which virtually all responsibility for the conduct of American education rested outside the Federal Government." Equally it describes in the past tense, and as something belonging to a past era, "a situation in which the directive force of American education resided in States, local communities, and autonomous institutions."

The report is too adroit to forthrightly acknowledge the objective of Federal control of education.

But the increasing responsibility of the Federal Government, in terms of direction, activity, leadership, assistance, and so forth is constantly stressed. So is the change in public conviction as to the role of the Federal Government in the area of education.

Clever words cannot—and do not conceal the intention or the consequence. However described, it adds up to Federal domination of education in the areas of financial support and policy determination. And that is a Federal control.

The report, "A Federal Education Agency for the Future," is a clear notice to every Member of Congress that a vote for Federal aid to education is a vote for Federal control of education—and a vote to make the Office of Education bureaucrats' dream come true.

SOMETHING MORE VALUABLE THAN THE DOLLAR

Mr. CONTE. Mr. Speaker, I ask unanimous consent that the gentleman from South Dakota [Mr. BERRY] may extend his remarks at this point in the RECORD and include extraneous matter. The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. BERRY. Mr. Speaker, the brief remarks that I have to make today might well be titled "Hurrah For Our Team."

I refer to the two Americans from Seattle, Wash., who replied to a business proposal from Russia with a "No" that may be heard round the world.

I am so very grateful to this kind of American that it is difficult for me to limit my praise. They are not only courageous men but modest men, and I do not wish to embarrass them. Yet, they must be cited honorably for what they have done, not only to their own credit but also because they are a symbol of our system. Men such as these abound throughout our country and supply its strength.

These are the two businessmen, suppliers to the lumber industry, who have declined what could have been a \$600,000 order for machinery for shipment to the Soviet Union. The reason, given in the words of one of them, was that his company would have nothing to do with "giving aid and comfort to the enemy."

Mr. Speaker, I think we all owe a debt to the senior Senator from Wisconsin [Mr. WILEY], for calling to our attention June 14 this act. He referred to this deed in a speech on the Senate floor. It is clearly one of self-sacrifice on the part of Americans who rejected a profitable business transaction—a transaction that was perfectly legal and would have been sanctioned by our State Department—in order to avoid giving to the Communist world the "largest and most highly automatic sawmill in the world."

I have labeled this an act of self-sacrifice because I believe these men have the truest perspective of American destiny in this world and a recognition of their responsibility. For a company to turn down an order representing 10 percent of its normal annual business is proof indeed of putting principle before profit. Who among us would not want to increase our profitable business by that rate on the basis of a single order?

But I suggest, Mr. Speaker, that all Americans must adopt for themselves a standard of personal judgment for action based upon much more than immediate loss or gain. The long-term investment that each of us has in securing freedom for our children, our grandchildren, and, yes, men and women throughout the world, involves much more than an annual profit-and-loss statement.

The senior Senator from Wisconsin has made available for our reading an article from one of America's leading newspapers describing in detail the action of these two Americans, M. E. Hillman and Gordon B. Anderson. This story was also made available to the Senate by the senior Senator from Kansas [Mr. SCHOEPPEL].

One facet of this act of patriotism I think deserves special mention at this time. But first let me tell you briefly what happened. Let me summarize for those who have not had an opportunity to take note of these facts, what actually transpired. About a year and a half

June 20

ago, a survey of the 1,000 largest sawmills in the United States disclosed that 94 percent were interested in the development of automatic lumber sorting equipment, and that not less than 17,000 manhours a year could be saved in each of these sawmills by using such equipment to replace the manual sorting of lumber in such large mills. The effect of such a development on the price that consumers pay for this most excellent product of construction is obvious.

Just last spring the prototype of the new automatic sorting equipment was demonstrated at Seattle for our domestic and Canadian lumber producers. In September of last year it was demonstrated at the World Forestry Congress to 1,500 government and industry representatives from all over the world. Apparently the Soviets were sufficiently impressed to place an order with the developers of this equipment.

There is at present a tendency to tar all businessmen with a brush of unsavoriness. It takes the kind of action that these two businessmen pursued to demonstrate once again that there are in our business community men of principle and purpose, dedicated to a system of private enterprise-with consciencethat is the example for all the world to follow.

Let me use the words of Mr. Hillman and Mr. Anderson in their response to the Soviet order. Mr. Hillman wrote the following letter to the company through which the Russian order had been placed:

You have advised us of your decision to use the REDCO Magnestat Memory Control System for the six complete lumber sorting machines in an immense new sawmill you will be engineering for installation in the U.S.S.R. This represents to us attainment of a goal toward which we have been striving for the past 2 years.

The proposed mill will be the largest in the world, with a planned capacity of 1,500,-000 board-feet per day and will be superior in its automation controls to any lumber mill in North America.

Your purchase order to us would be in the neighborhood of \$150,000 which represents almost 10 percent of our annual volume and we would expect to gross in the neighborhood of \$40,000 on that order.

We are nevertheless declining your offer even though the shipment of our control apparatus is perfectly legal and unrestricted by any State Department restrictions and at the same time fully realizing that somewhere, somehow, other controls can be purchased by you or by the U.S.S.R. to achieve some form of control which will do the job. Certainly not as well as our controls would do it, nor as reliably, nor as inexpensively. We also realize that our decision, while representing a noticeable loss in sales and earnings to our company, will only have the slightest impact on the total productive capacity of the U.S.S.R.

We at REDCO are unanimously convinced of the following facts:

The Russian Government has vowed innumerable times to achieve the ultimate destruction and elimination of democracy

either by all-out warfare or by economic warfare. The result would be the same. Daily, throughout the world in a relent-less, predictable program we see Russia slowly but surely achieving that goal. Hungary, China, Tibet, North Korea, Vietnam, Laos. Next comes Formosa, South Korea,

Japan, India, and their final victory by one means or another will be North America.

The one advantage we in North America have over the Communist bloc is our production know-how, and it was that single ability more than any one factor which brought about victory in World War I and World War II, and, at the moment, still insures our victory in world war III. To knowingly give away even the tiniest portion of that production superiority represented by the excellence of the Magnestat Control System would represent to us the admission of the inevitability of world domination by communism. To this we will never admit.

On his recent visit to Moscow, your representative was told by the Russian pur-chasing committee that they could not train enough technical people in the next 20 years to achieve the building of this tremendous lumber mill and were therefore purchasing North American technical know-how to close the gap from 20 years to 2 years. REDCO will have no part in handing this advantage to our sworn enemy.

Mr. Speaker, the perspective that these men have to me is amazing. Recognizing what they thought would be a lim-ited impact of their action, they, nevertheless, adhered to their beliefs. Would that all Americans would heed their cry. Mr. Anderson of the Puget Sound Fabricators, Inc., responded in this way in a letter turning down the Russian offer:

We wish to thank you for inviting our company to make a proposal for six auto-matic lumber sorters utilizing our design.

We have, after considerable soul search-ing, come to the conclusion that because these sorters would be shipped to the U.S.S.R. for automation in what they propose to build as the largest automated sawmill in the world, exploiting the technical skills and knowledge of industry of North America, we cannot participate in this project.

It has been stated that the Russians recognize that they are many years behind in technical know-how in this particular industry. In the openly declared economic warfare which they have challenged us to, we believe that our cooperation would be little less than giving aid and comfort to an enemy, who hope to dominate our way of life.

We recognize that this action on our part will probably not be of too great an effect on this whole project and that we are eliminating a large potential source of business, but somewhere, and this seems to be the point, we must be willing to be counted as thinking of our own country's welfare before the dollar.

We believe that many Canadian and American mills will soon be installing this automatic equipment and we look forward to collaborating with you in Canada in keeping our countries the leaders in the lumber industry of the world.

It is my sincere hope that the courageous decisions of these two American businessmen-suppliers to the lumber industry-will be heralded by every believer in the integrity of man and the eternal spirit of freedom. This is the image of the American businessmanthe product of America's private enterprise system. Our friends in Europe, in Asia, in Africa, in South America, yes, even in the Soviet Union, should note this American spirit. I offer my personal thanks in public to these two

businessmen and commend to all Americans their earnest patriotic fervor.

Mr. Speaker, we should all applaud this action of these Seattle businessmen in dealing with this situation.

THE LATE GEORGE H. BENDER

Mr. CONTE. Mr. Speaker, I ask unanimous consent that the gentlewoman from Ohio [Mrs. BOLTON] may extend her remarks at this point in the RECORD and include extraneous matter. The SPEAKER. Is there objection to the request of the gentleman from

Massachusetts?

There was no objection.

Mrs. BOLTON. Mr. Speaker, on Sunday, June 18, 1961, one of the most colorful figures in Ohio politics, George H. Bender, former U.S. Senator from Ohio, passed away.

Born in Cleveland, Ohio, on September 29. 1896, he developed an early interest in and love for politics, which remained with him throughout his lifetime.

Mr. Bender was first elected to public office in 1920 when at the age of 24 he served his first of five consecutive terms in the Ohio Senate. During the period 1938 to 1954 he served seven terms as a Member of this House, representing the State of Ohio as Congressman at Large for six terms, and the newly created 23d District of Ohio in his last term as a Member of this body. In 1954 he was elected U.S. Senator to fill the unexpired 2-year term of the late Senator from

Ohio, Robert A. Taft. Mr. Bender was a vigorous and en-thusiastic chairman of the Cuyahoga County Ohio Republican Party organization for many years, relinquishing this leadership upon his election as U.S. Senator in 1954. He served his party long and faithfully under extremely trying local political conditions.

As a Member of the House, and as U.S. Senator, he was a willing and effective servant of his constituents, and a courageous, forceful supporter of his party's legislative goals. The son of immigrant parents, Mr. Bender served his country, his State, his community, and his political party with a determination and devotion that will long be remembered by his many friends.

My sympathy goes out to his devoted wife who has long been loved by all the people of Ohio as well as to his two daughters.

OUR FOREIGN POLICY PROBLEMS FROM LAOS TO WEST BERLIN

Mr. CONTE. Mr. Speaker, I ask unanimous consent that the gentleman from New Jersey [Mr. FRELINGHUYSEN] may extend his remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. FRELINGHUYSEN. Mr. Speaker, I should like to call attention to the first of a series of 10 articles by former Vice President Richard M. Nixon, now

appearing in newspapers across the country.

The first of these articles discusses our foreign policy problems from Laos to West Berlin. It offers, I believe, cogent thinking on these crucial problems. His views on other topics, I am sure, will be equally helpful and thoughtful regarding matters of current interest.

The article follows: CONVINCE KHRUSHCHEV WE WOULD FIGHT FOR

FREEDOM, NIXON SAYS

(First article in a series of 10 to be published in the coming year)

(By Richard M. Nixon)

It was all but inevitable that Premier Khrushchev would follow up the summit conference by precipitating a new Berlin crisis.

Things have been going too well for the Soviet dictator, in space, in Laos, and even in our own hemisphere, for him to pass the opportunity to return to what he considers to be his No. 1 target of this stage of the cold war—the West German Republic.

So this is the West German Republic. No matter how you rationalize it, this is what Khrushchev is after in Berlin—and what he may get, if we falter. A victory in Berlin, no matter how limited, would give Khrushchev the leverage he wants on the mind and spirit of the West Germans. Men will not long oppose the reality of historical inevitability, and Khrushchev well knows this fundamental human truth. If he can shake the faith of the West Germans in the ultimate victory of the free system, he will have opened a major break in the ramparts of the West. This, then, is the central core of his over-

This, then, is the central core of his overall cold-war strategy. It is the explanation of why he returns again and again to the outfianked city of Berlin. The "bone in the throat," as he calls it,

The "bone in the throat," as he calls it, is actually the morsel he would bite off in order to chew at the vitals of the West.

President Kennedy has expressed a great concern that Khrushchev might make a major miscalculation about the will of the West to preserve this exposed outpost of freedom. That essentially is why he sought out the summit conference. He believed that a face-to-face confrontation would set Mr. Khrushchev straight about the will of the West, as it was to be measured in the person of the new President of the United States.

The confrontation has apparently not had the desired effect on Khrushchev. For in his first major utterance since Vienna he has delivered a new ultimatum to the West to be gone from Berlin by the new year. If we do not do so, he threatens to encourage his East German puppet to close the access routes to the city from West Germany by force of Soviet arms.

It is clear that President Kennedy must at the earliest possible time take further measures to convince Khrushchev of what he apparently failed to convince him at the summit—that the United States means what it says about the defense of freedom.

SEES NATION BACKING HIM

I am confident he will have the overwhelming support of the Nation of such measures, if he will but put the facts squarely to the people.

Unfortunately the postsummit stance in Washington has lacked the simplicity and clarity of Khrushchev's arrogant ultimatum. The administration's top leaders in the Senate even have seen fit to suggest weakness rather than strength of will about Berlin by recasting one of Khrushchev's own proposals for making Berlin a "free city." To be sure, the revised proposal would make all Berlin, not just West Berlin, a "free city."

This means in effect an undefended city, surrounded entirely by major Soviet and Soviet puppet forces, and abandoned by its present Western defenders.

But even if the arrangement were to include East Berlin, which seems highly impractical in Khrushchev's present state of self-assurance, it is quite evident that without the presence of Western troops it would be only a matter of time until the free city of Berlin would fall prey to the Communist action squads.

How could a few hundred thousand Berliners, indomitable as they have been until now, long resist what whole nations like Czechoslovakia could not?

JOB FOR THE PRESIDENT

If this proposal was intended as a trial balloon for administration policy experimentation, as has been reported by Washington' correspondents, it should be shot down by the President himself.

If it is intended as a piece of bait to tempt Khrushchev into demanding a new conference on Berlin, it is equally dangerous. We have already discovered that Khrushchev is not impressed by mere reiteration of our determination. He is much too tough and ruthless to mistake verbiage for the real thing.

The sad truth is that there is no pat solution for the Berlin situation any more than there is for any other of the tough situations that confront us around the world today and will continue to confront us as long as the Communists remain what they are, aggressors, zealots, intent on domination of the entire world.

Yet there is a way of dealing with the kind of aggression which communism presents. This is not communism's first attempt to grab Berlin. Most of us living today still remember the airlift victory over Stalln's blockade of the city.

Nor is this Khrushchev's first ultimatum that the West quit Berlin. As long ago as November 1958, Khrushchev made an identical demand.

THREAT FIRMLY REJECTED

Then Secretary of State John Foster Dulles rejected the threat firmly. His critics began speaking of brinkmanship and the peril of war and the substitution of so-called flexibility for strength of will and conscience. The parade of Soviet pressures marched on just as today.

Finally, on the 27th of November 1958, came Khrushchev's proposal to make West Berlin a free city. Today let us not forget that this free city idea had its origins not in the Senate of the United States, but in the war councils of the Soviet Union.

It was on the same day and in the same pronouncement that Khrushchev delivered his first ultimatum on Berlin. Then, as now, he gave the West 6 months to pick up and get out on his terms.

What happened? The West held firm. The Soviets backed down. The political realists of the Soviet must evaluate the cost of war and the timing of war just as coldly as we must. And the cold facts are that we are in Berlin. It requires no aggressive action to stay in Berlin. It is upon the heads of the Soviet leaders that a decision to use force to change the situation must always rest.

Failure in Berlin would be a failure of nerve in a war of nerves. We have won battle after batle in that war in West Berlin. The alternatives remain the same. The opinion is ours. Stand firm or get out. Soviet threats to push us out carry no more weight today than they did in the past. It is our will that is being tested, not theirs.

This ill-timed free-city proposal is the latest of a series of events that have weakened America's position of world leadership since this administration came into offace. Grave doubts may have been raised in Khrushchev's mind as to America's will and determination to resist his aggressive actions.

In Laos, we talked big and backed down when the chips were down. As a result, the whole American position in southeast Asia has been jeopardized. And, unless we soon find a time and a place to back up our words with action, the other nations in that vitally important area will be gobbled up by the Communists one by one.

In Cuba, we committed our prestige and failed at the critical moment to commit our power. As a result, we witness the sorry spectacle of American citizens asking for the privilege of paying blackmall to the pipsqueak dictator who not only holds 1,200 freedom fighters in prison, but who is wiping out the last vestiges of freedom for the 5 million people of Cuba.

In the atomic-test talks, we made additional concessions in the hope of getting an agreement. The Communist negotiators, as we should have expected, merely accepted our concessions and made their own previously unacceptable proposals even more unacceptable.

America has never known a time in its history when we have spoken more bravely and eloquently and acted with more indecision and timidity.

It has been suggested that we could not back up our words with action because we lacked the military power to do so. This is nonsense. Our defeats in Laos and in Cuba were not due to a lack of American power but to a lack of American will.

President Kennedy has asked for more money for defense. I believe the Congress should appropriate whatever funds are necessary to maintain our military strength at adequate levels. But our greatest need today if we are to turn back the Communist offensive against freedom is not more missiles, more guns, and more planes, but more will to use our power where necessary in the cause of freedom.

Nor can the American people be blamed for these failures. President Kennedy could not have been more mistaken when he said recently in Chicago: "Our greatest adversary is not the Russians. It is our own unwillingness to do what must be done." The American people are far ahead of the administration in their willingness and determination to do what is necessary to defend our freedom against aggression.

Nor can inaction be excused on the ground that a course of firmness would lead to war. We have learned from history that in dealing with a dictator the greatest danger of war arises when he is willing to risk war to gain his objective and he becomes convinced that his opponents are not willing to take the risk in order to defend the areas of freedom from his aggression.

Every time an aggressor bluffs and the defenders back down, he is encouraged to become more aggressive still. Eventually he pushes too far—and war inevitably results.

Mr. Khrushchev knows the destructive power of modern weapons just as well as we do. He fears the consequences of war as much as we do. But the only way to avoid war in dealing with him or any other aggressive dictator is to make it clear at all times that while we are always willing to negotiate our differences we will do so from strength and not weakness and that we are just as determined to fight for freedom as he appears to be determined to fight against it.

OUR FOREIGN POLICY

Mr. CONTE. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. GOODELL] may extend his remarks at this point in the RECORD and include extraneous matter. The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. GOODELL. Mr. Speaker, Richard M. Nixon has launched a new and important venture with a column in this morning's newspaper. His comments on foreign policy are incisive. They are in clear focus and create an unmistakable image of strength. May his words be heeded before it is too late.

I commend particularly these passages from Mr. Nixon's column:

In Laos, we talked big and backed down when the chips were down.

In Cuba, we committed our prestige and failed at the critical moment to commit our power.

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Perhaps the greatest service performed by Mr. Nixon in this instance is his sincere attempt to shoot down what appears to have been an administration "trial balloon" on Berlin. Senator MANSFIELD'S proposal that all Berlin should be recast into a "free city" has all the earmarks of disaster. Pointing out that the proposal to make West Berlin a free city originated with Khrushchev in November 1958, Mr. Nixon effectively dispels illusion in these words:

This means in effect an undefended city, surrounded entirely by major Soviet and Soviet puppet forces, and abandoned by its present Western defenders.

Perhaps the most telling comment upon the recent summit meeting is this Nixon appraisal:

We have already discovered that Khrushchev is not impressed by mere reiteration of our determination. He is much too tough and ruthless to mistake verbiage for the real thing.

For the convenience of the Members of this body, under unanimous consent I include Mr. Nixon's entire column in the RECORD at this point:

[From the Washington Post, June 20, 1961] CONVINCE KHRUSHCHEV WE WOULD FIGHT FOR

FREEDOM, NIXON SAYS

(First article in a series of 10 to be published in the coming year)

(By Richard M. Nixon)

It was all but inevitable that Premier Khrushchev would follow up the summit conference by precipitating a new Berlin crisis.

Things have been going too well for the Soviet dictator; in space, in Laos, and even in our own hemisphere, for him to pass the opportunity to return to what he considers to be his No. 1 target of this stage of the cold war—the West German Republic.

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FEDERAL AID TO EDUCATION

Mr. CONTE. Mr. Speaker, I ask unanimous consent that the gentleman from New Jersey [Mr. FRELINGHUYSEN] may extend his remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. FRELINGHUYSEN. Mr. Speaker, if my mail is any indication, Members of Congress are soon to be deluged with a new flood of mail regarding Federal aid to education. One reason this is to be expected results from the stepped-up activities of some of the major lobbies interested in this subject.

Because of its genuine interest I am asking that a letter from a constituent of mine be carried in full below. Because I have not had the opportunity of asking permission to use his name, I am omitting his name and address.

An interesting feature of this letter, apart from its contents, is the manner in which it was written. My constituent wrote me his views on the back of a form letter from the New Jersey Education Association. I believe this letter, representing an all-out effort by those on the Washington scene to drum up support for Federal subsidies for teachers, is also worthy reprinting in the RECORD.

The letter from my constituent, and the letter sent out by the New Jersey Education Association follows:

JUNE 16, 1961. Hon. PETER FRELINGHUYSEN, House Office Building,

Washington, D.C.

DEAR MR. FRELINGHUYSEN: I received the attached letter this morning. I am supposed to urge you to vote for H.R. 7300. Even though I am a teacher, and have been for 6 years, I cannot with a clear conscience, ask you to vote for this bill which will appropriate Federal money for lo-cal education. It is possible that my reason is shortsighted or erroneous but I fail to see how sending additional money to Washington in the form of additional Federal taxes can benefit local schools any more (or even as much) as spending it on the local level in the first place. I don't believe there is any question but that Federal aid for anything inevitably involves an assortment of bureaus, agencies and politically appointed commissioners, heads of departments, supervisors or some other such titular head and almost as inevitably a costly Senate investigation.

If you, or any other Congressman, would really help education I would suggest a campaign to awaken taxpayers to the need to support their local school districts. If the locally collected tax dollars were spent efficiently, including elimination of such modern "necessities" as drinking fountains in every room, relatively useless "all-purpose rooms," school baby-sitting services such as hot lunches for children who walk to school, free dental and medical clinics, and many of the other free services which pass in the guise of modern education.

If, in addition, you could awaken the taxpayer to the need to support their local schools, providing decent salaries and equipment for teachers in efficiently built buildings by paying additional local taxes and receiving a dollar's worth of education for each dollar spent you would also do a great service.

I'm sorry but for the above reasons I must disagree with NJEA, NEA and other educational pressure groups and urge you to vote against Federal aid to education. Respectfully yours,

New JERSEY EDUCATION ASSOCIATION, Trenton, N. J., June 12, 1961.

DEAR FELLOW TEACHER: Here is a big chance to help get more money for education.

Word from Washington is that all New Jersey teachers should write their Congressmen just as soon as possible urging support for H.R. 7300. This is the Federal school aid bill now actively under consideration; the general proposal has already passed the U.S. Senate. The voting in the House will be very, very close.

If possible secure additional letters—ask your family, your friends, and anyone you know who supports Federal aid to write also. The bill now before the House of Representatives would mean approximately \$12 million a year in Federal money for New Jersey schools over the next 3 years. This money could be used for teachers' salaries or for school construction, as our own State decides.

If it were used for teachers' salaries, it would be just about \$225 per teacher.

The voting of these funds in Washington could greatly encourage our New Jersey Legislature to adopt A-9, our own State minimum salary schedule proposal.

So write to your Congressman, write right away—even though you feel sure that he is already in favor of Federal aid. The important thing is to let him know you are counting on him to vote for it.

Your letter should be individually written and carefully written, and it should express your personal interest in this issue. It should be addressed to your Congressman (see list below) at the House Office Building, Washington, D.C.

Your letter can make the difference. Write today—and then, happy vacation. JAMES M. LYNCH, Jr.,

President.

(William T. Cahill, First District; Milton W. Glenn, Second District; James C. Auchincloss, Third District; Frank Thompson, Jr., Fourth District; Peter Frelinghuysen, Jr., Fifth District; Florence P. Dwyer, Sixth District; William B. Widnall, Seventh District; Charles S. Joelson, Eighth District; Frank C. Osmers, Jr., Ninth District; Peter Rodino, Jr., 10th District; Hugh Addonizio, 11th District; George Wallhauser, 12th District; Cornelius Gallagher, 13th District; Dominick V. Daniels, 14th District.)

A SUMMIT SECRET AFTER 17 YEARS

Mr. CONTE. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. BECKER] may extend his remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. BECKER. Mr. Speaker, I am inserting herewith, a column by David Lawrence, published in the Evening Star of June 19, 1961.

The information contained in this article and now published as a part of the Teheran Conference in 1943, is truly a shameful incident in our history.

Many of us in the Republican Party had condemned the results of these conferences for many years but it was understandable, however, that the American people found it difficult to believe the truth of these charges. Now there can be no longer any doubt that the late President Franklin D. Roosevelt sold out Poland and other countries for mere political expediency. The word "shameful" is too mild to condemn. However, this must come as a great blow to our American citizens of Polish extraction, as well as American citizens whose ancestry lies in the Balkan States. This "deal" was made at a "secret summit conference." These secret summit conferences have been the most disastrous things that have happened to the United States and to other countries of the world. I can only offer a fervent prayer

that history will not be able to record further disasters of similar nature. The article follows:

A SUMMIT SECRET AFTER 17 YEARS-ROOSE-VELT REMARKS TO STALIN LINKING POLISH BORDER, POLITICS HELD SHAMEFUL

A shameful chapter in American history now has been revealed after 17 years of secrecy. Documents just published by the State Department show that a President of the United States went to a summit conference during World War II and made a deal with the Communist dictator—Josef Stalin whereby much of Poland's territory was deliberately conceded to Russia and the way was paved for similar deals that permitted the Communists to grab small countries.

What was even worse, a President of the United States told a foreign ruler that his own decisions were related to a fear he might not retain a bloc of votes of American citizens of Polish extraction and that, for this reason, the deal had to be kept secret at least until a presidential election was over. Actually, these facts were not disclosed until now.

Franklin D. Roosevelt, Democrat, was the President of the United States who participated in these secret negotiations in 1943 at Teheran, Iran. He disregarded the rule of the Constitution which says that the Chief Executive "shall have power by and with the advice and consent of the Senate to make treatles, provided two-thirds of the Senators present concur."

It is out of this clause in the Constitution that a President derives his power to conduct foreign policy. The right to make temporary agreements or understandings directly related to the military conduct of a war has never been questioned, but any pact which is as far reaching as a division of territory after a war certainly comes within the category of a treaty. The Senate should have been consulted.

The carving up of territory—utterly disregarding the wishes of the people and their future opportunities for self-government is something associated usually with the absolute monarch. A President of the United States is supposed to be the champion of freedom and of the self-determination of peoples. The Polish people didn't start World War II. On the contrary, it was Hitler's attack on Poland that drew Britain into the conflict. Yet President Roosevelt was later a party to the partitioning of Poland so as to satisfy Communist Russia, which had seized a large part of Poland in 1939 while a partner of Hitler.

It might be asked why a Democratic administration in Washington today makes public hitherto undisclosed documents that reflect so gravely on the conduct of foreign policy by a previous Democratic adminis-tration. The reason may be inferred from an Associated Press dispatch of February 17 last quoting from an exclusive story in the York Daily News which stated that New President Eisenhower, on leaving the White House, took with him proof sheets of the papers on the Teheran Conference. The article said that Republican leaders, who had conferred with Mr. Eisenhower, asked him to keep a copy of the papers indefinitely to see whether they would be withheld or released in part by the State Department. So apparently the Kennedy administration had no choice but to give them in full to the press.

Much of the Teheran story has been told over the years, but never have the American people learned the details of the secret deal between President Roosevelt and Marshal Stalin. It so happens that Charles E. Bohlen, who at the time was First Scoretary of the American Embassy in Moscow and acted as interpreter for Mr. Roosevelt, accompanied

President Kennedy at his recent conference in Vienna with Nikita Khrushchev.

The State Department's published record based on Mr. Bohlen's extensive notes—now shows Mr. Roosevelt discussing the Polish question in a private talk with Marshal Stalin on December 1, 1943, as follows:

Stalin on December 1, 1943, as follows: "The President said he had asked Marshal Stalin to come to see him as he wished to discuss a matter briefly and frankly. He said it referred to internal American politics. He said that we had an election in 1944 and that while personally he did not wish to run again, if the war was still in progress he might have to. He added that there were in the United States from 6 to 7 million Americans of Polish extraction, and as a practical man, he did not wish to lose their vote.

"He (the President) said personally he agreed with the views of Marshal Stalin as to the necessity of the restoration of a Polish state but would like to see the eastern border moved further to the west and the western border moved even to the River Oder. He hoped, however, that the marshal would understand that for political reasons outlined above, he could not participate in any decision here in Teheran or even next winter on this subject and that he could not publicly take part in any such arrangement at the present time.

"Marshal Stalin replied that now the President explained, he had understood.

"The President went on to say that there were a number of persons of Lithuanian, Latvian, and Estonian origin, in that order, in the United States. He said that he fully realized the three Baltic Republics had in history and again more recently been a part of Russia and added jokingly that when the Soviet armies reoccupied these areas, he did not intend to go to war with the Soviet Union on this point."

Thus did an American President lend his power and influence to the formation of the present bloc of satellite states in Eastern Europe. Recently some enthusiastic admirers of President Kennedy have been saying that he is very much like Franklin D. Roosevelt. One wonders whether, after Mr. Kennedy's secret conference alone with Nikita Khrushchev in Vienna, the comparison will some day be pressed by Republicans instead of by Democrats.

USE OF LABOR UNION DUES FOR POLITICAL OBJECTIVES

Mr. CONTE. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. HIESTAND] may extend his remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. HIESTAND. Mr. Speaker, there is a hopeful sign in yesterday's decision by the Supreme Court that a labor union may not use dues of a member, over his objections, for political objectives he opposes. The Court's ruling concerned a railway union, and just how far reaching it is, we cannot say. However, the principle has now been made clear and it should apply to all unions. It is wrong, legally, for labor bosses to use members' money for political action which the members themselves oppose. But it is their responsibility to comply with the law.

With that principle in mind, labor leaders should take the initiative in altering their widespread political aid programs. They could set a magnificent example not only for their own members but for all Americans. A man should be allowed to support the political candidate or party by the use of his own free will and funds.

Active participation in a political campaign is a necessary and proper part of our system. However, when a dues-paying member of a union is forced to support a candidate or party he objects to it is a serious break in the system.

I hope labor leaders will accept the responsibility in fairly spending union funds for political purposes.

INTEREST CHARGES FAIR TO ALL

Mr. CONTE. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. BECKER] may extend his remarks at this point in the RECORD and include extraneous matter.

RECORD and include extraneous matter. The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. BECKER. Mr. Speaker, I have today introduced legislation that I hope to see enacted into law. This bill merely provides that no loans shall be made by the U.S. Government unless an interest rate is charged not less than the average rate of interest payable by the United States on its marketable obligations. having a maturity of 10 years or more, after their date. There are one or two other minor provisions, but the main effect of this legislation would merely see to it that any one borrowing money from the Government, either domestic or foreign, would be paying the interest rates charged to the Government. I am sure that any citizen or any lawmaker must consider this as being a fair and just proposition. I sincerely hope that this bill will have early consideration by the committee and report to the House for action. A bill of this kind, enacted into law, will save the taxpayers many millions of dollars a year that they are now paying unjustly.

LITHUANIAN TRAGIC DAYS

Mr. CONTE. Mr. Speaker, I ask unanimous consent that the gentleman from Nebraska [Mr. CUNNINGHAM] may extend his remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. CUNNINGHAM. Mr. Speaker, June 15 and 16 are days of sad memories for all who cherish freedom and individual liberty. We mark these days, the "Tragic Days," on which over 60,000 Lithuanians were forcibly driven from their homes in 1940 and 1941. They were taken by Soviet Communists to Siberia to serve as slave labor.

Let us never forget the methods used by the Soviets to subjugate the people of nations which fall to communism. Let us not be fooled by Russian peace offensives, which are designed to lull the West and the free world into complacency.

We must remember the recent testimony of FBI Director J. Edgar Hoover that "while Communists speak of peace, their intelligence setup is the most extensive in history."

There can be no peace, no peaceful coexistence with communism. As we mark these tragic days, let the sad experience of the Lithuanian people show how impossible it is to live a life of freedom under communism.

SOVIET OIL IMPORT POLICY THREAT TO FREE WORLD

Mr. CONTE. Mr. Speaker, I ask unanimous consent that the gentleman from Texas [Mr. ALGER] may extend his remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. ALGER. Mr. Speaker, many people in this country and, unfortunately, many in key positions in our Government, have never recognized the fact that the Communists use every phase of their national life in furtherance of their objective, world domination. The Soviets have committed all of their national resources to the goal of victory and use foreign trade only as a weapon in the cold war.

In spite of the Communist objective and the certain knowledge that their economy and trade is geared to winning the war in which we are now engaged, the American people have been given another demonstration of the naivete of the present administration in dealing with international policy, through a recent release by the Department of the Interior involving the important problem of oil.

In Information Circular No. 8025 from the Interior Department under the byline of Mr. Donald Frendzel, dealing with the Soviet 7-year plan, 1959-65, for oil, there appears this language on page 15 following table 7:

The foregoing comments have dealt with the possible adverse implications of Soviet oil for the free world. There may be some positive aspects of increased U.S.S.R. oil output and exports: (1) The availability of Soviet oil will increase the economic competition in the sale of oil, and (2) the availability of Soviet oil will allow some consumers to become less dependent on Middle Eastern oil.

Mr. Speaker, those who are informed on this subject are quite cognizant of the fact that Soviet oil presents a new danger for the West and for those countries allied with the free world.

Those who claim that the Soviet oil could enable some countries to reduce the proportion of their oil that they buy from the Middle East overlook the fact that there is no security of supply of Soviet oil as compared to private international oil companies. Certainly political reasons could cause interruption of Russian oil supplies, and Russian oil has frequently been bartered for unneeded commodities in the instances of under-developed nations where political gain is the main Soviet motive for oil exports. This supply will always be exposed to interruptions, as contrasted to private oil companies, who have made oil available without serious interruption even during the Suez crisis.

Also, I might point out that overdependence on Middle East oil is an obsolete concept, since neither private oil companies nor their customers are overly dependent on oil from any one source. Since the Suez crisis, for example, companies have developed large new sources such as those in north Africa.

The artificially low Russian oil prices can hardly continue over the long term. As long as it suits the political and economic aims of the Russian Government, Soviet oil prices to the free world may remain low, but it is unrealistic to count on price stability for Russian oil. The Russians must continue to be able to subsidize low prices by charging higher prices. \$1 per barrel, to their satellites. Their industries must continue to need foreign exchange to procure pipe, chemical plants and other goods. They must continue to need oil trade as a cold war weapon. If these conditions no longer exist, artificially low prices will not continue one moment longer.

The claim that Soviet oil will increase economic competition in the sale of oil is also not true. Increased supplies of Soviet oil will merely cripple the ability of private oil companies to compete, since it is the Russian Government that competes with private enterprise of the West. The willingness of the Soviet Government to sell on a government-togovernment basis and their vast oil resources will give the Russians an edge in any oil-exporting venture in which they choose to engage. This is, of course, not competition in the American sense of the word. We cannot compete on this basis. The economic offensive of the Russians. spearheaded by oil, can obliterate competition and eventually eliminate it completely The consumer can only benefit economically if prices are lowered by sound competition.

When Secretary Seaton headed the Interior Department, he refused to release this type of publication. However, as so often has been the case, "Udall tells all" has been the battle cry of the new administration. Releases such as this, under the auspices of the U.S. Government, tend to give Soviet ideology a new economic bridgehead to the West and to the uncommitted nations. The Senate Subcommittee on Internal Security recently reported on Soviet oil in the cold war, and stated that—

Soviet ideology is reflected in its desire for economic and political penetration of weak, underdeveloped, and politically uncommitted countries. As far as our Government is concerned, action may be required, not to protect U.S. business interests, but to prevent Russia from enveloping many of the new independent nations of the world.

It seems to me that these conclusions in the Interior study are not in the national interest of this country nor in the interest of the American enterprisers willing to go abroad, invest their capital, and assume risks and hazards in order to develop the oil resources of Middle East lands. The Soviet state oil monopoly is growing like a Frankenstein monster and, as usual, we are assisting rather than opposing its might. As long as the Government gives sanction to its seal on publications such as this one, we are aiding and not stopping communism.

The Secretary of the Interior has several times in the past 4 or 5 months engaged in activities more poltical than statesmanlike. However, in this instance he has released a document far more significant than his ordinary political pressure pronouncements. He has fought the economic battle of future generations, and lost. This administration has belligerently retreated in Laos. Cuba, and perhaps other areas of the world. They have mortgaged the future of our children and grandchildren by making housing, education, and minimum wages a concern of the centralized bureaucracy in Washington. Therefore, it is not at all surprising that their own publications have subtly sold the struggling oil industry of this Nation down the river. I call this matter to the at-tention of the American people and hope they become aware, before it is too late, the subtle forces working against our free enterprise system and threatening our very survival.

HOW TO LOSE YOUR FREEDOM

Mr. PRICE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include an editorial.

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

There was no objection.

Mr. PRICE. Mr. Speaker, I have read many articles, editorials, and essays on the subject of freedom. But one of the finest treatments of this subject caught my eye recently in a fine weekly newspaper in my congressional district.

The article impressed me so much that I would like to call it to the attention of my colleagues in the House of Representatives, and suggest that they read it carefully.

Under unanimous consent to do so, I herewith include with my remarks the editorial, "How To Lose Your Freedom" which appeared in the Wood River (III.) Journal, of Thursday, May 25, 1961:

How To Lose Your Freedom

Many 10-easy-steps articles have been written on how to do various things. We felt that it would be of value to our readers to know the "10 easy steps to losing our freedom as Americans."

First, whatever we do, ignore election day. People who have the right to vote are pretty hard to handle when it comes to any power group or faction taking them over. However, if we diligently ignore our right to elect our officials we can be sure that we are on the highroad to being uut under the thumb of ambitious, double-talking groups. 2. Be a complainer, not a doer. People who get out and actively participate in community projects are too apt to know what's happening in their own backyards and will be able to avoid being "taken in." 3. Don't think. Thinkers are always dan-

3. Don't think. Thinkers are always dangerous to totalitarian groups. In addition, don't bother to find out the meaning of "totalitarianism." If we ignore it, maybe, just maybe, it will go away.

4. Don't be well informed. The very basis of freedom is an informed public, and the first move by any dictatorial group is to keep the public ignorant and thus, manageable.

5. Be narrow minded. A narrow minded person, who is ready to deny freedom to others is a perfect tool in the hands of people who are out to take freedom away from everyone, including the narrow-minded people.

6. Let the other fellow do it. Whatever it is, it's not important enough to do personally. After all, the more we ignore our individual responsibility as citizens, the more opportunity we leave for someone else to take over.

7. Don't speak out against injustice in any form. Adopt the attitude of "that's the way it goes," or "that's the way the old cookie crumbles." Just sit back and let the world go by, and you'll be sure that like the ostrich who sticks his head in the sand, everything will come out OK.

8. Don't bother to know your own rights. After all, if people know their rights, they'll protest when those rights are taken away, while people who don't know their rights might not miss what they didn't know they had in the first place.

9. Assume that everything is too "big" or "complicated" for the average fellow to understand. If this is taken as a way of life, it will be easy for those who wish to "dupe" the public to do so.

The 10th, and most important step in "how to lose your freedom," is to assume "it can't happen here." This is the attitude that every people has taken prior to the rise of any power group or dictator in the past. To number a few, Germany, Russia, Italy, and so forth. So there it is, the sure-fire road to losing freedom, a check-list for really disinterested citizens.

PEACE CORPS

Mr. O'HARA of Illinois. 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, naturally I am interested in the Peace Corps. I think every American of good heart, and that means the great majority of our people, shares in this interest. It is the instrumentality by which from the grassroots of America our faith and our reliance in democracy will be transplanted in the grassroots of other and newer nations. The men and women who enlist in the Peace Corps will work without pretense and without the comforts of home, not for money and not for glory, but for that enrichment of all mankind that in its political approaches is possible only in democracy.

Democracy is the only form of government ever devised that recognizes the brotherhood of all who inhabit the earth by giving to each, regardless of the position in which the circumstances

of life have placed him, an equal voice in determining the government of the country of which he is a part.

The men and women in the Peace Corps, living in foreign lands in the homes and under the conditions of natives in those lands, humbly working with them in the solving of their problems of daily existence, truly will be missionaries of democracy in its finest expression. They will be ambassadors from the hearts of the American people to the hearts of the peoples in the lands to which they are assigned.

Mr. Speaker, I have an especial pride and interest in the Peace Corps stemming from the fact that the concept originated with a distinguished constituent of mine in the Second Congressional District of Illinois, Theodore A. Jones, recently honored by the great Governor of Illinois, the Honorable Otto Kerner, by appointment as a member of the Pardon and Parole Board of Illinois. Doubtless, there are others entitled to share in the credit. Noble concepts never are the product of one person.

I think it is proper that the story of constituent's important role in the my birth of an ennobling concept should be related to the House. There came to me early last autumn, a memorandum from a warm personal friend and a former constituent, Charles A. Davis, now a constituent of my distinguished colleague from the Third District of Illinois, Mr. MURPHY, setting forth a proposal by Theodore A. Jones, to the then junior Senator from Massachusetts. It read to this effect: That Mr. Kennedy pledge in a major address to the American people, that if elected President he would undertake to reach agreements with governments of underdeveloped nations to send young American specialists and technicians to work with their citizenry in developing manpower and natural resources.

My colleague from Illinois, the Honorable WILLIAM T. MURPHY, and I placed a copy of this proposal in the hands of the Honorable Chester Bowles, then our colleague on the Committee on Foreign Affairs, and an adviser to Senator Kennedy, the candidate. I understand that other copies were placed in the hands of Senator MONRONEY and others who were advising Mr. Kennedy.

The House well knows the electrifying effect of this bold new proposal enunciated in Mr. Kennedy's memorable San Francisco address, which followed shortly thereafter.

Mr. Jones urged in his proposal that special consideration be given to the wisdom of assigning Negro young people in areas where our racial attitudes are suspect. And he conceived of crash training programs at the college level to equip our young emissaries to lead toward material well being, rather than toward the institutionalization of privation.

CIVIL LIBERTIES

Mr. KASTENMEIER. 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. KASTENMEIER. Mr. Speaker, yesterday the Supreme Court handed down what I believe to be one of the most important civil liberties decisions of the postwar period. The Court found, without limitation, that—

All evidence obtained by searches and seizures in violation of the Constitution is * * * inadmissible in a State court.

Although the Court had held, since the 1914 Weeks case, that evidence illegally seized was inadmissible in the Federal courts; it had refused to prohibit the use of illegal evidence in the State courts. The Wolf decision of 1949 held that the Weeks decision would not be "imposed" upon the States.

In yesterday's opinion Justice Clark wrote for the majority:

The ignoble shortcut to conviction left open to the State tends to destroy the entire system of constitutional restraints on which the liberties of the people rest. Having once recognized that the right to privacy embodied in the fourth amendment is enforceable against the States, and that the right to be secure against rude invasions of privacy by State officers is, therefore, constitutional in origin, we can no longer permit that right to remain an empty promise.

Although the decision in yesterday's Mapp case was restricted to the seizure of material evidence by illegal means, I am confident that the decision will open the door to a great range of new protections for individual rights. At the moment, although Federal law prohibits interception and divulgence of telephone messages, the use of illegally seized evidence of this kind has been prohibited only in the Federal courts. We can confidently expect, I think, that the Mapp decision will be extended to prohibit the use of illegal wiretap evidence in State courts.

Now that we are given this firm and unyielding foundation in Supreme Court decision, perhaps the Congress will be able to move ahead with full force to protect the rights and privacy of the individual against other forms of "rude invasions of privacy." Presently, there are three distinct areas in which I believe the Congress must act to implement protections for the individual which are already provided by the Constitution:

Though wire-tapping and the divulgence of wiretap information are now prohibited by law; it is not clear that wiretapping in and of itself is a crime. Although it is, in my view, clearly an invasion of the rights guaranteed to the individual under the fourth amendment, this is not clear in legislation and the Court decisions on the legislation. The Congress should act to clarify this situation.

Moreover, even though wiretapping and divulgence are made a crime by Federal statute, the prosecutor in these cases must inevitably be just those law enforcement officials who often feel they benefit most in their work by practicing various forms of wiretapping. It is difficult, therefore, to expect that the provisions of the statute will be prosecuted to the fullest extent. It seems to me that other penalties should be imposed to insure that wiretapping, when prohibited by law, will be prohibited in fact.

Finally, I feel that there is an even greater need to insure that other forms of eavesdropping are both prohibited by law and by effective penalty. I feel very strongly that the all-too-clever techniques of modern electronic eavesdropping require the vigilance of the Congress to protect the right of the individual. This most insidious invasion of privacy demands full recognition and certain action.

I have been happy to note that the Senate Constitutional Rights Subcommittee of the Senate Judiciary Committee has been greatly interested in questions of this nature. The list of Members of the House who have introduced legislation in this area in the past is also long. It indicates, I think, the great interest that many have shown in safeguarding the privacy of the individuals. Among the many distinguished Members who have submitted their own legislation on wiretapping alone are the names of the President, the Speaker, and Chairman of the Judiciary Committee. But even though the men who have made proposals are among the most eminent men in the country, progress in this area has not been as much as one could reasonably desire.

Mr. Speaker, the Supreme Court has now shown us the way to a new freedom and a new conviction in the protection of the rights of the individual. In the near future, I will introduce legislation to further strengthen the rights of privacy and to give, thereby, further statutory expression to the Constitution in this vital field. I will welcome the ideas and suggestions of other Members of the House as to how best legislation can achieve these goals. And I will welcome the support of Members who are interested in the passage of legislation embodying new ways to deal with the old problems of individual constitutional rights.

HOUSING FOR MODERATE-INCOME FAMILIES AND FOR ELDERLY PERSONS

Mr. LINDSAY. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. LINDSAY. Mr. Speaker, now that a rule has been reported on the housing bill, I want to again alert the House to my intention to offer, by way of a substitute for title I—the administration's 40-year, no-downpayment mortgage provision—an amendment which contains a middle-income housing program that is in my judgment a far more effective, and far less costly, proposal than that offered by the committee bill.

The greatest housing need in this country is for moderate or middle-income housing, particularly in cities and suburbs. The amendment that I expect to offer is embodied in H.R. 3778, which I introduced in the House in February, and which was sponsored in the other body by the senior Senator from New York [Mr. JAVITS]. A year ago this measure was reported out of the Senate Committee on Banking and Currency but was not called up for action on the floor. It is important to know, however, that it received the majority vote of the Senate committee.

The bill would establish a Federal Limited Profit Mortgage Corporation, which would be self-financed and which, it is estimated, over a 4-year period would be responsible for about 160,000 moderate-income family units at the rate of 40,000 units a year.

The Corporation would be financed by \$100 million of stock investment by the Federal Government. The Corporation would have power to issue bonds which it is expected would raise \$2 billion from the public over 4 years. The Corporation would lend money to cooperative entities—foundations, trade unions, and similar organizations, or to private groups (subject to limitations as to profits) to build moderate-income housing with restrictions on rents or carrying charges and on occupancy by middle-income families and the elderly.

The administration's proposal calls for an appropriation of \$750 million, and this is only a beginning. My program calls for \$100 million for capital, and no more. Yet the amount of housing is at least equal in terms of its potential, and in the long run would exceed the middle-income housing potential of the administration's bill.

The responsibility for financing this program would be borne by the public at large—contrary to the proposal of the committee bill under which the Government may and probably will be required to take over issued mortgages under the buy-back provision.

Obligations issued by the Corporation are to be exempt both as to principal and interest from all Federal, State, and local taxes. Interest may not be higher than 4 percent.

The mortgage loans provided by the Corporation are 90-percent loans. They provide for complete amortization within a period of up to 50 years. The interest to the actual builder of the housing would be the interest rate which represents the cost to the Corporation plus one-half of 1 percent for administrative expenses, which is equivalent to the FHA premium of one-half of 1 percent charged today on all mortgages. There would be no subsidies.

The Corporation would be authorized to issue and have outstanding on and after July 1, 1961, notes and other obligations in an aggregate annual amount not to exceed \$500 million, except that with the approval of the President and, based upon certain findings and upon certain limitations, the annual amount may be increased by additional amounts aggregating not more than \$1.5 billion.

The bill is modeled on a very successful middle-income program in New York State which has received growing acceptance around the country. Trade unions and cooperatives have been the most active participants. Up to now there have been financed some 30,000 units and approximately \$450 million has been raised in New York State precisely in this fashion. The plan does not exclude private development. The private developer, however, is limited in his profit. He has this advantage of being able to redeem the whole project at the end of 20 years if he can refinance it.

Mr. Speaker, I should like to insert at this point in the RECORD excerpts from the 1960 report of the Senate Committee on Banking and Currency on this proposal:

HOUSING FOR MODERATE-INCOME FAMILIES, AND FOR ELDERLY PERSONS

INTRODUCTION

Proposals designed to provide Federal assistance for housing families who are not eligible for low-rent public housing, but who cannot afford decent privately financed housing, are not new to this committee. Rather consistently since 1950, the housing problems of low- and middle-income groups have been considered by the committee, and several reports recommending favorable action in behalf of these groups have been made. As recently as April 15, 1960, the Subcommittee on Housing of this committee made a report on its study of mortgage credit and, among other things, reiterated the pressing needs of middle-income families. The subcommittee reached the following conclusion:

"Existing institutions available to help achieve the national housing policy of 'a decent home and suitable living environment for every American family * * 'are inadequate. It is evident that families of low and moderate income cannot be housed decently, within the foreseeable future, unless new programs for this purpose are fostered by the Federal Government, or by State and local governments, or by all levels of government."

S. 1342, introduced by Senator JAVITS, for himself and Senator CLARK, was included in hearings held by the Subcommittee on Housing during the period May 9-27, 1960. The committee received the comments of interested departments and agencies of the Government. In general, these comments were not favorable, raising questions which will be discussed later. During the hearings, many witnesses gave enthusiastic support for the bill and answered questions regarding the practicability of the proposal. Competent witnesses from the State of New York related the success of a New York State program similar to the one proposed in S. 1342.

The committee carefully considered the bill, and the views of those who favor it and who oppose it; and, after amending it in several respects, recommend it for the favorable consideration of the Senate.

PURPOSE AND NEED FOR LEGISLATION

The hearings of the Subcommittee on Housing in its study of mortgage credit (1958-60) contain a consistent series of statements by witnesses from various walks of life—college professors, mortgage bankers, consulting economists, and others—that existing Federal programs do not provide housing for low- and middle-income families. The following excerpt from the report of the subcommittee summarizes these views:

"Most outspoken in calling the attention of the subcommittee to the plight of the lowand moderate-income family, and the need for Federal aids to help provide them decent housing, were Dr. William Wheaton of the University of Pennsylvania, and Mr. Charles Abrams of the Massachusetts Institute of Technology. Both of these men pointed out the high cost of financing home construc-tion and suggested methods to reduce these high costs through Federal aids.

"Other witnesses also testified about the need for special attention to housing problems of low- and moderate-income families. Mr. H. E. Riley of the Bureau of Labor Statis-

tics said: "'Although the bulk of the housing need can be met in the future, as in the past, by private builders, operating for a profit, there remains a segment of the population with substandard incomes who will require spe-cial Government assistance if they are to occupy housing meeting reasonable standards.'

"Mr. James N. Morgan of the University of Michigan pointed to the failure of the FHA program to meet the needs of the low-income family. He said that 'there is a real problem at the very bottom of the income scale that neither the FHA nor public housing is really helping.'

"He also said that 'data seem to show that FHA does not really help people with very low incomes, that they have to go to conventional lenders and probably pay a higher interest rate, which they are perfectly willing to pay.'

"Mr. Morgan's theme was that many of these low-income families have such an urgent desire for better housing that they would be willing to make great sacrifices in order to have decent shelter.

"FHA experience was pointed out by Mr. Abrams when he reported that 'during 1957, only 5.7 percent of all new single-family homes insured by FHA were purchased by families with an effective income of \$4,200 or less'; also, that 'the median effective income of purchasers of single-family FHA-insured homes was approximately \$6,600 annually.

"Mr. Abrams, who prepared his paper in collaboration with Mr. Morton Schussheim of the New York State Rent Commission, stated further that median income (before taxes) of spending units in the United States in 1957, according to the Survey of Consumer Finances, was \$4,350 annually and only 31 percent of all families had incomes of \$6,000

a year or more.' "Mr. Abrams contended that public hous-ing, in which rents are subsidized by the Federal Government, is not the answer to better housing for low- and moderate-income families. A homeownership program is needed and this can be achieved primarily through a reduction in the carrying charges of the loans. He presented the following table to show the reductions in carrying charges that could be achieved by reducing interest charges. The table also demon-strates the effect of lower interest charges in making new housing available to lower income groups. For example, a 3-percent, 35-year loan would require a monthly hous-ing expense of \$89, compared with a 5%-percent, 25-year loan requiring \$119 a month. The lower monthly cost could be carried by a family making \$4,272 a year, whereas the higher cost would require a yearly income of \$5,712.

"In order to make housing loans at a low rate of interest, a Government subsidy would be required. Mr. Abrams proposed the establishment of a Government corporation with borrowing powers similar to

FNMA, the Federal home loan banks, and the Federal land banks. Any deficit in-curred by the Corporation as a result of lending at a low rate of interest and borrowing at a higher rate of interest would be made up by annual appropriations. Mr. Abrams estimated that on every \$1.3 billion loaned, maximum annual contributions would be \$39 million. This would make possible direct Government loans at subsidized interest rates to 100,000 low- and moderateincome families.

"Without taking a position regarding the advisability of a Federal housing subsidy for middle-income families, Prof. Sherman J. Maisel, of the University of California, described for the subcommittee the California veterans' program for homeowner-ship, called the Cal-Vet plan. Since 1921, the State of California has assisted eligible veterans desiring to purchase homes in that

State. Under this plan, the State of California raises funds through publicly ap-proved bond issues. These funds are used to purchase homes in the name of the State of California Department of Veterans' Affairs, and the homes are subsequently sold to eligible veterans at minimum interest rates

"The eligible veteran may enter into a temporary purchase agreement for any home in any location he desires. If the home meets the State agency's standards of construction, price, and value, the agency pur-chases the home and sells it to the veteran very liberal repayment terms. on The agency also purchases fire, life, and disability insurance at bulk rates and this insurance is sold to the veteran at cost. Thus, the veteran's housing expense is minimized by low interest rates, liberal repayment terms, and minimum insurance costs.

"TABLE 35.- Estimated monthly housing expense and required annual income

[Composite for Nation, mortgage of \$12,000]

Cost items 1	FHA loan,	3-percent	2-percent	0-percent	0-percent
	25 years, 5%	loan, 35	loan, 35	loan, 35	loan, 45
	percent	years	years	years	years
Interest and amortization	\$76	\$46	\$40	\$29	\$22
Real estate taxes	18	18	18	18	18
Heat and other expenses	25	- 25	25	25	25
Total	119	89	83	72	65
Required gross annual income ²	5, 712	4, 272	3, 984	3, 456	3,120

Based partly upon financial characteristics of mortgagors and properties, new homes purchased with FHA,
 e. 203, insurance in 1957. Housing and Home Finance Agency, 11th Annual Report, 1957, table III-53, p. 116.
 ³ Assumes that ¼ of monthly income is spent on housing.

"At the present time, the insurance rate to the veteran is 3.5 percent, the maxi-mum value of home which can be purchased is \$25,000, and the maximum amount of State funds which may be used is \$15,000. Eligibility of the veterans depends upon his net worth as it may be indicative of his need for assistance, and upon his ability to repay the loan. Professor Maisel suggested that the California experience might be worthy of consideration as the Congress attempts to find a solution for the housing problems of middle-income families.

"The most comprehensive presentation on middle-income housing credit requirements was made by Dr. William Wheaton. His material paralleled that submitted by Mr. Abrams,

"According to Dr. Wheaton, an effective middle-income housing program is essential to the health of our cities, to stability in the housing industry, and to decent housing for millions of American families. He defines middle-income families as those whose incomes are too high to permit them to be housed in public housing and too low to be

able to afford new privately built housing. "The tables below, concerning Philadel-phia, Pa., presented by Dr. Wheaton, show that new housing is generally made available only to the upper third of Philadelphia families. These tables are based upon the assumption that families would be willing to spend 20 percent of their incomes for housing.

"TABLE 36.-Family income distribution. Philadelphia metropolitan area, December 1956

Income class	Percent	Percent
Under \$2,000 \$2,000 to \$3,999	12 20	} 32
\$4,000 to \$4,999 \$5,000 to \$5,999 \$6,000 to \$6,999	17 15 10	32
\$7,000 to \$7,999 \$8,000 to \$9,999 \$10,000 and over	8 8 10	36
Total	100	100

Source: National Housing Inventory.

"TABLE 37 .- Family income distribution and ability to purchase a home, Philadelphia, December 1956

Income group	Percent of fami- lies	Maximum monthly housing payment 1	House price required ¹	Normal housing payment
Under \$4,000 \$4,000 to \$5,999 \$6,000 and over	32 32 36	Under \$66 \$66 to \$100 \$100 and over	About \$6,000, none produced	\$50. \$50 to \$75. \$75 and up.
Total	100	and a set	and the provident of the second	up.

⁴¹ Assuming 20 percent of income for monthly payment.
⁴² With normal downpayment and financing.
⁴³ The lowest priced new home in the Philadelphia metropolitan area in 1956. Only 3 percent of new dwellings were at this price level; 20 percent were priced at \$10,000 to \$12,000; 77 percent were priced over \$12,000. The 1957 average price was over \$15,600. Only 10 percent of Philadelphia families can afford these homes at the average ratio of income to housing expense (15 percent) characteristic of such families.

"Source: Institute for Urban Studies.

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"The above data for Philadelphia are typical for urban places in most of the United States. According to family income data recently released by the U.S. Census Bureau, about 30 percent of urban families had annual incomes in 1958 of less than \$4,000, another 30 percent had incomes between \$4,000 and \$6,000, and 40 percent had incomes of \$6,000 and over.

"If new housing is being made available only to families with incomes of \$6,000 and over, only 40 percent of urban families can afford it. This raises the questions—why not house low- and middle-income families in existing houses? Why must new housing be supplied? Is it not feasible to expect the higher income family to purchase new homes and the remaining families to occupy existing homes as they become older and depreciate in value?

"Most low- and moderate-income families have obtained decent shelter through the normal operation of a "filtration" process whereby the new homes bought by the higher income families filter down to the lower income group as they become older and de-preciate in value. There is nothing wrong with this if it works properly. The only way it can work properly is by maintaining a flow of good reasonably priced new housing at the top and elimination of wornout and dilapi-dated houses at the bottom. The principal difficulty has been our inability to supply enough new units, thereby requiring the continued use of wornout and substandard units.

"Some have advocated that the answer to a smooth flowing filtration process is code enforcement and rehabilitation. The claim is made that adequate housing can be provided for the moderate-income families through a maintenance and fix-up program. There is no question that rehabilitation has great possibilities, but it can never be a substitute for a constant new supply.

"Dr. Wheaton said that 'the major issue facing the housing economy is the extent to which filtration can be induced by posi-tive credit policy.' He theorized that if the homebuilding industry could be enabled to serve an additional 25 percent of the population, it could presumably produce an additional 200,000 to 500,000 new homes per year. This new volume would force older homes to depreciate in value, and eventually force them off the market.

"Dr. Wheaton lists the following items which contribute to the cost of new homes: (1) construction costs, (2) land costs, (3) (1) construction costs, (2) and costs, (3) profits, (4) operating costs, (5) property and other taxes, and (6) financing costs. "There is no question but that constant pressure should be maintained to hold down

the costs of these various items. Govern-ment policy can be directed in a number of ways to help accomplish this end, for example, through support of research to re-duce construction and land development costs. The one item which is most accessible to public control is financing costs. This is the second largest and sometimes the largest single component in housing cost. When families purchase homes on amortized mortgages of more than 30 years' term, they will pay \$20,000 or more for a \$10,000 house. See table below for examples of financing costs.

"TABLE 38.—Total payments per thousand dollars over life of loan for various interest rates and amortization periods

Interest rates	10 years	20 years	30 years	40 years
6 percent	\$1, 333, 20	\$1, 720. 80	\$2, 160.00	\$2, 640, 00
5 percent	1, 273, 20	1, 584. 00	1, 933.20	2, 313, 60
4 percent	1, 214, 40	1, 454. 40	1, 717.20	2, 006, 40
3 percent	1, 159, 20	1, 332. 00	1, 519.20	1, 718, 40
2 percent	1, 104, 00	1, 214. 40	1, 332.00	1, 454, 40

"By cutting financing charges in half, the total cost of the \$10,000 house, cited above,

over the 30-year life of the mortgage, can be reduced by one-fourth-from \$20,000 to \$15.000.

"The table below demonstrates the reductions that can be achieved by various public aids on interest rates:

"TABLE 39.-Estimated total monthly housing expense under various financing terms IN TYPICAL NORTHERN CITIES WITH HIGH COSTS

		Т	'otal monthl	y housing ex	pense under-					
Sales price and down-	Typical 195	6 Federal fin	ancing aids	Financio	le-income					
payment	FHA 4½+½ percent 20-year (1)	FHA 4½+½ percent 30-year (2)	FHA 4½+½ percent 40-year (3)	3½ percent 40-year (4)	2½ percent 40-year (5)	1½ percent 40-year (6)	1 percent 40-year (7)			
\$10,000 3-bedroom home: No downpayment 5 percent down 10 percent down \$9,000 2-bedroom home:	\$99 96 93	\$87 85 82	\$82 79 77	\$72 70 68	\$67 65 63	\$61 60 59	\$59 58 56			
No downpayment 5 percent down 10 percent down	90 87 84	79 76 74	74 72 69	65 64 62	61 60 58	57 55 54	54 53 52			
	and the second	IN AVER	GE-COST	AREAS	R		The max			
\$10,000 3-bedroom home: No downpayment 5 percent down 10 percent down \$0,000 2-bedroom home: No downpayment 5 percent down 10 percent down	\$95 92 89 86 83 80	\$83 81 78 75 72 70	\$78 75 73 70 68 65	\$68 66 64 61 60 58	\$63 61 59 57 56 54	\$57 56 55 53 51 50	\$55 54 52 50 49 48			
			V-COST A	- ALANA	1					
\$8,000 3-bedroom home: No downpayment 5 percent down 10 percent down \$7,000 2-bedroom home: No downpayment 5 percent down 10 percent down	\$78 75 73 69 67 65	\$68 66 64 61 59 57	\$64 62 60 57 55 54	\$56 54 53 50 49 48	\$51 50 49 46 45 44	\$47 46 45 43 42 41	\$45 44 43 41 40 39			

NOTES

Cost estimates: All cost data are FHA estimates for new homes built under sec. 203 and insured in 1952. Operating expenses, taxes, and insurance are as follows for the several price classes: \$10,000-\$18.80, \$0.20, \$1,60, \$9,000-\$17.93, \$8.43, \$1.24; \$8,000-\$16.75, \$7.10, \$1.15; \$7,000-\$16.77, \$6.41, \$1.02. Cf. HHFA, 6th Annual Report, p. 280, table 27. In all cases costs used are for value class below price shown to allow for difference between FHA value and market

35.60, 51.24, epode that provide class below price shown to allow for difference between FHA value and market price.
Northern cities: FHA cost data are national averages. They therefore understate heat and utility costs in northern cities. \$4 have been added to FHA estimates to cover this difference in northern cities.
Average-cost areas: FHA cost data for \$8,000 and \$7,000 homes probably represent cases occurring almost exclusively in southern areas and in smaller towns in such areas. Available data do not reveal major cities in which \$7,000 homes are currently being marketed in significant quantities.
Single homes: All data are for single homes sold for owner-occupancy.
Rental housing: Structures of similar floor area built for rent in typical rental housing projects would probably rent for \$4 to \$8 per month more than the figures shown. This cost difference would arise from higher maintenance materials, fuel, and utilities.
1 Conventional FHA-insured, 20-year loan. The insurance charge is approximate.
2) FIMA-insured, 30-year mortgage at 4½ percent plus insurance as proposed in pending legislation.
3) FNMA-made, FHA-insured, 40-year loan at 4½ percent plus insurance. This rate is below current rates on sec. 220-221 loans.
4) A 3½-percent, 40-year level payment loan.
6) A 1½-percent, 40-year level payment loan.
6) A 1½-percent, 40-year level payment loan.
6) A 1½-percent, 40-year level payment loan.
7) A 1-percent, 40-year level payment loan.

The need for this legislation is not confined to any one State or locality. How-ever, inasmuch as the State of New York recognized this need and put a State pro-gram into operation, the committee heard several witnesses from that State, including sponsor of the New York law. State Senator MacNeil Mitchell, of New York, coauthor of the New York law, explained that in New York it is difficult for a private entrepreneur to provide rental housing at less than \$40 room per month. The average needs of middle-income families, he explained, range approximately from \$17 to \$29 a room per month. The alternatives facing the State were, on the one hand, an expansion of the volume of public housing, at a staggering cost in the form of subsidies, or, on the other hand, to find some legitimate inducements for private entrepreneurs to enter this "no man's land," as he described it.

New York chose the inducement to private enterprise, which was described to the committee in the words of Senator Mitchell, as follows:

'On our New York State statute books we have had ever since 1926 aids for private enterprise that have consisted mainly in the form of assistance in land acquisition and abatement of local real estate taxes, but it was not until the enactment of the Mitchell-Lama law in 1955 that any appreciable dent could be made in the middle-income market, providing as it does a most attractive vehicle for private builders.

"Limited profit housing companies formed pursuant to this law, and armed with the power of condemnations may borrow or mortgage from the State or the municipalities up to 90 percent of the development costs of the project for a term up to 50 years. In addition, partial tax exemption is granted

up to 50 percent of the completed project cost.

"Lest this be considered a major subsidybecause we like to feel that this particular legislation is in no way to be a subsidy-all loans are repayable in full with interest, and we like to think it is strictly a form of private enterprise taking hold of the market. Lest it be considered a major subsidy, I should like to point to the example of the Contello Towers in Brooklyn, now being built under this law on vacant land, and nearing completion.

"Originally, the net annual tax return to the city of New York was \$2,000, and the day Contello Towers is completed, with 40 percent tax exemption, it will produce more than \$90,000 annually to the city, more than 45 times the original return.

"The law in this case provides for supervision of construction, management, and other costs, and places a reasonable limitation on the return of private investors at 6 percent. On the repayment of the mortgage and tax concessions, the project is removed entirely from Government supervision; and that is normally after a period of 35 years.

"I call to your attention, though, that the law has just lately been amended to permit a voluntary withdrawal from such supervision at an earlier date upon repayment in full merely of the mortgage loan. This has a dual advantage of placing the property on the full tax rolls at a much earlier date. while on the other hand providing something that until this minute has been lacking, namely, an incentive to the private entrepreneur on a capital gains basis."

Section 12 would make both the real and tangible personal property of the new Corporation subject to State and local taxation. This section also would permit a borrower to obtain partial or complete tax exemption from State or local political subdivisions, and would exempt the Corporation's franchise, capital, reserves, surplus, income, as-sets, and other property (except real estate and tangible personal property) from Fed-eral, State, and local taxes. Exemption is also provided on all obligations issued by the Corporation, and the interest paid on such obligations, from Federal, State, and local taxes. With respect to the tax exemption features of the bill, Senator JAVITS provided the committee a compilation of other Federal statutes providing for the issuance of securities on a tax-exempt basis. This compilation lists 15 Federal statutes affecting corporations, financial institutions, or agencies of the Federal Government with tax exemption provisions. Thus, it would appear that the tax exemption provisions in S. 1342 are not unusual. This compilation is as follows:

1. Federal Reserve banks (12 U.S.C. 531). 2. Federal land banks (12 U.S.C. 931).

3. Federal Farm Mortgage Corporation (12 U.S.C. 1020f). 4. Federal Intermediate Credit Bank (12

U.S.C. 1111).

5. Central Bank for Cooperatives, Production Credit Association, banks for cooperatives (12 U.S.C. 1138c).

6. Federal home loan bank (12 U.S.C. 1433).

7. Federal savings and loan associations (12 U.S.C. 1464).

8. Federal National Mortgage Association (12 U.S.C. 1723a).

9. Federal Savings and Loan Insurance Corporation (12 U.S.C. 1725).

10. Federal housing, certain debentures (12 U.S.C. 1747g).

11. Federal Deposit Insurance Corporation (12 U.S.C. 1825). 12. Reconstruction Finance Corporation

(certain securities) (15 U.S.C. 607).

13. Commodity Credit Corporation (15 U.S.C. 713a-5). 14. Public Housing Administration (42

U.S.C. 1405(e)).

Senator Mitchell explained that a recent ession of the legislature had created a State housing finance agency with power to sell up to \$500 million in bonds exempt from taxation. He quoted the former commissioner of housing in the State of New York, Joseph P. McMurray, as saying:

"No other housing program of which we have record, whether Federal, State, or municipal, has evidenced such celerity in getting actual construction underway.

Senator Mitchell stated, in opposition to the position taken by the Administrator of the HHFA, that in New York State, FHA and VA loans had not satisfied the market affected by the middle-income housing pro-gram. Together with New York State Housing Commissioner James W. Gaynor, he endorsed S. 1342.

J. Clarence Davies, chairman, Housing and Redevelopment Board, New York City, also supported the bill. He stated that the New York State middle-income housing program had helped in alleviating the housing needs of American families who neither qualify for low-income, federally subsidized housing, nor can meet the rental payments of privately financed housing. He stated:

"In New York City, for example, an income study conducted by the State in 1956 indicated that more than 88 percent of the city's 2.228,000 families had incomes of \$10,000 a year or less, and that more than 46 percent—almost half of the population was in the \$5,000- to \$10,000-a-year bracket. Now consider this in relationship to the statistics we have in regard to new housing completed. In 1958, less than one-quarter of the private units completed was in the \$85- to \$125-a-month rental range. The average monthly rent per room in privately financed or title I multiple dwellings was \$47-or an average of \$155 per month per dwelling unit.

'Cognizant of this problem, the city and the State have moved to establish and strengthen numerous legislative and administrative tools to stimulate the construction of housing in the moderate rental range. Through these programs we have completed more than 53,000 middle-income units. Almost an equal amount is approved or under construction. In terms of the need, however, this falls far short of the number of middle-income units necessary to serve the community. The gap between demand and potential supply in area becomes sharply evident as we attempt to program urban renewal on a broader community basis, with the desirable goal of providing economically balanced neighborhoods."

It will be noted in the above testimony of Mr. Davies, who is engaged in the every day practical application of all housing and urban renewal programs in New York City, that he stressed two important points, in addition to the obvious need for middle-income housing aid, namely, (1) that despite the good work of the New York State program, New York City needs a Federal program to supplement the State program, and (2) the progress of urban renewal accentuates the gap between middle-income housing demand and potential supply

Mr. James W. Gaynor, State housing commissioner, who actually operates the New York middle-income housing program, listed five rule-of-thumb factors that are prime considerations in developing a program to produce housing for middle-income families. This portion of his statement follows:

"1. For every decrease in interest rate of 1 percent, rents will decrease at least \$2 per

"2. Fifty percent abatement of real estate taxes will reduce rents approximately \$4.50 per room per month.

"3. Every 5 percent reduction in profit on 10 percent equity will reduce rents about \$1.60 per room per month; or assuming a standard 15 percent profit on investment

for conventional housing, limiting profit to 6 percent will reduce rents about \$2.85 per room per month.

"4. Tight standards that reduce construction cost \$500 per room will reduce rents about \$3.50 per room per month.

"5. Site costs are affected by many variables, but all else being equal, every \$1 per square foot reduction in cost will reduce rents about 30 cents per room. The writedown benefits under urban renewal could therefore contribute a rental reduction of \$1.50 or more per room per month.

"These cost reductions applied to the average 41/2-room apartment mean a reduction in rent of over \$60 per month. In other words, the same builder who can produce a 4½-room apartment under conventional financing to rent at \$140 to \$160 a month, can, given all of the assistance I have outlined, produce that same apartment to rent at \$80 to \$100 a month. While it is improbable that all of those cost reduction factors would be applicable to the maximum in a given project, the figures indicate the importance of assistance to the construction "The bill that would create the Federal

Limited Profit Housing Mortgage Corporation is drawn to produce those results."

With respect to the exodus from cities due to the lack of middle-income housing, Mr. Davies gave the subcommittee some important information in his capacity as chairman of the Housing and Redevelopment Board of New York City:

"The middle-income family is, in a sense, the backbone of any community. We have recognized that New York, following a pattern common to many American cities, has lost more than 900,000 middle-income familles during the past decade. Of course, a like number came into the city, but their income level was much lower. This significant change bears heavily upon the city's need to provide special services and facilities, and of course affects our general economy. It is a common bromide of the critics to infer that New York is becoming a city of the very rich and the very poor. While the statistics belie this, there is good reason to take the necessary steps to insure that the middle-income resident is not taken for granted at a time when construction costs and a tight housing market have placed him in a vise which we can and must remove.

"The legislation introduced by Senator JAVITS and Senator CLARK (S. 1342) would make available, on a national scale, and for the first time, Federal support for the kinds of programs that New York State and New York City have proved to be successful. On the basis of the numbers of units completed and planned, it is evident that we have had little difficulty in developing responsible and enthusiastic private sponsorship for the kind of moderate-rental housing that is so desperately needed to meet the pocketbook de-mands of nearly one-half of our city's population.

"In this regard, I am sure New York City is not atypical, and that a federally backed program along these lines would bring new housing hope to America's forgotten majority—its middle-income families—and since our cities need to retain their middle-income families it would give, in addition, new hope to them."

It will be noted from Mr. Davies' statement that New York City has lost more than 900,000 middle-income families during the past decade.

Mayor Richard C. Lee, New Haven, Conn. testifying on behalf of the American Municipal Association as chairman of its urban renewal committee, presented the associa-tion's recognition of the need for middleincome housing aid and endorsed S. 1342. He stated:

"In the area of new moderate-cost housing, we must face one serious fact-it just is not being built. We in AMA have come to the realization that new middle-income housing can be provided only with some form of Government assistance. Our 1960 policy statement includes specific recommendations in this area.

"It seems to me that the Javits-Clark bill, S. 1342, which provides for direct mortgage loans would be a good point of departure toward the stimulation of new moderate cost construction."

Nathaniel S. Keith, president of the Na-tional Housing Conference estimated that the "gap" between low-rent housing and private or cooperative housing programs in-volved more than 13 million families. He strongly endorsed the bill and called this type of program a necessity in the decade of the sixties, if expansion of housing pro-duction to the levels required is to be achieved. Excerpts from his statement, which contain pertinent statistical and fi-nancial data, follow:

"The subcommittee may be interested in our analysis of the rent levels which might be accomplished under the formula of the Javits-Clark bill. We assume a 2-bedroom apartment in a 2- or 3-story walkup apartment development involving a total development cost of \$12,500 per apartment, which on the basis of experience is about the minimum cost feasible under prevailing conditions in major metropolitan areas. On the basis of typical operating expenses and full real estate taxes for such a unit and assuming its development by a limited-profit housing corporation, we estimate that the required rental would be approximately \$110 per month, or slightly under \$25 per room. On the generally accepted yardstick that rent may absorb up to 20 percent of annual gross family income, such a unit would be suitable for families with annual income of \$6,500 and up. By comparison, the identical unit financed under the prevailing terms for rental housing under section 220 of the FHA program would require a monthly rent of about \$130, suitable for families with annual incomes of \$7,800 and up. Thus, the formula proposed under the Javits-Clark bill under current conditions would produce a reduction of about 15 percent in required rents as compared with the section 220 FHA formula and a consequent broadening of the market which could be served. If this hypothetical unit also received a 50-percent abatement in real estate taxes, we estimate that a further reduction in rent to abort \$100 per month would be achieved, which would be suitable for families with annual incomes of \$6,000 and up.

"Even under prevailing high interest rate conditions in the private money market, the financing formula in the Javits-Clark bill thus would make possible a considerable reduction in the rents required for privately developed housing as compared with the rents achievable under the section 220 and similar existing programs. This would clearly represent a definite advance in the tools available to meet housing needs on a broad basis. Nevertheless, it would still leave a substantial gap between the upper income limit of families eligible for admission to low-rent public housing and the lower limit of families served by private or cooperative housing programs. Again in terms of na-tional averages, this gap would represent generally the families within incomes between \$4,000 and \$6,000 which in 1958 represented approximately 25 percent of the total nonfarm households. It is for this reason that the NHC, after study, has concluded that the only broad basis for closing this gap, which in human terms involves more than 13 million families, is to establish a Federal program under which interest rates would be matched to the income requirements and costs of construction required to serve families in this income category, even though the market rate for private money may be at

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substantially higher levels. For example, using the same hypothetical \$12,500 unit and assuming a 50-year 100-percent loan to a nonprofit corporation at 3 percent interest and receiving a 50-percent abatement in real estate taxes, we estimate that a rental of about \$80 per month could be achieved which would be suitable for families with annual incomes of \$4,800 and up. At a 2-percent interest rate, the same unit would require rent of only \$70, suitable for families with annual incomes of \$4,200. We are convinced that the achievement of a complete housing program for the sixties will require an approach along this line and we recommend it to the study and consideration of this subcommittee."

Reliable financial interests in New York have supported the State program. The 13 persons announced August 10, 1959, by the Governor of New York, as temporary members of the Board of Directors of the Limited Profit Housing Mortgage Corporation, represented the following financial institutions or organizations:

Brooklyn Savings Bank.

Metropolitan Life Insurance Co.

The Bowery Savings Bank. Equitable Life Assurance Society of the United States.

Manhattan Life Insurance Co.

International Basic Economy Corp.

The Buffalo Savings Bank.

Chase Manhattan Bank.

New York Life Insurance Co.

Harlem Savings Bank.

East New York Savings Bank. Security Mutual Life Insurance Co. of Binghamton.

Seamen's Bank for Savings.

The above list indicates substantial support from well-known and substantial institutions

Senator JAVITS, who, together with Senator CLARK, sponsored the bill, testified before the subcommittee and reviewed the need for S. 1342, as well as the soundness and workability of its provisions. He indicated that the bill was not intended to supplant other housing programs. Senator JAVITS made it clear that this bill is intended to help families that other programs are not helping. When asked about the apparent feeling in the HHFA that the present FHA system adequately takes care of the needs of middle-income families, Senator JAVITS stated:

"The basic impression of the agency is that there is really no middle-income housing shortage, or at least not one that could not be met by established media. The facts absolutely fly in the face of any such assertion. The fact is that the most crying need in the largest city in the country, New York City, and in other citles in my own State, is this very program for this very purpose. Our State program is just strained to the limit and cannot meet the need. It has been availed of tremendously, to the full limit of its capacity. Any civic agency that makes a report, whether it is a housing council in New York City or whether it is any upstate agency in my State which is doing the civic duty of analyzing the housing needs, never fails to come up with this No. 1 recommendation that we must do something about middle-income housing. The people who fall in that gap are out."

The testimony of other witnesses sup-ported Senator Javirs' statement.

CONCLUSION

After careful consideration of the problems which S. 1342 is designed to solve, the committee believes that this new program is required to achieve the national housing policy of "a decent home and suitable living en-vironment for every American family."

BRIEF DESCRIPTION OF NEW PROGRAM

This bill would create a Federal Limited Profit Mortgage Corporation which would

make loans secured by housing projects for moderate-income families or for elderly per-The Corporation would be started with sons \$100 million stock subscription by the Treasury and would obtain its funds by borrowing in the private market.

The loans would be made for a period of 50 years at interest rates equivalent to the rates at which tax-exempt Treasury bonds are sold, but not to exceed 4 percent. These loans could not exceed 90 percent of development cost, and the Corporation would charge one-half of 1 percent in addition to the cost of money to the Corporation. Borrowers would be limited to a return of

6 percent, and rents and carrying charges would be regulated to insure the production of housing to rent at levels within the means of elderly persons and moderate-income families

Families of moderate income are defined to mean families, or individuals, whose incomes preclude them from purchasing or renting conventionally financed new housing with total monthly housing expenditures of 20 percent of their normal stable income, as defined by the Federal Housing Administration. Elderly persons are defined to mean a person 60 years of age or over, or a family, the head of which or his spouse is 60 years of age or over.

SECTION-BY-SECTION SUMMARY

Section 1 finds that the goal of a decent home and suitable living environment for every American family is not being achieved for families whose means are too high for admission to low-rent public housing but too low to afford the range of sales prices and rents required for satisfactory new private housing. It finds further that there is an urgent need for a supplementary system of housing financing to enable private enterprise to provide homes of sound standards of design and construction for families of moderate income and for elderly persons; and that there are means available to State and local governments to assist in the production of such housing. Section 2 states that the purpose of the

bill is to provide housing for middle-income and elderly persons, whose needs are not now being served through existing programs, by making financial assistance available on terms which will permit reduced rents or charges.

Section 3 creates a body corporate known as the Federal Limited Profit Mortgage Corporation. It would be given authority to exercise usual corporate powers, to make and service mortgage loans, and to issue obligations in such amounts, and on such terms, as it may determine. Section 4 vests the management and ad-

ministration of the Corporation in a board of five directors appointed by the HHFA Administrator, who would be Chairman, from among the officers or employees of the Corporation. It also permits the Chairman to appoint an advisory committee to assist and advise members of the board in the management and administration of the Corporation.

Section 5 authorizes appropriations to permit the Treasury to subscribe to \$100 mil-lion in capital stock of the Corporation. Such stock or any part thereof may be retired at any time by the Corporation. Any residue of the assets of the Corpora-tion upon any liquidation shall be covered into the Treasury of the United States.

Section 6 permits the Corporation to make direct loans to public or private nonprofit limited profitmaking corporations. OT establishes mortgage terms: (1) Maximum maurity 50 years (not to exceed 60 years in certain cases of refinancing); (2) an inter-est rate computed on cost of money to the Corporation, plus one-half of 1 percent for administrative expenses; and (3) the maxi-mum mortgage may equal 90 percent of de-velopment cost of a mutifamily project and may not exceed 90 percent of such amount as the Corporation shall determine is necessary to make the housing units available for families of moderate income and elderly persons. The Corporation would have complete control over the nature of the project, development costs, and the schedule of rents.

Section 7 authorizes the Corporation to issue for purchase by the public (on or after July 1, 1960) up to \$500 million in obliga-tions and, with approval of the President, up to \$1.5 billion annually beginning July 1, 1961. Maximum outstanding obligations at any one time cannot exceed the aggregate of all assets of the Corporation. Maximum interest on obligations of the Corporation shall not exceed 4 percent per annum. In the event of default by the Corporation, the obligations would be replaced by debentures fully guranteed by the United States.

Section 8 establishes an insurance fund as a reserve account for losses, equal to one-fourth of 1 percent annually of the out-standing balance of mortgages held by the Corporation.

Section 9 gives priority for loans on projects which receive assistance from State or local government in ways specified in section 1(b).

Section 10 defines the following terms:

(a) "Families of moderate income" means families, or individuals who cannot purchase or rent conventionally financed new housing with total monthly housing expenditures of 20 percent of their normal stable income as defined by the Federal Housing Administration.

(b) "Eligible borrower" or "borrower' means (1) any private or public nonprofit organization (including cooperative ownership housing corporations), or (2) any private corporation, borrowing directly on a commitment from the Federal Limited Profit Mortgage Corporation and authorized to provide dwellings (i) the occupancy of which is to be permitted in consideration of agreed charges, or (ii) for sale to an organization of the character described in clause (1) of this paragraph.

'Corporation," except when used to (c) describe the Federal Limited Profit Mortgage Corporation, means either "corporation" or "trust."

(d) "Housing project" is defined to permit the inclusion of such stores, offices, or other commercial facilities, recreational or community facilities, or other nondwelling facilities as are necessary appurtenances to such housing project.

cost" (e) "Development includes normal and reasonable expenses incurred in the development of a housing project, as approved by the Corporation.

"Mortgage" or "mortgage loan" means (f) a first mortgage on real estate, in fee simple, or on a leasehold (1) under a lease for not less than 99 years which is renewable, or (2) under a lease for a period of not less than 75 years to run from the date the mortgage was executed.

"Veteran" means a person who has (g) served in the active military or naval serv-ice of the United States at any time (i) to July 26, 1947, (ii) on or after April 6, 1917, and prior to November 11, 1918, or (iii) on or after June 27, 1950, and prior to February 1, 1955, and who shall have been discharged or released therefrom under conditions other than dishonorable.

(h) "Going Federal rate" means the an-nual rate of interest (or, if there shall be two or more such rates of interest, the highest thereof) specified in the most re-cently issued bonds of the Federal Government having a maturity of 10 years or more.

(1) "State" means the several States, the District of Columbia, the Commonwealth of Puerto Rico, and the territories, depend-encies, and possessions of the United States.

(j) The term "elderly person" means a person 60 years of age or over or a family the head of which or his spouse is 60 years of age or over.

Section 11 makes certain technical amendment to related Federal statutes.

Section 12 makes real and tangible personal property of the Corporation subject to State and local taxation. Permits borrowers to obtain complete or partial tax exemption from State or other political subdivisions, and exempts the Corporation's franchise, capital, reserves, surplus, income, assets, and other property (except real estate and tangible personal property) from Federal, State, and local taxes. Also exempts all obligations issued by the Corporation and interest paid on such obligations from Federal, State, and local taxes.

Section 13 provides for certain minimum labor standards on construction assisted by this act, including provisions of the Davis-Bacon Act.

Section 14 provides for certain criminal penalties.

Section 15 provides that the act may be cited as the "Federal Limited Profit Mort-gage Corporation Act."

Mr. Speaker, for the benefit of those who have not had an opportunity to examine the bill as originally introduced, I am setting forth at this point in the RECORD the text of H.R. 3778:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

FINDINGS

SECTION 1. (a) While the Congress, in the declaration of national housing policy set forth in the Housing Act of 1949, established the goal of a decent home and a suitable living environment for every American family, experience has demonstrated that this goal is not being met or even approached for the millions of American families whose incomes are too high for admission to lowrent public housing but too low to afford the range of sales prices and rents required for satisfactory new private housing being produced under the existing Federal programs of assistance to private enterprise in housing. Therefore, to further implement the declaration of national housing policy, and con-sistent with the provision thereof that governmental assistance shall be utilized where feasible to enable private enterprise to serve more of the total housing need, the Congress hereby determines that there is an urgent need for a supplementary system of housing finance to enable private enterprise to provide homes of sound standards of design and construction for families of moderate income and for elderly persons.

(b) The Congress further determines that there are means available to State and local governments to further assist private enterprise to meet this need at little or no direct cost to such governments by (1) granting exemptions, in whole or in part, from taxation on the increased value of real property, (2) assisting in the assembling of sites assisting in the assembling through the use of the power of condemnation and eminent domain, and (3) promoting the use of sites, cleared under the slum clearance and urban renewal provisions of the Housing Act of 1949, as amended, for such housing. While not making such assistance mandatory, it is the sense of the Congress that such assistance should be given to housing constructed under this Act.

PURPOSE

SEC. 2. The purpose of this Act is to provide satisfactory housing in well-planned, economically sound residental neighborhoods for families of moderate income and elderly persons whose needs are not now being served through existing programs of assistance to private and public enterprise, and to accom-

plish this purpose, this Act makes financial assistance available to eligible borrowers for the provision of housing of sound design and construction which will promote such economies as will be fully reflected in reduced rents or charges.

CREATION AND POWERS OF FEDERAL LIMITED PROFIT MORTGAGE CORPORATION

SEC. 3. (a) To effectuate the purpose of this Act, there is hereby created a body corporate to be known as the "Federal Limited Profit Mortgage Corporation" (here-inafter referred to as the "Corporation") with authority, as herein provided, to make and service loans, issue obligations in such amounts, at such times, and on such terms as the Corporation may determine, and to exercise the other powers and duties pre-scribed in this Act. In the performance of, and with respect to, the functions, powers, and duties vested in it by this Act, the Corporation, notwithstanding the provisions of any other law, may-(1) adopt and use a corporate seal;

(2) sue or be sued in any Federal, State, or local court of competent jurisdiction;

(3) enter into contracts with regard to section 3709 of the Revised Statutes and make advance, progress, or other payments with respect to such contracts without regard to the provisions of section 3648 of the Revised Statutes, and include in any contract or instrument made pursuant to this Act deems necessary to assure that the purposes of this Act will be achieved;

(4) foreclose on any property or take any action to protect or enforce any right conferred upon it by any law, contract, or other agreement, and bid for and purchase at any foreclosure or any other sale any project or part thereof in connection with which it has made a loan pursuant to this Act;

(5) pay all expenses or charges in con-nection with, and deal with, complete, reconstruct, improve, rent, manage, make con-tracts for the management of, or establish suitable agencies for the management of, or sell for cash or credit, or lease in its discretion, in whole or in part, any project ac-quired pursuant to this Act and to pursue to final collection by way of compromise or otherwise all claims acquired by, or assigned or transferred to, it in connection with the acquisition or disposal of any housing project pursuant to this Act, notwithstanding any other provisions of law relating to the acquisition, handling, or disposal of real or personal property: Provided, That any such acquisition of real property shall not deprive the State or any political subdivision thereof of its civil or criminal jurisdiction in and over such property or impair the civil rights under State or local laws of the inhabitants on such property;

(6) acquire, hold, sell, or exchange at public or private sale, or lease, or otherwise dispose of, real or personal property, and sell or exchange any securities or obligations;

(7) subject to the specific limitations in this Act, consent to the modification, with respect to rate of interest, time of payment of any installment of principal or interest, security, or any other term, of any contract or agreement to which it is a party or which has been transferred to it pursuant to this Act:

(8) utilize and act through, with regard to section 3709 of the Revised Statutes, any Federal, State, or local public agency or instrumentality, or nonprofit agency or organization, with the consent of the agency or organization concerned, and contract with any such agency, instrumentality, or organ-ization for the furnishing of any services or facilities; and may make advance, progress, or other payments with respect to such contracts without regard to the provisions of section 3648 of the Revised Statutes;

(9) enter into contracts with any Fed-eral Housing Administration approved mort-

gage to service loans made by such institutions;

(10) have succession in its corporate name; and

(11) do all things which are necessary or incidental to the proper management of its affairs and the proper conduct of its business.

(b) The Corporation may determine the necessity for and the character of its obligations and expenditures and the manner in which they shall be incurred, allowed, and accounted for. The business of the Corporation shall not be considered official business of the United States within the meaning of any statute permitting the free use of the United States mails.

(c) The Corporation may make available to eligible borrowers technical and other assistance which they may require in the initiation, development, and administration of their project.

BOARD OF DIRECTORS

SEC. 4. (a) The management of the Corporation shall be vested in a Board of Directors (hereinafter referred to as the "Board") consisting of five persons, one of consisting of five persons, one of whom shall be the Housing and Home Fi-nance Administrator as Chairman of the Board, and four of whom shall be appointed by the Administrator from among the officers employees of the Corporation, of the immediate office of the Administrator, or (with the consent of the head of such department or agency) of any other depart-ment or agency of the Federal Government. Board shall meet at the call of its The Chairman, who shall require it to meet not less than once each month. Within the less than once each month. It is a limitations of law, the Board shall determine the general policies which shall govern the operations of the Corporation. The Board shall select and effect the appointment of a qualified person to fill the office of President of the Corporation. The basic rate of compensation of the position of President of the Corporation shall be the same as the basic rate of compensation established for the heads of the constituent agencies of the Housing and Home Finance Agency. The Board shall select, employ, appoint, and fix the compensation of such other officers and employees as may be necessary to carry out the duties of the Corporation, without regard to the provisions of law applicable to the employment, compensation, leave, or expenses of officers and employees of the United States; except that the rates of basic compensation of such officers and employees shall be comparable to those established for officers and employees under the Classification Act of 1949, as amended. The members of the Board, as such, shall not receive compensation for their services. (b) The Board shall supervise the Cor-

poration, shall perform the other duties prescribed herein, and shall have the power to adopt, amend, and require the observance of such rules, regulations, and orders as shall be necessary from time to time for carrying out the purposes of this Act and for coordinating the activities of the Corporation with the housing functions and activities administered within the Housing and Home Finance Agency, or any of its constituent agencies, and with the general economic and fiscal policies of the Govern-ment, and in carrying out these responsibilities the Board shall consult with the Advisory Committee, established under subsection (c) of this section. In the perform-ance of, and with respect to, the functions, powers, and duties vested in it by this Act, the Board, notwithstanding the provisions of any other law, may exercise any of the powers enumerated in the second sentence of section 3(a) of this Act and shall-

(1) estimate the need for housing for moderate-income families and elderly persons in each housing market area of the country and allocate and reallocate to each area its appropriate share of the loan funds authorized by this Act; (2) delegate, in its discretion, any of the

(2) delegate, in its discretion, any of the functions, powers, and duties vested in it by this Act to any officers or employees under its direction and supervision;

(3) take such steps as it deems necessary and desirable to assure that the benefits of this program are not dissipated through speculative devices, to assure that the organization of any corporate borrower and its proposed methods of operation are such as will avoid its use for speculative purposes or the payment of excessive fees, salaries, or charges in connection with any housing project, and to encourage borrowers to adopt methods by which occupants of dwellings may be permitted to reduce their rentals or other occupancy charges by occupant maintenance and repair or other means of selfhelp and methods whereby they may acquire (subject to the right of a cooperative to re-purchase) ownership of their individual dwellings where such dwellings are free standing; and

(4) make an annual report to the President of the United States, for transmission to the Congress, to be submitted as soon as practicable following the close of the year for which such report is made.

(c) (1) An advisory committee shall be appointed by the Board to consist of seven members. In appointing such members the Board shall seek to obtain persons whose knowledge and experience in one or more of the fields of State or local government, the building of rental and cooperative housing projects, or the promotion or development of such projects, would be of assistance in the administration of the program authorized by this Act. From the members appointed to such committee the Board shall designate a chairman. The committee shall meet on the call of the Board which shall be not less than twice during each calendar year.

(2) Members of the advisory committee shall be entitled to receive compensation at a rate to be fixed by the Board, but not exceeding \$50 per diem, and shall be entitled to receive an allowance for actual and necessary traveling and subsistence expenses, while attending meetings of the committee or otherwise serving at the request of the Board.

CAPITAL STOCK

SEC. 5. (a) The Corporation may issue capital stock from time to time which shall be subscribed for by the Secretary of the Treasury on behalf of the United States, and payments for such subscriptions shall be subject to call in whole or in part by the Corporation: Provided, That the total amount of such stock subscribed for and held by the Secretary of the Treasury at any time shall not exceed \$100,000,000. Stock held by the Secretary of the Treasury shall be entitled to cumulative dividends for each year equal to a return on the average amount, at par, of such stock outstanding during such fiscal year at a rate determined by the Secretary of the Treasury, taking into consideration the current average interest rate on outstanding marketable obligations of the United State as of the last day of the sixth month of such fiscal year. The Corporation shall issue to the Secretary of the Treasury receipts for payments by him for or on account of such stock, and such receipts shall be evidence of the stock ownership of the United States. There are hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the amounts necessary to enable the Secretary of the Treasury to make payments on such stock when called. Such stock or any part thereof may be retired at any time by the Corporation.

(b) The assets of the Corporation, upon any liquidation, shall be used to retire all outstanding stock at par, to pay any accrued dividends, and to retire, pay, or settle all outstanding obligations. Any residue shall be covered into the Treasury as miscellaneous receipts.

MORTGAGE LOANS

SEC. 6. (a) To assist the production of housing of sound standards of design, construction, livability, and size for adequate family life available for families of moderate income, and for elderly persons, the Corporation, upon application of an eligible borrower (as defined in section 10(b)) and subject to the terms and conditions of this Act, may make a mortgage loan (including advances during the development of the housing project) to such borrower, or enter into commitments to purchase or repurchase loans to finance the development of a housing project to be undertaken by such borrower. No such loan shall be made unless— (1) The Corporation shall have determined that—

(A) the borrower is an eligible borrower of the character described in section 10(b) hereof and that, in the case of a nonprofit cooperative ownership housing corporation, the membership thereof is comprised predominantly of families of moderate income, or elderly persons (or both) or that, in the case of a borrower other than a nonprofit cooperative ownership housing corporation, the dwellings in such housing project are to be made available to families of moderate income or elderly persons;

(B) the proposed housing project will meet a need for housing of families of moderate income or elderly persons;

(C) the location and physical planning of the housing project will afford reasonable assurance as to the stability of the neighborhood, and the dwellings in the housing project will meet sound standards of design, construction, livability, and size for adequate family life or for elderly persons; and

(D) the housing project will not be of elaborate or extravagant design or construction, and such design and construction and of operation and maintenance are such as will promote such economies as are contemplated to be achieved through the nonprofit character of the borrower, increased efficiency in production through the use of new or improved materials and techniques and methods of construction or otherwise, increase efficiency in operation and management, minimum necessary operating services, occupant maintenance, or otherwise; and

(2) the borrower shall have agreed with the Corporation—

(A) not to incur or pay any excessive fees, salaries, or charges in connection with the housing project;

(B) to establish an initial schedule of rents or charges for the dwellings in the housing project which will permit such dwellings to be made available for families of moderate income, or for elderly persons, and such initial schedule of rents or charges and all revisions thereof shall be subject to the prior approval of the Corporation: Provided, That the Corporation shall not approve any initial schedule of rents or charges unless the Board has certified (1) that such rents or charges will permit the dwellings to be made available for families of moderate income or for elderly persons, and (ii) that such schedule is consistent, insofar as applicable, with the requirements of paragraph (2) (E) of this section, and reflects any savings derived by the borrower under any tax exemption which may have been obtained by such borrower in accordance with the proviso to section 12 of this Act;

(C) to give preference in the selection of tenants for the housing project (as among eligible applicants) first, to families displaced by public clearance or enforcement action; second, to families living in substandard homes; and, third, to families living in overcrowded homes, veterans to have preference in each category: *Provided*, That in respect to dwelling units specifically designed and designated for elderly persons, such persons shall have a preference for the tenancy of such housing, without regard to the foregoing preferences;

(D) to maintain the housing project, including all equipment therein, and all appurtenances thereto, in good condition throughout the life of the mortgage loan, and to establish and maintain adequate reserves for repairs, maintenance, and replacements necessary to so maintain such housing project:

 (\mathbf{E}) to pay dividends, if the borrower is a corporation of the character described in clause (2) (i) of section 10(b) of this Act, at a rate which is not in excess of 6 per centum per annum: *Provided*, That, if in any year the Corporation is unable to pay dividends at the rate agreed to hereunder, dividends may be paid out of surplus earned in any subsequent year at a rate in excess of that agreed to but only to the extent necessary to give stockholders a return on their investment (not including any allowance for interest) equal to that which they would have received if dividends had been paid consecutively at the approved rate; and

(F) to comply with such other terms and conditions as the Corporation finds, prior to the mortgage loan, are necessary or desirable to carry out the purposes of this Act; and

(3) In the case of a cooperative ownership housing corporation, the members at the time of making application for the mortgage loan are equal to at least 30 per centum of the number of members proposed to be served by such housing project: *Provided*, That, prior to the receipt of any proceeds of such mortgage loan, the members of such cooperative borrower shall be equal to at least 80 per centum of the number of members proposed to be served by such housing project.

(b) The mortgage loan shall involve a principal obligation in an amount (1) not exceeding 90 per centum of the develop-ment cost (as defined in section 10(e)) of the housing project as determined by the Corporation, and (2) not exceeding 90 per centum of such amount as the Corporation shall have determined to be the maximum within which the project must be constructed in order that it may be made available for families of moderate income at rentals charges within their means. No loan or shall be made unless the mortgagor has agreed to certify the cost in the manner provided by section 227 of the National Hous-ing Act for Federal Housing Administration mortgage insurance.

(c) (1) If a mortgage loan made under this Act to any eligible borrower involves a principal obligation which is less than that authorized under subsection (b) of this section, and the borrower proposes to raise additional funds through sources other than the Corporation to be secured through insured or guaranteed mortgages, debentures, bonds, or otherwise, the total mortgage loan and such other borrowing shall not exceed in the aggregate the maximum principal obligation authorized under subsection (b), and the rights of the Corporation under any such mortgage loan shall not be subordinate to the rights of any other creditor supplying such additional funds. The provisions of this Act shall apply to any project financed in whole or in part by the Corporation.

(2) A mortgage loan may be made under the provisions of this Act to an eligible borrower involving a principal obligation which is less than that authorized under subsection (b) of this section, to represent part of the obligation secured by a single mortgage with equal priorities, when the remainder of the funds obligated under such single mortgage are secured from State or local government funds, and the total mort-

gage loan and any other borrowing under the provisions of paragraph (1) of this subsection does not exceed in the aggregate the maximum principal obligation authorized under subsection (b) of this section. (d) The mortgage loan shall provide for

complete amortization within a period of fifty years by periodic payments upon such terms, including a program providing for level payments of principal and interest, as the Corporation shall prescribe, and shall bear interest, on the amount of the principal obligation of such mortgage loan outstanding at any time, at a fixed rate, based on the cost to the Corporation of capital investment and borrowings from the private market, plus one-half of 1 per centum to compensate the Corporation for its estimated overhead and administrative ex-penses in connection with such loan and for proportionate payments to required reserves. In the event of the refinancing of the loan (within such period as the Corporation shall prescribe), if the cost to the Corporation of capital investment and borrowings from the private market makes necessary an increase in the rate of interest which pursuant to this subsection, the Corporation is required to charge on the mortgage loan, the amortization period may be extended to a date not later than sixty years after the date of the original mortgage: That no such extension shall be Provided. made unless the Corporation determines that the increase otherwise resulting in the rents or charges for the dwellings in the housing project would adversely affect the of such housing project. stability The mortgage loan may, in the discretion of the Corporation, include provision for the deferment of payments of principal and interest thereunder: *Provided further*, That such deferments shall not in the aggregate result in an extension of the maturity of the mortgage for a period of more than three years nor shall any such deferments result in an extension of the maturity of the mortgage for more than three years be-yond the mortgage maturity otherwise authorized herein.

(e) Subject to the provisions of this section, the mortgage loan shall be in such form, contain such provision as to security, repayment, and redemption, and be subject to such other terms and conditions as the Corporation may determine: *Provided*, That in the case of a borrower of the character described in section 10(b)(1), the mortgage loan shall contain provisions requiring that such borrower have, to the extent permitted by State and local law, a priority for the purchase of the interest of each of its members in the dwelling of such member in the event of sale of such interest.

(f) The borrower may, with the consent of the Corporation, pledge the contract or commitment of the Corporation to make a mortgage loan hereunder as security for a loan of construction funds from other sources.

(g) The Corporation may charge to the borrower (in addition to any interest charges) an amount not exceeding one-half per centum of the principal amount of the mortgage loan for inspection and other services during the construction of any housing project. The Corporation may also charge to an applicant for a mortgage loan under this Act a reasonable fee for the cost of processing applications, which shall be payable by the applicant whether or not such application is approved. If the borrower proposes to raise additional funds through sources other than the Corporation to be secured through insured or guaran-teed mortgages, debentures, bonds, or otherwise, the inspection charge herein authorized shall be computed on the total amount borrowed from the Corporation and such other sources for the construction of such project. Such service charges may be in-

cluded as a part of the development cost of the project and may be payable from the proceeds of any mortgage loan or advances thereon.

(b) (1) Each recipient of a mortgage loan under this section shall keep such records as the Corporation shall prescribe, including records which fully disclose the amount and disposition by such recipient of the proceeds of such mortgage loan, the total cost of the housing project in connection with which such loan is made, and the amount and nature of that portion of the cost of the project or undertaking supplied by other sources, and such other records as will facilitate an effective audit.

(2) The Corporation and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of the eligible borrowers that are pertinent to mortgage loans received under this section.

(i) In any State where a State or local agency has been created pursuant to State law to supervise the operation of a housing program found by the Corporation to be substantially similar to the provisions of this Act, the Corporation may provide by agreement with such agency for the supervision and administration by such agency of the mortgage loans made under the provisions of this section, in order to prevent duplication of functions, and to achieve administrative economies and coordination between the program established under this Act and any State or local programs to deal with the needs of middle income families and aged persons.

(j) If a local agency has been designated pursuant to the provisions of subsection (i) of this section, mortgage loans under this section shall be limited to borrowers organized or approved with the consent of the local agency pursuant to the provisions of applicable State law.

(k) After the expiration of twenty years from the date of the original mortgage loan under the provisions of this section, a borrower may relieve itself of further supervisions by the Corporation or any agency designated under the provisions of subsection (i) of this section, upon repayment of the mortgage loan and of such portion of the value of tax abatement as may have been granted it by State or local government and to which such government does not at such time waive the rights of repayment.

OBLIGATIONS OF CORPORATION

SEC. 7. (a) The Corporation is authorized to issue and have outstanding on and after July 1, 1961, notes or other obligations in an aggregate annual amount not to exceed \$500,000,000 except that with the approval of the President such aggregate annual amount may be increased at any time or times on or after July 1, 1962, by additional amounts aggregating not more than \$1,500,-000,000 upon a determination by the President, taking into account the general effect of any such increase upon conditions in the building industry and upon the national economy, that such increase is in the public interest: *Provided*, That the aggregate amount outstanding at any one time shall not exceed the unpaid principal of mortgage loans contracted for or held by it under this Act (without regard to amounts of prior advances on such loans), plus the value (as determined by the Corporation) of any acquired properties, the amount of its cash on hand and on deposit, and the amount of its investments authorized herein: Provided further, That the interest on obligations issued by the Corporation under this section shall not exceed a rate of 4 per centum per annum.

(b) The failure of the Corporation to make any payment due under or provided to be paid by the terms of any note or other obligation issued by the Corporation pursuant to subsection (a) of this section shall be considered a default under such note or other obligation, and, if such default continues for a period of thirty days, the holder of such note or obligation shall be entitled to receive debentures (in principal amount equal to the unpaid principal of the defaulted note or other obligation of the Corporation plus any interest due and unpaid on such note or other obligation), as hereinafter provided, upon assignment, transfer, and delivery to the Corporation, within a period and in accordance with rules and regulations to be prescribed by the Corporation, of the note or other obligation in default. Debentures issued under this subsection shall be executed in the name of the Corporation as obligor, shall be signed by the Chairman of the Board by either his written or engraved signature, and shall be negotiable. Such debentures shall bear interest at a rate determined by the Corporation, with the approval of the Secretary of the Treasury, at the time the defaulted note or other obligation of the Corporation was issued, but not to exceed the rate of interest applicable to the defaulted note or other obligation, or the going Federal rate, whichever is the lower, payable semiannually on the 1st day of January and on the 1st day of July of each year, and shall mature three years after the 1st day of July following the maturity date of the defaulted note or other obligation of the Corporation in exchange for which such debentures were issued. Such debentures shall be paid out of the Insurance Fund or out of any funds of the Corporation which shall be primarily liable therefor, and shall be fully and unconditionally guaranteed as to principal and interest by the United States, and such guaranty shall be expressed on the face of the debenture. In the event the Corporation fails to pay upon demand when due, the principal or interest on, any debenture so guaranteed, the Secretary of the Treasury shall pay to the holder or holders the amount thereof which is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, and thereupon, to the extent of the amount so paid. the Secretary of the Treasury shall succeed to all the rights of the holder or holders of such debentures. Debentures issued under this subsection (b) shall be in such form and denominations in multiples of \$50, shall be subject to such terms and conditions, and shall include such provision for redemption, if any, as may be prescribed by the Corporation, with the approval of the Secretary of the Treasury, and may be in coupon or registered form, and shall not be subject to the limitations prescribed by subsection (a) of this section. Any difference between the amount of debentures to which the holder of the defaulted note or other obligation of the Corporation is entitled under this subsection (b) and the aggregate principal amount of the debentures issued, not to exceed \$50, shall be adjusted by the payment of cash by the Corporation. The Corporation may, with the approval of the Sec-retary of the Treasury, purchase in the open market debentures issued under the provisions of this subsection (b). Such purchases shall be made at a price which will provide an investment yield of not less than the yield obtainable from other investments authorized by this Act. Debentures so purchased shall be canceled and not reissued.

RESERVES, DIVIDENDS, AND INVESTMENT OF FUNDS

SEC. 8. The Corporation shall carry to a specific reserve account for losses, to be known as the Insurance Fund, semiannually from interest receipts on mortgage loans amounts equal to one-fourth of 1 per centum per annum of the then outstanding balance of such mortgage loans. The Corporation shall make such chargeoffs on account of depreciation or impairment of its assets as the Board shall require from time to time. In addition to the Insurance Fund reserve account for losses, the Board shall require the establishment and maintenance of, and the Corporation shall establish and maintain, such reserve or reserves as it deems necessary. Such reserves, including the Insurance Fund, and all other funds of the Corporation not invested in mortgage loans or operating facilities, shall be kept in cash or on deposit or invested in bonds or other obligations of, or guaranteed as to principal and interest by, the United States.

PRIORITY ACCORDED TO APPLICATIONS

SEC. 9. In the processing of applications for financial assistance under this Act the Corporation shall give priority to applications with respect to projects which will receive assistance from a State or local government in one or more of the ways specified in section 1(b) of this Act.

DEFINITIONS

SEC. 10. As used in this Act, the following terms shall have the meanings, respectively, ascribed to them below, and unless the context clearly indicates otherwise, shall include the plural as well as the singular number:

(a) "Families of moderate income" means families, or individuals, whose incomes preclude them from purchasing or renting conventionally financed new housing with total monthly housing expenditures of 20 per centum of their normal stable income as defined by the Federal Housing Administration.

(b) "Eligible borrower" or "borrower" shall mean (1) any private or public nonprofit organization (including but not limited to cooperative ownership housing corporations), or (2) any private corporation, borrowing directly on a commitment from the Corporation and authorized to provide dwellings (1) the occupancy of which is to be permitted in consideration of agreed charges, or (ii) for sale, at cost plus an amount representing profit not exceeding 6 per centum (as certified in the manner prescribed in section 227 of the National Housing Act), to an organization of the character described in clause (1) of this paragraph.

(c) The term "corporation" (except when used to designate the Corporation created by section 3 hereof) shall mean either "corporation" or "trust" and references to members of such corporations shall with respect to trusts mean the beneficiaries thereof.

(d) "Housing project" shall mean a project (including all property, real and personal, contracts, rights, and choses in action acquired, owned, or held by a borrower in connection therewith) of a borrower designed and used primarily for the purpose of providing dwelling: *Provided*. That nothing in this Act shall be construed as prohibiting the inclusion in a housing project of such stores, offices, or other commercial facilities, recreational or community facilities, or other nondwelling facilities as are necessary appurtenances to such housing project.

(e) "Development cost" shall mean (1) the amount of the reasonable costs incurred by the borrower in, and necessary for, carrying out all works and undertakings for the development of a housing project and shall include the cost of all necessary surveys, plans and specifications, architectural, engineering, or other special services, land acquisition, site preparation, construction and equipment, interest incurred during the development of the housing project up to the time of completion, initial working capital for the administration of the housing project, necessary expenses (including any initial operating deficit) in connection with the initial occupancy of the housing project, and the cost of such other items as the Corporation shall determine to be necessary for the development of the housing project, or less net rents and other net income received from the housing project prior to the time of its completion, as determined by the Corporation, or (2) the cost, as approved by the Corporation, incurred by the borrower in, and necessary for the acquisition of, a housing project developed with a loan made under this Act. For the purposes of this subsection, the Corporation shall consider in determining the reasonable cost of land acquisition the effect of local assistance for assembling and clearing the site and securing title thereto as provided in section 1(b) of this Act.

of this Act. (f) "Mortgage" or "mortgage loan" shall mean a first mortgage on real estate, in fee simple, or on a leasehold (1) under a lease for not less than ninety-nine years which is renewable or (2) under a lease having a period of not less than seventy-five years to run from the date the mortgage was executed; and the term "first mortgage" shall mean such classes of first liens as are commonly given to secure advances on, or the unpaid purchase price of, real estate, under the laws of the State in which the real estate is located, together with the credit instruments, if any, secured thereby. (g) The term "veteran" shall mean a per-

(g) The term "veteran" shall mean a person who has served in the active military or naval service of the United States at any time (i) on or after September 16, 1940, and prior to July 26, 1947, (ii) on or after April 6, 1917, and prior to November 11, 1918, or (iii) on or after June 27, 1950, and prior to February 1, 1955, and who shall have been discharged or released therefrom under conditions other than dishonorable.

(h) The term "going Federal rate" shall mean the annual rate of interest (or, if there shall be two or more such rates of interest, the highest thereof) specified in the most recently issued bonds of the Federal Government having a maturity of ten years or more.

(i) "State" shall mean the several States, the District of Columbia, the Commonwealth of Puerto Rico, and the territories, dependencies, and possessions of the United States.

(j) The term "elderly persons" means a person sixty years of age or over or a family the head of which or his spouse is sixty years of age or over.

AMENDMENTS OF OTHER ACTS

SEC. 11. (a) The sixth sentence of paragraph Seventh of section 5136 of the Revised Statutes, as amended (12 U.S.C. 24), is amended by inserting before the comma after the words "or obligations of the Federal National Mortgage Association" the following: ", or notes, debentures, or other obligations of the Federal Limited Profit Mortgage Corporation".

(b) Section 5200 of the Revised Statutes, as amended (12 U.S.C. 84), is amended by adding at the end thereof the following:

"(14) Notes, obligations, and debentures of the Federal Limited Profit Mortgage Corporation shall not be subject to any limitation based upon such capital and surplus."

(c) Section 101 of the Government Corporation Control Act (31 U.S.C. 846) is hereby amended by striking out the period at the end of the section and inserting in lieu thereof a semicolon and the following: "Federal Limited Profit Housing Corporation.".

TAXES

SEC. 12. All real property and tangible personal property of the Corporation shall be subject to State, county, municipal, or local taxation to the same extent according to its value as other similar property is taxed, and any real property shall be subject to special assessments for local improvements: *Provided*, That nothing contained herein shall be construed to prohibit any eligible borrower from contracting with any State, or political subdivision thereof, for the purpose of obtaining a complete or partial exemption from any taxation or assessments otherwise authorized by this section. Except as to such taxation of real property and tangible personal property, the Cor-poration, including but not limited to its franchise, capital, reserves, surplus, income, assets, and other property, shall be exempt from all taxation now or hereafter imposed by the United States or by any State, county, municipality, or local taxing authority. All notes, debentures, and other obligations of the Corporation shall be exempt, both as to principal and interest, from all taxation imposed by the United States, or any State, county, municipality, or local taxing authority.

PROTECTION OF LABOR STANDARDS

SEC. 13. In order to protect labor standards---

(a) any contract for a loan pursuant to this Act shall contain a provision requiring: (1) that not less than the salaries prevalling in the locality, as determined or adopted (subsequent to a determination under applicable State or local law) by the Corporation, shall be paid to all architects, technical engineers, draftsmen, and technicians employed in the development, and to all maintenance laborers and mechanics employed in the administration, of the housing project involved; (2) that not less than the wages prevailing in the locality, as predetermined by the Secretary of Labor pursuant to the Act of March 3, 1931 (Davis-Bacon Act), as amended, shall be paid to all laborers and mechanics employed in the development of the housing project involved; and (3) that certifications as to compliance with the provisions of this subsection be made prior to the making of any payment under such contract;

(b) the provisions of section 874 of title 18, United States Code, and of section 2 of the Act of June 13, 1934, as amended (40 U.S.C. 276c), shall apply to any housing project financed in whole or in part with funds made available pursuant to this Act;

(c) any contractor engaged on any housing project financed in whole or in part with funds made available pursuant to this Act shall report monthly to the Secretary of Labor, and shall cause all subcontractors to report in like manner, within five days after the close of each month and on forms to be furnished by the United States Department of Labor, as to the number of persons on their respective payrolls on the particular housing project, the aggregate amount of such payrolls, the total manhours worked, and itemized expenditures for materials. Any such contractor shall furnish to the Department of Labor the names and addresses of all subcontractors on the work at the earliest date practicable.

PENALTIES

SEC. 14. (a) Any person who induces or influences a borrower hereunder to purchase or acquire property or to enter into any contract, in connection with any housing project to be financed, in whole or in part, with a loan made under this Act, and willfully fails to disclose any interest, legal or equitable, which he has in such property or such contract, or any special benefit which he expects to receive as a result of such contract, shall be fined not more than \$5,000, or imprisoned for not more than one year, or both.

(b) No individual, association, partnership, or corporation (except the Corporation established under this Act) shall hereafter use the words "Federal limited profit mortgage corporation", or any combination of words which might reasonably lead to confuse with the Federal Limited Profit Mortgage Corporation as the name or a part

thereof under which he or it shall do business. Any such use shall constitute a misdemeanor and shall be punishable by a fine not exceeding \$1,000.

(c) Whoever, for the purpose of obtaining any loan under this Act, or any extension or renewal thereof or the acceptance, release, or substitution of security therefor, or for the purpose of influencing in any way the action of the Corporation under this Act, makes any statement, knowing it to be false, shall be punished by a fine of not more than \$5,000, or by imprisonment for not more than one year, or both.

(d) Whoever (1) falsely makes, forges, or counterfeits any obligation, in imitation of or purporting to be an obligation issued by the Corporation, or (2) passes, utters, or publishes, or attempts to pass, utter, or publish, any false, forged, or counterfeited obligations purporting to have been issued by the Corporation, knowing the same to be false, forged, or counterfeited, or (3) falsely alters any obligation issued or purporting to have been issued by the Corporation, or (4) passes, utters, or publishes, or attempts to pass, utter, or publish, as true, any falsely altered or spurious obligation issued or purporting to have been issued by the Corporation, knowing the same to be falsely altered or spurious, shall be punished by a fine of not more than \$10,000, or by imprisonment for not more than five years, or both.

(e) Whoever, being connected in any capacity with the Corporation, (1) embezzles, abstracts, purloins, or willfully misapplies any moneys, funds, securities, or other things of value, whether belonging to it or pledged, or otherwise entrusted to it, or (2) with intent to defraud the Corporation or any other body, politic or corporate; or any individual, or to deceive any officer, auditor, or examiner of the Corporation, makes a false entry in any book, report, or statement of or to the Corporation, or without being duly authorized draws any order or issues, puts forth, or assigns any note, debenture, bond, or other such obligation, or draft, bill of exchange, mortgage, judgment, or decree thereof, shall be punished by a fine of not more than \$10,000, or by imprisonment for not more than five years, or both.

(f) All general criminal and penal statutes of the United States relating to public moneys, property, or employees of the United States shall apply to public moneys, property, and employees of the Corporation. No officer or employee of the Corporation shall participate in any manner affecting his personal interests or the interests of any corporation, partnership, or association in which he is directly or indirectly interested.

SHORT TITLE

SEC. 15. This Act may be cited as the "Federal Limited Profit Mortgage Corporation Act".

UNITED STATES INTERNATIONAL AIRLINES

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Oklahoma [Mr. JARMAN] is recognized for 20 minutes.

Mr. JARMAN. Mr. Speaker, this distinguished body and the other body have both recently been concerned with factors precipitating the deterioration of United States international airlines. On May 9, I addressed the House concerning official proposals to grant additional air routes to foreign airlines and at that time noted the adverse impact such concessions would have upon U.S.-flag carriers—CONGRESSIONAL RECORD, pages 7673-7675. Today, I want to call to your attention another illustration of foolish

bargaining and to urge a reevaluation of one of the most inferior international agreements made over the last several years.

Mr. Speaker, prior to August 1957, air service between Australia and the United States was the subject of an agreement which initially came into effect on December 3, 1946. Under the terms of this agreement, there was a balanced exchange of air routes between the two countries, with the United States having a route from San Francisco via intermediate points to Sydney, Australia, and the Australian Government airline, Quantas, having a route from Sydney via intermediate points to San Francisco. However, on August 12, 1957, after days of negotiations, an exchange of notes took place between the Secretary of State and the Australian Ambassador to the United States.

This exchange authorized extension of the Australian air route eastward from San Francisco to New York, to London, and to areas beyond, in exchange for an American route from Sydney to Djakarta, Singapore, and other points. As a result of the 1957 agreement, Australia was given entry into the world's greatest traffic flow-the North Atlantic-while the United States was granted entry into a questionable market within a very troubled portion of the world. But, Mr. Speaker, the most onerous feature of the exchange of notes was that it laid the foundation for a State Department interpretation that the island of Tahiti should be considered as an intermediate point on the route from San Francisco to Sydney. This interpretation is very seriously disputed. However, if it be true that the Department traded the San Francisco-Tahiti route to the Australians in exchange for an American route from Tahiti to Australia, then the "trade" at best is foolish and exceedingly unwise. Mr. Speaker, I am not unaware that such an accusation is serious, but I believe that the facts substantiate its accuracy. For example, air traffic to Tahiti from the United States is six times larger than that from Australia. A Foreign Service report of February 1959 also states that 75 percent of all tourists to French Polynesia are American citizens. Yet, in spite of these facts. the State Department would have us trade this American-derived market to a foreign carrier who has absolutely nothing by way of comparison to offer in exchange.

Mr. MAILLIARD. Mr. Speaker, will the gentleman yield?

Mr. JARMAN. I yield to the gentleman from California.

Mr. MAILLIARD. I want to thank the distinguished gentleman from Oklahoma for yielding. I am certainly impressed with your very able statement on a very serious problem. The gentleman has raised this question of air service to Tahiti. I would like to describe briefly a case history which illustrates the problem of giving consideration to foreign airlines and none to our own. That is the history of this air service to Tahiti. U.S. citizens are traveling more and more in the Pacific and Tahiti is one of the last and most desirable

destinations to be opened up to tourists. Almost 90 percent of the Tahiti passengers carried are from the United States. Since the overwhelming majority of traffic originates in the United States, several U.S. carriers have sought an extension to Los Angeles and to San Francisco. A majority of the CAB mem-bers voted for an extension, but they have, as yet, been unable to agree on the carrier and the case is still bogged down in reconsideration procedures. Since May 4 of this year, a French company, TAI, has been operating DC-8 nonstop flights between Los Angeles and Tahiti and has been operating a second flight weekly between San Francisco-Honolulu and Tahiti. No action of any kind has been taken by our Government to permit a U.S. carrier to protect our country's interest in a market which it opened.

I do not think there is any other instance in the world where the United States has placed itself at as great a disadvantage as is now being experienced by our carriers against this French airline. One of our distinguished companies in San Francisco, the Dollar organization, a pioneering steamship company and now a pioneer in air service to Tahiti, has already lost over \$800,000 in keeping this operation going. This company, in the tradition of its founder, the late Capt. Robert Dollar, is investing its own money in this enterprise and has not asked for any subsidy.

But how can this company, for one, hope to give adequate representation to American interests when we have given France such a significant competitive edge? How much more money is going to have to be lost before the Government recognizes that U.S. carriers ought to be given some possibility of competing equally with foreign carriers? It seems elementary to me that in situations of this kind the United States ought to first decide what international air service it wants to provide rather than let a more aggressive foreign carrier come in and skim the cream off the U.S. traffic while our own carriers who attempted to pioneer in this area stand by absolutely helpless while they are tied up in bureaucratic redtape?

Mr. JARMAN. I thank my colleague for his excellent contribution.

Mr. Speaker, I would like to ask permission that the gentleman from Florida [Mr. FASCELL] be permitted to extend his remarks at this point in the RECORD and include extraneous material.

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

There was no objection.

Mr. FASCELL. Mr. Speaker, the distinguished gentleman from Oklahoma [Mr. JARMAN] has on several occasions spoken on the specific problem areas of air transportation in our international operations. In calling attention to this very sensitive and difficult field of international and diplomatic negotiations, he is performing a very valuable public service.

We all need to know more about the subject generally and it would be beneficial to carefully and prudently review our specific actions. Obviously, it is difficult to maintain a fair balance between the interests of our own airlines who must operate in foreign countries and the interest of foreign carriers which operate in the United States. But we must always strive for this balance.

We do not desire and should not ask any undue advantage for our own airlines operating in foreign countries, and I am sure they do not want any advantage in U.S. reciprocity unless it is voluntarily given to them.

There is a case to be made, however, for the stiff competition which U.S. airlines are bucking in the international field. Just 10 years ago our U.S.-flag carriers handled 75 percent of the traffic between this country and foreign lands; we now handle less than half of that market even though the major portion of those traveling are U.S. residents.

Our dwindling position in the international market is of vital concern to Dade County since over a million air passengers passed through Miami's portals last year. If foreign competition continues to diminish our country's share in the market it will have a devastating effect on the payrolls and economy in our community and throughout the Nation.

A recent editorial in the Miami Herald graphically illustrates what we face if this trend is allowed to continue:

Foreign Lines Boom, We Dwindle—Our Share and Air Travel

Danger signals are flying for the U.S. international air carriers. Just 10 years ago they were handling 75 percent of the traffic between this country and foreign lands. Today that share has dwindled to half and the loss to foreign carriers last year alone was 5 percent.

5 percent. On the North Atlantic route—the busiest in the world—our flag carriers flew only 38 percent of the passengers last year. The bulk of the enormous increase in volume was captured by the 17 competing countries.

The decline of our relative position in the international air picture concerns us in Dade County in an intimate way. Our stake in aviation is large and we are a major international gateway, by far the most important for Latin America. Last year 1,065,436 foreign travelers passed through Miami International Airport.

The current campaign to make Miami a coterminal with New York for the expanding North Atlantic traffic, if successful, would give us clear supremacy as an airport of entry because of our excellent year-round flying weather. But if this traffic is increasingly handled by foreign lines it would adversely affect our payrolls and economy.

But the concern is not ours alone. The increasing foreign competition means a dollar drain and affects the health of U.S. airlines already in financial difficulty. Stuart G. Tipton, president of the Air Transport Association, warned in a recent speech:

"What we are witnessing is a modern day version of the sad decline of our merchant marine—only the airline decline is occurring at a much more rapid rate."

Who or what is to blame? Senator GEORGE SMATHERS told his colleagues the other day that the situation is largely diplomatic and political—the result of "peculiar handicaps" placed on our airlines by our own Government to the advantage of competitors. "These handicaps," said the Senator, "are

"These handicaps," said the Senator, "are the outgrowth and consequence of a failure on the part of our State Department to maintain a firm, established policy in awarding air routes and a failure to see that the legitimate economic interests of U.S. airlines are properly protected.

"The major reason for our decline in international air carriage," the Senator continued, "can be found in the bilateral air agreements the State Department has negotiated with foreign governments and the way these agreements have been carried out. Our negotiators have disregarded principles of equity and reciprocity and have in effect, offered to foreign carriers a silk purse in return for a sow's ear."

Every nation aspires to have its flag carriers in the international air and some spend huge subsidies to keep them there. U.S. carriers recognize these aspirations and are willing to face this competition on equal terms.

But when the United States generates the great bulk of international travel only to see it handled increasingly by foreign carriers granted concessions damaging to our own civil aviation establishment, there seems justification for the rising criticism in the aviation industry and in Congress. No one respects a man, however well intentioned, who builds his neighbor's house while his own is falling to pieces. By the same token it is hard to see how long-range foreign policy goals can be expedited by diluting the strength of our own hard-pressed international air carriers.

Mr. YOUNGER. Mr. Speaker, will the gentleman yield?

Mr. JARMAN. I am happy to yield to my colleague from California.

Mr. YOUNGER. I want to compliment the gentleman from Oklahoma, Mr. Speaker, on a fine statement and on bringing to the attention of the House a condition that has been hurting our air commerce.

I think the gentleman realizes that we had a similar case with Mexico where we were about to be deprived of a route from Los Angeles to Mexico City, yet we were giving a route to the Mexican airline from Mexico City to Los Angeles, two very, very fine terminals for air traffic. I cannot understand why our State Department, which has jurisdiction and final say in the granting of these routes, should continue to give weak routes and weak consideration to our own flag carriers. It is beyond my conception. I certainly congratulate the gentleman from Oklahoma on bringing this to our attention.

Mr. JARMAN. The gentleman's remarks certainly pinpoint the kind of problem we face when it comes to trying to protect our domestic carriers from State Department decisions.

Mr. SHELLEY. Mr. Speaker, will the gentleman yield?

Mr. JARMAN. I yield to the gentleman from California.

Mr. SHELLEY. I would like to associate myself with the remarks of the gentleman from Oklahoma and with my colleague, the gentleman from San Francisco [Mr. MALLIARD] and my colleague, the gentleman from California [Mr. YOUNGER]. It seems to me that there are people in the State Department who have forgotten for whom we work and whom we are to represent, whose zeal seems to be that we must have a foreign policy of reciprocity. But I say reciprocity must stay in, and I think we have weakened ourselves domestically, nationally, and internationally, because some people down there have simply forgotten that there must be a quid pro quo of equal value. In case after case they surrender the best interests of the business interests of the United States, of the traveling public of the United States, and the people who are really paying the freight.

And, very interestingly, we find ourselves as Members of Congress who have tried to protest these things before the CAB just sort of a party after the fact, and we are now confronted with the proposition that under rule 14 we are prohibited from appearing before this body. I commend the gentleman for calling this to the attention of the House and I also hope he will suffer with me if I make this statement, that the Committee on Interstate and Foreign Commerce of this House should look into the newly adopted rule 14 of the CAB.

Mr. JARMAN. I can assure the gentleman that as one member of that committee I will do all I can to see that that action is taken. I thank the gentleman for this contribution.

Mr. Speaker, I have had an opportunity to ride on the South Pacific Air Lines from Tahiti to Honolulu. I was impressed with the service and the enthusiasm with which this American carrier is developing the route. Since April of 1960, each month has shown a decrease in their operating loss and a trend toward a profitable operation. All signs indicate that a financially profitable position will be reached within the not too distant future. However, if the Australians should be granted additional authority between Tahiti and the United States, South Pacific Air Lines would suffer irrevocable harm and perhaps even bankruptcy. Therefore, Mr. Speaker, I think it would be extremely unfair if this carrier, which has pioneered this new route, were to undergo a grave financial crisis as a result of unwise bargaining.

There is another factor relevant to the entire subject, however, which darkens the agreement of 1957 even more strikingly. In 1956, a Senate subcommittee investigated international aviation agreements. On that occasion, the Civil Aeronautics Board solemnly assured the subcommittee that U.S. carriers affected in route exchanges were always notified and given chances to comment on the demands of foreign countries. Despite these grave assurances, during the course of the 1957 negotiations, the U.S. carrier now operating to Tahiti and whose market was being given away was not even notified of the negotiations, let alone given any chance to comment on the fantastic demands of the Australians. Or in other words, Mr. Speaker, to this particular American carrier, the 1957 agreement was totally indefensible.

In an earlier address, I pointed to the gross violations of the capacity restrictions by the Dutch carriers as more than sufficient justification for refusing additional routes. As bad as is the Dutch situation, the Australian case is worse. In the South Pacific market, Quantas, the Australian carrier, is predominant. Where an American airline carried over half of the traffic between North America and Australia in 1949, its percentage has declined to less than 25 percent in 1959. In like manner, across the North

Atlantic, only 12 percent of the traffic carried by Quantas is of Australian origin. This means that 88 percent of the passengers aboard the foreign carrier originates either in Europe or the United States, and, as a result, could be considered as belonging to U.S. carriers. Mr. Speaker, the 1957 exchange of notes very plainly states that if either party should violate its terms, the other is not bound to grant any further applications for rights covered by the agreement. However, the State Department and the CAB apparently refuse to recognize breaches in the 1957 accord and seem to be expediting the application of the Australian carrier for more authority in servicing the Society Islands, or Tahiti.

With incidents similar to this occurring more often than we would like to think, I believe it is imperative that commonsense be introduced into the international aviation picture. Entry into U.S. markets at the expense of U.S. carriers has been granted almost on demand. The State Department apparently feels that the operations of American airlines are protected by the capacity limitations written into aviation agreements. However, such thinking is just an exercise in delusion for foreign carriers are not inhibited by the sacred words. Each foreign airline continues to operate as many flights as it can get U.S. passengers to fill, maintaining that their operations are legal as a result of the vague and unenforcible limitations.

I think, Mr. Speaker, that the moment has arrived when we must stop bargaining away entry into rich U.S. markets under the delusion of capacity limitations. It is time to reopen agreements where this mistake in the past has resulted in huge giveaways. I would be the first to agree that we should be generous in our international agreements, but not to the extent, I think, where our negotiators are deluded by language that means nothing to their foreign counterpart.

The U.S. international airline system is without a doubt the greatest in the world. But can it remain so if its position is constantly being eroded by the State Department? Can even America remain strong if its air fleet is impaired? On both counts, Mr. Speaker, I think not, for nothing could be more disastrous to the welfare of the free world, and certainly to the welfare of the people of the United States, than for the American air system to deteriorate from a position of strength to one of weakness. If we are to prevent such a degeneration, then we as a nation should consider the perils of granting foreign entry into further U.S. air markets. We should take a long and cautious look at future accords, and we should reevaluate and reopen agreements such as the 1957 exchange of notes, where extremely foolish trades were made and where there have been gross violations of agreed limitations. I suggest to the House, Mr. Speaker, that we should act act decisively and concretely, and we should do it now.

Mr. MACK. Mr. Speaker, will the gentleman yield?

Mr. JARMAN. I yield to the gentleman from Illinois,

Mr. MACK. Mr. Speaker, I would like to commend the gentleman for calling this matter to the attention of the Members of the House. I should also like to mention the fact that we now have about a half-billion-dollar deficit each year, a deficit in international balance of payments, caused by the deficit in international travel. At the present time the foreign airlines are receiving nearly half a billion more than the American airlines are receiving on foreign traffic. Our American airlines in the last 15 years have yielded much of the traffic that they carried, to the other international carriers. As I mentioned, there is about a half a billion dollar deficit. I believe it is \$470 million. That was revealed in our hearings in the Committee of International Tourism this year. I think the statement the gentleman has made is very appropriate, and this is a matter that we should all be concerned with.

Mr. JARMAN. I thank the gentleman for his contribution. The gentleman from Illinois has an outstanding personal background in aviation and a long service on the House Committee on Interstate and Foreign Commerce, which places him in an excellent position to make this statement today.

Mr. BOW. Mr. Speaker, will the gentleman yield?

Mr. JARMAN. I yield to the gentleman from Ohio.

Mr. BOW. Mr. Speaker, I should also like to congratulate the gentleman for bringing this matter to the floor, as he has other matters on several occasions. It seems to me that the gentleman has done this many times, and many of us have joined with him, but we do not seem to be getting very far with this group in the State Department in working these things out for American industry and the American airlines. I think it should be pointed out that American industry has done a splendid job. Most of these carriers that we have been talking about are subsidy free. The State Department is permitting these foreign airlines to come in in competition with them, and those foreign airlines are either heavily subsidized by their own governments or owned by their own governments. Here we have a situation where many of these people riding these airlines are American citizens and not able to get the kind of service they should have because of this competition. And, I say to the gentleman, is it not about time that we do something about it? We have been talking and talking, and I just wonder whether the gentleman's committee could not take some action, as well as perhaps the committee of which I am a member, a subcommittee of the State Department appropriations, which could well look into this question of why the American interests are not being protected by this group that is going to these conferences. I think perhaps we have talked long enough and it is about time that we take some action. I do not mean by that that I do not admire the gentleman for bringing these matters to our attention, but I should be pleased to join him on this side of the aisle in trying to get some real

action, some real understanding that we mean what we say; that this is not window dressing but that we mean that they ought to be doing something for this

great American industry. Mr. JARMAN. I thank the gentleman for his contribution, and I certainly agree with him that the time for action is now. If we in the United States do not take care of our own domestic business interests, certainly no one else will take care of them for us.

DANGEROUS LAG IN CBR DEFENSE CAPABILITY

The SPEAKER pro tempore (Mr. PRICE). Under previous order of the House, the gentleman from Florida [Mr. SIKES] is recognized for 15 minutes.

Mr. SIKES. Mr. Speaker, we have in recent months heard a great deal about what sort of military posture this country should achieve.

We have been told that we should prepare for hot wars, cold wars, limited wars, and big wars. We should have a balanced weaponry system which will give us a capability in any direction. We must have bigger and better missiles. We must have more aircraft. We must have nuclear submarines. We must have a strong thermonuclear capability. We must have special forces to fight guerrilla warfare. We hear much about the need to furnish strong military support for our allies.

Yet in all of this talk, I have heard but little emphasis from those in top military positions that along with all these varied capabilities, we should have equal capability in chemical and biological weapons.

I have spoken on this subject before, and I have stated that I would speak on this subject whenever the security of the Nation demands it. I feel that one of the greatest dangers which this country can face is being ignored to a serious extent. I feel that if the military planners are going to play cat and mouse with an important facet of this country's security, then we in Congress must take a hand. We must insist now that a program which will give this country proper capability to defend itself against these weapons, and to use them if necessary, be adopted and carried out to its full potentialities, and without further delay.

In hearings before the House Subcommittee on Appropriations which were released on June 6, we heard testimony by the Army Chemical Corps. Much of this testimony was classified and was deleted from the printed hearings. Yet enough was made public to reveal that we are in a shocking position.

If this country were faced with a chemical and biological attack tomorrow-and we know the Russians are capable of delivering such an attackwe would be in a grave defense position.

The Army stated that all available information points with certainty to the fact that the Sino-Soviet bloc is ahead of the United States and our allies in both offensive and defensive chemical and biological research and development. More ominous is the fact that they have a strong capability to wage a chemical and biological attack.

The Soviets have a well organized civil defense CBR training program in comparison with the programs conducted by the United States. Actually ours are virtually non-existent. Civilian protective masks are distributed through the Soviet civil defense organization stores. Civil defense teams are supplied with military decontamination equipment. The citizens of this country have no civilian protective masks and have no civil defense teams supplied with decontamination equipment. They know little about the dangers of chemical and biological weapons, how they would be affected, and what they should do to protect themselves.

How about our allies?

The Army testified that all Western powers have limited their activities to the defensive field. From what I have learned there is very little of that. It was stated that both our European and Asiatic allies look to the United States for know-how, understanding, training, defensive equipment, and deterrent retaliatory strength. They recognize that the CBR threat is very real and are concerned.

This is not in the least reassuring. The fact that our allies are only concerned with the threat and have little or no capability to fight and defend themselves in a war in which these weapons are used is small consolation.

The Soviets are well equipped to wage a war with these weapons. They are equipping their satellite nations. Some of the satellites have attained a capability of their own. They have chemical agents and can produce them in quantity.

We can only assume that if the Soviet bloc has these weapons and knows how to defend its people against them, it intends to use them, if that day should come when our earnest efforts to preserve peace misfire and we are faced with attack.

The scientific knowledge and potential capacity to produce chemical and biological agents are worldwide. Any nation with a chemical or pharmaceutical industry can produce them in quantity. Chemical and biological weapons offer a wide variety of effects and are suitable for use in many military situations. The nuclear weapons have limitations. Their use in limited war situations is questionable. The present trends in weapons and training is an acceptance of that fact.

Unlike the nuclear weapons, the chemical and biological weapons can be used in small wars as well as in big wars. They can be used in guerrilla fighting in the jungles as well as upon the open battlefield. They can have an infinite variety of effects, ranging from the mildly incapacitating which simply make a man too sick to fight, to those which bring death in a matter of a few minutes. Where do we stand?

It was brought out in the testimony that we have only a minor capability to fight a war with these weapons. In other words, with the speed that wars can be fought now, we would have too little, too late.

How about our civilian population? Would they have any defenses against these weapons?

We heard a representative of the Army Surgeon General's office say that there is probably not one one-hundredth of one percent of the doctors in the United States who have ever seen a nerve gas casualty. In other words, there would be too few to furnish proper medical assistance. Yet nerve gas casualties must be treated expertly in a matter of minutes if treatment is to be effective.

Many of our doctors would not recognize some of the diseases that might be used in a biological attack. We have succeeded in wiping out many diseases and our young doctors have never been in contact with them and know little about them. Couple this with the fact that in a biological attack, the enemy would very likely use diseases which are no longer common. They could use combinations of diseases to make detection and treatment more difficult. They could mix diseases which are effective against man with those which are effective against animals to multiply the effect, and further confuse the medical It is entirely possible, and it has men. been done, to develop mutant strains of diseases which are resistant to antibiotics and which would not be readily recognized.

What about international arms control? Does this offer any hope that our necks may be saved by international agreements and that we shall escape the penalty of our failure to prepare ourselves?

Insofar as I can determine, in our considerations of arms control we have failed to take into account the potential of CBR weapons and the need to include them in any disarmament agreement. In his preface to the study of the disarmament aspects of CBR warfare, Senator HUMPHREY reported to the Senate on August 29, 1960:

Apparently, neither the executive branch of the Government nor private research institutions have instituted studies of ways in which these weapons might be controlled in a disarmament agreement. Such studies need to be undertaken so that if chemical and biological weapons were to be incorporated as a part of an arms control agreement, effective inspection measures would be known and could be applied.

Chemical and biological weapons offer potentially a more dangerous likelihood of international anarchy than even the nuclear weapons. At present four nations-the United States, the U.S.S.R., the United Kingdom, and France-have a nuclear capability. Very shortly other nations with advanced attainments in science and technology may have nuclear capabilities as well.

For example, Red China, East Germany, West Germany, Sweden, Switzer-land, Japan, and others may achieve similar results. But few of these countries, even including Red China, are likely to attain an effective nuclear capability on a world-decisive scale.

This is not equally true of CBR weapons, which are easily obtainable at a moderate cost in terms of manpower and raw materials, by any nation on earth.

Therefore, even if the United States could come to terms with the Soviets for the establishment of effective controls over these weapons, there would still be no assurance that a third nation, hostile to both, might not do irreparable mischief by a quiet and sustained effort in CBR. In this regard, there are some indications that the Red Chinese are concentrating efforts in this field.

I know of no simple panacea for these problems. We have let them accumulate too long. But, as you no doubt are aware, CBR is an area to which I have devoted much attention, thought, and study. On the basis of these studies, I recommend for the consideration of my colleagues—

First. The continuation of congressional support for CBR programs and increase in this support. Research performed in this field already has yielded a variety of knowledge which has military applications. But we must have more than research. Knowledge gained from our research must continue until we have a capability second to none. We must have production and stockpiling along with research.

Concurrently, support should be provided for programs to examine the feasibility of fashioning an acceptable arms control plan for CBR weapons. This is a matter in which we need to proceed with great caution to insure that recommendations for governmental policies and positions are consistent with the national interest and that they entail the least acceptable degree of risk.

Second. The Government should continue its efforts to bring about greater public knowledge and awareness of the nature and potentialities of chemical and biological weapons. Efforts which already have been undertaken are beginning to bear fruit and they must be continued and strengthened. In this regard, I should like to mention the outstanding work of the House Committee on Science and Astronautics and its report published in 1959. Representative OVERTON BROOKS, able chairman of that important committee, in his letter transmitting the report to the Speaker, stated:

It deserves emphasis that research in several countries of the world is opening up astonishing new capabilities in CBR, and, short of an extremely complete inspection system (which seems unlikely now), the United States cannot afford to lag behind in its own program if it is not to fall victim to one of these new forms of warfare.

The committee in adopting this report and approving its submission to the House wishes to convey the strong sense of urgency it feels that the American people should gain a better understanding of these new weapons.

To those of you who have not read that report, I recommend that you do so. And to those of you who have read it, I recommend that you read it again. It is a report with which every man and woman in the country should be familiar.

Third. There is the possibility that some forms of CBR weapons can be developed which would provide the United States with a new deterrent to limited war, a deterrent which, from the record, we do not have at this time. I refer here to the hope and the prospect of bringing into being in quantity incapacitating

weapons which would provide a means of winning battles without taking human life or destroying homes and factories. If we are thoroughly prepared in these weapons, and conspicuously prepared so that our potential enemies as well as our friends know of our strength, we will obviously possess an added deterrent to war.

If deterrence fails, and force must be used, certainly the use of incapacitating weapons would rest far more easily on the conscience of mankind than many of the alternatives.

Fourth. We should concentrate more of our resources on the development of a broader spectrum of chemical and biological weapons tailored to the wire variety of situations likely to be encountered in the precarious times in which we live. Furthermore, if we do not so concentrate our efforts, and if we are not so prepared, then it is quite likely that our enemies will be. They would like nothing better than to be able to discover and exploit our weaknesses. I should like to add here that some scientists and students of warfare believe that the magnitude of the chemical and biological threat approaches and even surpasses that of the nuclear weapons. We must be prepared to counter this threat.

Fifth. We should be strong in CBR for the same reasons that we must maintain our nuclear retaliatory strength so that we can negotiate on the international scene from a position of strength, rather than one of weakness. Part of this strength must be a strong civil defense program, including the provisions of shelters which are proof against CBR attack: the provision of effective means for detecting a CBR attack; the provision of masks and protective clothing for our citizens; and more public instruction in defensive measures. We should understand that intelligent, rational action can provide positive defenses for every man, woman and child in the event of CBR attack upon our citizens. Moreover, the creation of such defenses will in itself provide a major deterrent against the use of such weapons.

Sixth. To develop properly the spectrum of chemical and biological weapons and defenses which we must have to make this country secure against attack, we must have the unstinting and wholehearted cooperation of the scientific community throughout the nations of the free world. Chemical and biological weapons are essentially weapons which affect the human mechanism. We can support only so much research and development and the time which we have to carry it out is limited. There is in the laboratories of our scientific institutions and industrial plants, a vast amount of knowledge which can contribute to the knowledge that we must have.

It is the patriotic duty of every scientist who has knowledge which can assist in developing our capabilities in these fields to come forward with his information.

The Army is interested in the widest variety of information concerning chemical compounds and biological materials which affect the mental or physical

processes and which have varying effects. It needs to know more about detection and protection. A lot of this knowledge may be available in the scientific community. To have it available will reduce research and development time and will hasten the time when we can have assurance that our strength in chemical and biological weapons is in balance with our nuclear capabilities.

I consider these matters to be of urgent importance. We have too long neglected this aspect of our defense. We can no longer afford to ignore what I consider to be a grave and serious threat. We must have proper action now. All of our other defense preparations can be useless if lack of preparation for chemical and biological attack should be the Achilles heel through which this Nation is brought down. It would give little comfort to say of a departed civilization, "They were magnificent and strong in every way but one."

FLAG DAY, 1961

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Massachusetts [Mr. Contel is recognized for 30 minutes.

THE AMERICAN FLAG: IT IS WHAT WE MAKE IT, NOTHING MORE

Mr. CONTE. Mr. Speaker, on June 14, 1961, Americans throughout our great Nation celebrated Flag Day. As we join together in honor of our great national emblem, it is fitting that we ask ourselves what is the meaning of our flag, what is it that we pledge our allegiance to. Nearly everyone has an answer, but rarely do two answers agree.

Every thoughtful American, when he sees his national emblem, sees not only the flag, but the Nation itself. He sees in the flag his heritage, the principles, the truths, the history which belongs to our Nation and which sets it forth. For the American flag is the spirit of our Nation, its past, its present, and its future.

When we pledge allegiance to our flag I believe we dedicate ourselves to the basic principles, the great foundations of our glorious way of life. Perhaps the cornerstone of our democracy and the main pillar of all our other beliefs is our belief that every person has dignity and value and importance as an individual human being. From this ennobling principle comes our hatred of communism and any other form of totalitarianism under which the individual has no value or importance but is just one of many anonymous beings in a voiceless mass.

I believe that the American flag is a symbol of the principle that all men are created equal. This does not imply that men develop equally or have equal ability or that they should be forced to equality of thought, speech, or material possessions. That would be equality without freedom, and Americans have always believed the two should go together. Today, we think of equality as equality of opportunity for all men to enjoy their God-given right to life, liberty, and the pursuit of happiness.

From the days of the Declaration of Independence and the writing of our

Constitution, Americans have been wise enough to know that although life and liberty are granted to man by his Creator, they require protection by man, himself. Toward this end, in our Constitution and in other laws of our land there are set forth principles to protect the rights and freedoms and the equality of individuals. Our flag is a symbol of these principles: the right to freedom of speech; the right to freedom of assembly. which permits individual Americans to act together for the benefit of all: the right to freedom of worship; the right to security of person and property; the right of every man to be judged by his own record-and not by his family background, his racial or religious group. We Americans believe that every man is free to achieve as much as he can, that to achieve a man should be willing to work, and that achievement depends upon the ability to do a good job. The phenomenal record of individual achievement in our Nation's history has been the result of the combination of a willingness to work hard and the ability to produce results.

I believe that our flag is a symbol of the principle that every man has the right to a fair share of the results of his work and that fair and free competition is a good thing because it encourages greater effort which in turn brings greater benefits to all.

We Americans support the principle that freedom carries with it the responsibility to use our freedom wisely if we are to remain free. The individual is responsible for himself and his family and he has responsibilities to the groups of which he is a part. He must give of his best to his community, his church, his employer and to every group in which individuals cooperate for their mutual benefit.

Today, in the 1960's, the individual American's responsibility under the American flag extends beyond our own borders. Man's horizons have expanded, and what the American thinks and does at home affects the entire family of mankind. Today, therefore, when we pledge allegiance to our flag, we must pledge allegiance to a responsibility to act and to encourage our country to act so that freedom and cooperation will be encouraged among all people and all nations of the world.

Most of us are confident of ourselves and of our country. We do not claim perfection, but we have faith in our ability to move forward, to improve, to grow, to provide more and more of the necessary and good things of life to more and more of our fellow men. The United States flag has always been an inspiring and enobling symbol of freedom and hope to all mankind and it must continue to be a beacon of liberty to the world's oppressed.

In this crucial time in our national and world history, our American flag, which waves for freedom, is being threatened by the flag of communism, the flag which enslaves men. We Americans, in this perilous period, must do more than pledge allegiance to our flag, our symbol of the American way of life. We must translate our pledge into an active contribution. We must not talk freedom and liberty and equality, we must live them, every day. We must teach our children the principles of democracy and freedom. We must be a living example to every man, woman, and child in the world of what democracy is. We must recapture for ourselves the confidence, the enthusiasm, the faith in our country and in our way of life that earlier generations of Americans had and which we must have if we are to beat the system which would change Americanism for an ism of another sort.

Let us, as we look upon our beautiful flag, recall that this is not the first period of crisis and challenge in which the American people have found themselves. Our Nation was born in crisis. It was founded upon a political ideal held in contempt by rulers of powerful and unfriendly nations. We must not forget the fears and doubts of the brave and courageous men who pledged their "lives and sacred honor" to the task of founding our democracy in the face of both internal dissensions and external opposition. Our fathers emerged from those struggles in the past with added strength and wisdom. Our children and their children demand no less of us.

So, my friends, let us, as we pledge allegiance to our flag, remind ourselves that our flag and the great and free Republic for which it stands is no stronger than the combined strength of the men and women who make up our communities, that the strength of each of us comes from within, not from without. Let us remind ourselves that each of us must indeed do his part to make democracy meaningful to all, that we cannot sit back and expect democracy to work for us alone.

The American flag has proudly waved over a people who by heritage and tradition have been builders, not destroyers, and it will continue to wave "o'er the land of the free and the home of the brave" only to the extent that you and I make it our personal responsibility. For the American flag is whatever we make it, nothing more. The American flag is all that we hope to be and all that we have the courage to try for. We are the makers of the flag and let us glory in its making.

INTERNATIONAL CROSSROADS BREAKFAST

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Iowa [Mr. SCHWENGEL] is recognized for 60 minutes.

Mr. SCHWENGEL. Mr. Speaker, every Sunday morning at 9 a.m. in the east lobby of the Central YMCA of Washington, D.C., an important international event takes place. It is the International Crossroads Sunday morning breakfast sponsored by the Young Men's Christian Association and friends of the YMCA in Washington.

To this meeting come visitors and friends from all over the world—people who are either Christian or have a great desire to learn about Christianity and about the heart and soul of America and its people. Since this movement began a number of years ago, some 13,000 people from 118 countries have graced the breakfast table and while there heard some statesman, government leader, scientist, clergyman, prominent businessman, or just a citizen talk on some phase of morality—problem or issue—that needs strengthening or resolving.

The International Crossroads Sunday morning breakfast found its beginning the first Sunday in May 1946. In some respects it may be considered as an outgrowth or resuscitation of the wartime Sunday morning breakfast, which was carried on for about 3 years, with an appeal to the servicemen in our Armed Forces, under the leadership of the late Dr. Page McK. Etchison, religious work director of the YMCA and president of the Organized Bible Class Association.

After the war and by the spring of 1946, this group had dwindled in attendance to about 12 or 16 persons and due to the lack of general interest there was some speculation of what should be done with the activity.

At the suggestion of Dr. Etchison, Mr. Paul Brindle was asked to obtain the speakers and arrange the program in May of 1946. He has since been carrying the major load of this program which has been so effective.

At this point, it might be well to review Mr. Brindle's background and his qualifications. Paul Luther Brindle was born February 11, 1899, and was raised on the family homestead farm near Carlisle, Pa., as seventh generation in America. Son of Solomon D. and Florence M. Brindle, he was the seventh child in a family of eight children. He married Virginia Brereton Poole, February 24, 1934. who died July 24, 1934.

Educated in public schools, business college, Washington Preparatory School, and Southeastern University; LL.B., 1928; LL.M., 1941, he is a member of the bar of the District of Columbia since 1939.

He has been employed by the Southern Railway from 1921 to 1928, and the Young Men's Christian Association of Washington, D.C., as associate business secretary and dormitory secretary from 1928 to 1933; Home Owner's Loan Corp. as senior administrative assistant, 1934 to 1945; Treasury Department and General Services Administration, 1945 to 1953; and has practiced law since 1953.

He has, as the record will show, done a magnificent job with limited and oftentimes inadequate facilities. Often he had to call on his imagination and unbounded energy to assure its continuation, influence, and growth.

It was agreed that it was necessary to have fine speakers if busy people were expected to attend. In the scheduling of speakers it became necessary to book them in advance and thus the program grew with the calendar. The most intelligent and interesting speakers were sought.

For a good speaker there should be a suitable audience, either in point of numbers or in the quality and potentials of those present. A renewed effort was made to extend in both categories, but the latter predominated by the nature of the program. There was inaugurated a weekly flier announcing each program in its most appealing form. Fliers were posted on the bulletin boards on each floor of the building during the week and placed in the residence rooms on Saturdays. A news release was mailed on each Tuesday to the newspapers, radio, and television stations.

The program soon attracted transient travelers with many coming from abroad and having standing of importance as well as people of significant promise. Then it was observed that regardless of the favorable acceptance of the program, many departed before a succeeding session was held and a way had to be found to meet the situation with the result that the words "International Crossroads" was added as part of the name and the emphasis beamed more specifically to travelers. By accepting the fact that travelers had to make their departure, the situation was looked upon as an opportunity to reach many more and the law people of attraction brought its own reward.

It was suggested that there should be a guest register wherein the visitor could register as a permanent record and furnish statistical data, and this was established near the end of 1946. In the course of the time Mr. Irwin Potter, the recorder, has filled eight books with the names of the most wonderful people who walk the earth.

Then followed the idea of issuing a life membership card to each registrant in recognition of their cooperation and as a visible evidence of their participation. These life membership cards have now been issued to 13,000 persons and carried into 118 countries and geographical areas.

The visitors from abroad were usually in need of maps and information with the result that packets of literature were assembled for their use. Whenever a piece of public relations literature, speech, or publication was thought to be appropriate and useful for this purpose, a request was made for a supply. No request has ever been refused and always supplied without charge.

As a part of the packets of literature there is enclosed an invitation to maintain correspondence and to supply the home address. The file has grown to over 1,100 names and several times a year circular mail and reports go forward to them and many personal letters are exchanged.

As the correspondence has grown with life members abroad it has become a common occurrence to receive over 100 messages, cablegrams, and lettersespecially for the 14th and 15th anniversaries, and these letters are always answered personally even if understandably belated. The letters are read or narrated at the anniversary session. the first Sunday in May, when the session is devoted entirely to hearing from those who have returned to their homes. WHAT OUR CORRESPONDENT SAYS

A student at Oxford may describe life at his university which has been a force in the field of education since 200 years before Columbus sailed. An engineer in

India may write from his heart for the desired success of the Peace Corps but at the same time give some frightening concern for the difficulties ahead. A student of the University of Capetown will write of the racial turmoil in South Africa with a clarity that is penetrating beyond the usual channels of news. A ham radio operator in Salisbury, Southern Rhodesia, will comment on his delightful climate in contrast to the snowstorms as related to him in conversations with radio operators in the United States. A German lad who saved his money and took a bus trip and mingled with the people all across this country urges more travel as a means of avoiding another war. An Englishman teaching in a technical school in Nigeria gives warning to Peace Corps applicants to expect deprivation and hardship. A retired soldier in Honduras shows what one man can do for social betterment in a host of ways. A YMCA secretary in India tells of the efforts of his association in behalf of the poor and homeless boys of his city. A businessman in Bristol, England, comments on the comparisons of culture and the deep bonds of friendship. A South American appeals for the need of reciprocal appreciation.

There are many letters that are less personal from which extractions are of general interest and which deserve wider circulation. These extractions are selected for variety of interest and to avoid repetition. They are of such interest publicly as to be introduced into the House of Representatives and printed in the CONGRESSIONAL RECORD, which receives wide circulation, and from which reprints are obtainable.

ANNUAL REPORTS

It is not only the visitors who are a moving procession, but also the speakers who give so generously of their time to extend hospitality and appreciation and to share with others the best of their experience. An annual report is prepared each year in which is listed the names of the speakers and the wide range of subjects on which they chose to speak. The list of speakers over the years reads like a Who's Who of Fame-the patriotic, the wise, the elder brother. All of these efforts were contributed freely and gladly, without any material remuneration, but with a lasting satisfaction that they have passed to others the best of their learning and experience. About onethird of the speakers over the years have left this mundane stage with the satisfaction that the most useful parts of their experience or impressions have been picked up by some younger man for possible reactivation someplace in the world.

The entire program has been carried forward on a self-supporting basis by volunteer workers who have been confronted with all kinds of the most difficult problems, which were trying beyond expression, but these became the diamond dust that produced the rewarding polish and the reactuation of its own challenge.

CONTINUITY OF SESSIONS

There has been a continuous series of breakfast sessions for 15 years with each one unique, in that the personalities are continuously changing. As visitors and strangers come together from many varying backgrounds, cultures, languages, outward appearances, and such unseen differences as religious convictions it becomes necessary to find areas of agreement. From the standpoint of rationality it is almost impossible to attain and it becomes necessary to apply another dimension. In spite of all kinds of language differences one will always know if he is appreciated or not-these are spiritual values. Among the gifts of spirit come wisdom. knowledge, and understanding. The warmth of the handclasp, the understanding smile, and a feeling of sincere appreciation, become a bond of oneness. which is universally understood among men.

SOME ADDITIONAL COMMENTS

As has already been indicated, those men who meet around the table number 13,000 from 118 countries and they are literally the heirs of all ages-coming from the four corners of the world. These people are in search of knowledge and understanding and they want to be understood and appreciated for what they are and hope to attain. You may be sitting next to a grandson of the donor of the Japanese cherry trees that surround our tidal basin, or a person who may one day be a man of influence or the ruler of his land. In any event the people who are our visitors today may well figure prominently among the leaders of our world during the last quadrant of this century. From the ranks of the young American servicemen who may happen in on week-end leave will come aspirants for leadership in our own Government. A mind that is once stretched with a new idea will never again return entirely to its original dimensions.

Representative group of speakers:

SENATORS

HON. RALPH WEBSTER YARBOROUGH, of Texas, March 16, 1961.

Hon. JENNINGS RANDOLPH, of West Virginia, January 24, 1960-almost annual. HON. JOHN SHERMAN COOPER, of Ken-

tucky, February 8, 1959. Hon. ROBERT C. BYRD of West Virginia,

September 20, 1959.

Various others over the earlier years-WILEY, HRUSKA, and so forth.

CONGRESSMEN

Hon. BEN REIFEL, April 30, 1961. Hon. J. ARTHUR YOUNGER, April 23,

1961. HON. HENRY C. SCHADEBERG, March 26,

1961. Hon. FRED SCHWENGEL, March 5. 1961—annually.

Hon. E. Y. BERRY, February 26, 1961, and annually.

Hon. EDWIN E. WILLIS, February 5, 1961.

Hon. W. J. B. DORN, January 29, 1961. and annually.

Hon. FRANK T. Bow, June 26, 1960.

Hon. JAMES B. UTT, June 12, 1960.

Hon. D. R. MATTHEWS, May 29, 1960.

Hon. ALVIN E. O'KONSKI, May 15, 1960, and annually.

Hon. DANIEL K. INOUYE, March 20, 1960

Hon. A. S. T. Carnahan, May 19, 1959, now in State Department.

Hon. BOB WILSON, almost annually. Hon. Alvin E. Bentley-formerly in

Congress.

HON. SAMUEL S. STRATTON.

Hon. WALTER H. JUDD, about every 21/2 vears. Hon, John M. Robison, when in Con-

gress, of Kentucky. Hon. George S. McGovern-now in

food distribution.

Hon. CHET HOLIFIELD.

Hon, CLYDE DOYLE, every couple years. Hon. BRUCE ALGER, January 29, 1956. About 100 or more others over the

past 15 years. EDUCATORS

Dr. James Harold Fox, dean of Graduate School of Education, George Washington University-annually.

Dr. Leon E. Dostert, director, Institute of Languages and Linguistics, Georgetown University-annually.

Dr. Franklin L. Burdette, professor of government and politics and director of Bureau of Government Research at Maryland University-annually.

Dr. Raymond W. Miller, lecturer in public relations, at Harvard's Graduate School of Business Administration-annually.

Dr. Williard E. Givens, who was the dedicated of the NEA for so long-annually.

Dr. Leroy J. Maas, president of Southeastern University.

Dr. Bela C. Meday, associate professor of research at American Universityannually.

Dr. Jan Karski, professor of political science, Georgetown University, April 26, 1959, December 8, 1957.

Dr. Elmer Louis Kayser, dean of university students, George Washington University, March 31, 1957.

INTERNATIONAL COURT OF JUSTICE (AT THE HAGUE)

Sir Muhammad Zafrulla Khan, Pakistan, April 21, 1957.

Sir Percy Spender, Australia, when Ambassador to Washington.

FOREIGN DIPLOMATS

His Excellency, Dr. Henrik de Kauffmann, Ambassador from Denmark. He was almost an annual speaker and chose to make his farewell address at the breakfast on August 17, 1958, when he appraised his 50 years of diplomatic work, and he was one of the greatest, under the subject: "Have We Improved Our World in the Past 50 Years?"

His Excellency, Dr. George K. C. Yeh, Ambassador from China, September 6, 1959, and previously.

His Excellency, Dr. Hollington Tongpredecessor to Ambassador Yeh-annually.

His Excellency, Pote Sarasin, Ambassador from Thailand-now Secretary of SEATO.

His Excellency, Howard Beale, Q.C., Australian Ambassador, October 18, 1959. His Excellency, Tran von Chuong, Am-

bassador of Vietnam, June 2, 1957.

His Excellency, Carlo Christensen, counselor of Danish Embassy, July 15, 1960.

STATESMEN

Dr. Jose A. Mora, Secretary General, Organization of American States, November 20, 1960.

Hon. Francis B. Sayre, former Assistant Secretary of State, annually.

Dr. Harry Seamans, liaison officer, Department of State.

INTERNATIONALISTS AND ORGANIZATION LEADERS

Dr. Frank C. Laubach, teacher of millions to read, November 29, 1959.

Dr. Morris A. Greene, FAO of U.N.,

June 5, 1960, almost annually. William J. Handly, Director of Over-

sea Libraries, USIA, December 11, 1960. Dr. J. S. Noffsinger, director of International Voluntary Services, December

6, 1959. Dr. Joy Elmer Morgan, president of Senior Citizens of America, annually.

Dr. Luther Evans, Brookings Institution, UNESCO, and Library of Congress.

Dr. John L. Peters, president, World Neighbors, Inc., almost annually.

Dr. Caspar Nannes, religious news editor, Washington Evening Star, August 7, 1960.

RELIGIOUS LEADERS

Dr. Frederick Brown Harris, Chaplain

of U.S. Senate, annually. Dr. Charles Wesley Lowry, president of Foundation for Religious Action in the Social and Civil Order-FRASCOannually.

Dr. Joseph R. Sizoo, professor of religion, George Washington University.

Dr. Karlis Leyasmeyer, field representative, International Christian Leadership.

SCIENTISTS

Dr. Emmanuel Ben-Dor, Biblical archeologist on leave from the Department of Antiquities. State of Israel, annually.

Dr. S. Fred Singer, professor of physics, University of Maryland, May 21, 1961.

Dr. M. H. Tritten, National Academy of Sciences, December 4, 1960.

MILTTARY

Brig. Gen. Donald Armstrong.

Mr. Speaker, I should like to comment further on this unique and interesting program that contributes so much to our international understanding and good will by calling to your attention some excerpts from some of the speeches that have been made as they are reflected in the letters that have been written by visitors from foreign countries as well as from those who are citizens of our own country.

They give eloquent testimony to the virtue and value of this project. They suggest ways and means by which we can bring about a better understanding between various farflung sections of this world which could lead to peace and understanding.

Antonio Rivas Munoz. Santiago, Chile, attorney, writes:

"That Sunday breakfast in February 1956, remains for me as one of the most agreeable and nice experiences which I keep from my visit to the United States of America. come to realize now, how important is their significance. That is, to unite the men who have happened to meet at their crossroads

in life, by means of a common conversation and breakfasting, cordially and friendly, in a simple manner, where the hearts speak out frankly and without protocol or formalities. Our Lord, Jesus, during the first period of His preaching-certainly the most beautiful—had already practiced that system in countries and villages of ancient Galilee, awakening amongst His audience the natural fraternity which dwells and lives about the human soul, even within the most hardened egotists. These are solid reasons why I consider that the purpose you are aiming at may be quite a success, as I trust it to be quite practicable to newly attract to your friendly table those coming from all parts of the globe, who, like me, have had the great pleasure of participating in your dominical breakfast, so that we may personally be there, or else be represented in some other way.

Valentine Soine, Ministry of Justice, Finland, in the United States for study of our prison parole system, says:

I can personally recollect after many years how lonely a young fellow can feel when abroad, and how encouraging it is to be among friendly people. Your Sunday morn-ing breakfast tables are such refreshing oases for a large number of foreigners who are visiting your country for various rea-I am continuing my daily work leadsons. ing the Prison Administration in Finland, visiting all penal institutions, holding lectures, and participating in criminal politics. Having been such a long time in public service (22 years in police work and now over 15 years in the Ministry of Justice), I am one of the best known in these matters in my country, and have much to do in this field. I feel happy to be in such a position that has possibilities of carrying out many of the fine ideas I imported from the United States to Finland. It has redounded to the advantage of many thousands of people in our penal institutions and otherwise.

R. N. Chawla, superintending engineer, Assam Investigation Circle, Ulubari, Gauhati, Assam, India, communicates:

How very true, Paul, when you say that it is basically a contest of spirit in the world affairs. It is a struggle of ideas today; ideas representing different values in human re-lationship. It is over 2 years since I met you and attended, on two occasions, the ICSMB. The memory is still fresh in my mind, and I lose no opportunity in talking about it and what it meant to me to attend the function. It meant to me a kind of confirmation of the ideas that I had formed, during my travel in the United States, about the values and the spirit of life in your country where everybody is quietly telling everybody, "Welcome, my friend. Can I do anything for you?" Rise so that we may rise, for in that way lies the good of every body. I like the international aspect of the Sunday morning breakfast function.

Ignatious Kawall, Georgetown, British Guiana, businessman, writes:

Greetings from British Guiana. It seems only yesterday I had the privilege of being with you nice people at Sunday morning breakfast. It was the first Sunday in August 1951, when as a visitor to Washing-ton, I was invited to attend the Sunday morning breakfast, and it has been one of my happiest recollections since. Being an Indian and of another color, I was just like a stranger among strangers, but as I entered and sat down to breakfast, the feeling passed and I knew I was among friends. It was just like being at home away from home. Prejudices were forgotten, and we were all one people, sharing as brothers in the Fatherhood of the Almighty. In this

troubled world of ours, with so much achieved in science, and yet so much tension in the air, it must be heartwarming to the very many people of all races and colors from so many different lands who have attended one of those inspiring breakfasts to realize that the world in general and people as a whole are not so inhuman after all as evidenced by this magnificent achievement extending over 15 years.

Eric Freeborn, teacher of photography, the Polytechnic, London, writes:

Like many Englishmen, I was slightly anti-American and am thankful that I had the opportunity to see Americans at home, how they live, and to work and play with them, and discover that we are all alike in the things that matter. Now, being absolutely convinced that an Anglo-American bond is essential for future survival, I do what little I can to persuade my countrymen that you have good big hearts as well as big automobiles. I was one of six men from this country sent over to study color photography with Eastman Kodak. The work produced on that visit has now been exhibited in Rochester, N.Y., Paris, and twice in London, and has aroused considerable comment each The kind folk at Rochester gave of time. their best in work and friendship, and not one of us is likely to forget it. At the moment, a committee is sorting out another six men to send over in June, so you may meet some more of us then. Whether or not it is due to the prestige of the American visit I do not know, but I have just been commissioned to write two textbooks on photog-raphy which are going to keep me very busy for the next 21/2 years.

Dr. Ugo M. Colombo, director of public assistance for the city of Milan, Italy, contributes:

From all countries we see Washington, D.C., as a pilot light in the world. From Italy I send you my message of peace and comprehension. Your activity is well known here, and I enjoyed your marvelous hospitality in 1951-52. About 10 years have passed, but my heart is yet in your land of freedom as in the period of my visit.

Dr. D. R. Malhotra, chemical and metallurgical engineer, S.B., Harvard; D. Sc., London, recalls in a letter from Ajmer, India:

I cannot possibly forget the most interesting time I spent in your charming and inspiring company when I visited the United States of America. I can assure you that I very often think of you, and whenever possible, I give expression of my views to the various organizations which I have the opportunity to address about the useful work you are doing by bringing together visitors from various countries who happen to go to your beautiful country. I would like to inform you that after my return to India, I discussed the proposal of organizing such a movement in this country. May God bless you all, and may this spirit of cooperation and understanding continue to prevail all future participants in these functions, and may God give you many years of useful service to humanity, the work to which you have dedicated yourself all these years.

Raymond Paul, civil administrator, Paris, communicates:

Although 8 years have passed since I had the opportunity to take part in your meetings. I have not forgotten the atmosphere that was created or the significance that they carry. At this hour, more than ever before, men of good will, and of the same ideals, must be induced to promote and

improve the human welfare. I wish to associate myself with it and offer to you the testimony of my profound admiration.

Hon. Gustav Adolph Gedat, member of the German Bundestag, contributes:

Whenever I have been in Washington, I have visited the Sunday morning breakfast conducted under the leadership of my good friend, P. L. Brindle. Each time I have been impressed by the spirit in which young and elderly men met, by their friendship and understanding in the great Capital of the United States of America. It is only in that spirit that the people of the free world have any future, and I am convinced that these breakfast hours inspire all who participate in these meetings. I shall not miss joining you on my next visit, and I extend to you all my best wishes for this important work of Christian brotherhood and good will.

Maj. G. M. Safdar, Administrative Office, Pakistan Industrial Development Corp., says:

I am 9,000 miles from you, but because of the concord of belief, I feel as if I am one of the participants in the anniversary of the august body of the international brother-hood. Please accept my heartiest congratulations over this achievement of your celebrating the 15th anniversary. Since I sent you a message on the last anniversary, much water has flown under the bridges. I have left the army and have joined business. But whatever my circumstances may be and whatever my age may be, I can assure you that the vicissitudes of my career cannot affect the firm and tried principles of life and belief which I possess, and as such, I join you in the great cause of propagating the universal brotherhood of mankind.

Manuel C. Magbee, M.D., medical director of a hospital and a member of the National Board of Philippines YMCA, sent a photograph and writes:

In my present associations, I have had opportunity to mention with pride my experience with you back in 1955, when I had the chance of exchanging ideas on a number of situations that come to my mind. I have come a long way since then, and indeed, I realize that I have beenfited much from that experience. I have been speaking before youth and adult groups all over the country, both in my capacity as past intercontinental vice president of the International Association of X's Men's Clubs and as a member of the National Board of the YMCA of the Philippines, and have made it a point to share with them some of the impressions I gathered while with you.

James W. Cornish, airport construction engineer, Wellington, New Zealand, sends this:

I feel very humble when I realize that I have the honor of being one of the few New Zealanders who have taken part in several of the International Crossroads Sunday morning breakfasts. My opportunity came when I was on my 7-months world tour studying airport design in 1951, and I knew it was God who led me to your meeting. The number of coincidences and the unusual nature of those who brought me to your breakfast for the first time, to me, are one of those personal miracles which a Christian sometimes experiences. Anyone who has traveled to any extent has a certain feeling of loneliness in a far country, and even attending a church service does not always reassure him of the great hand of God, although He is always present. It is by Christian fellowship, as experienced at Cross-

roads that one is made ready for a further advance along the road. I regularly pray for Crossroads on a Sunday evening about 8 p.m., our time.

Bunfaro Taira, a teacher in Naha, Okinawa, writes:

Until I attended your breakfast, I had not heard of such a plan and was deeply impressed with the good will of the promoter. The seeds you sow will spread and grow and bear fruit in the form of international understanding and friendship.

Rupert D. Eden, proud possessor of life membership card No. 12399, writes from his native island, Utila, Republic of Honduras, Central America. He lives in retirement in the "banana Republic" and devotes all of his time to serving others; from managing baseball and volley ball clubs, superintending the library, to supplying children under 7 years of age with a glass of milk as the representative of CARE. He sent eight pages of praise and appreciation, from which is extracted:

The response, applause, and congratulations I received after speaking at the breakfast was so overwhelming I could hardly believe it myself, and perhaps was not wholly worthy of the many handshakes and kind words showered upon me. While I may not be present in person, my spirit and thoughts will be there May 7. It is my humble opinion that if gatherings such as this could take place in all the capitals of the world, it would be one of the greatest measures taken for the promotion of good will, as proclaimed by the Great Master centuries ago. This is a challenge to the life members of this institution to put into effect my suggestion that such gatherings take place in all the capitals of the world.

Algernon R. Thompson, public health officer, Georgetown, British Guiana, says:

It was indeed a pleasure to be among you and to take part in a fellowship of peace and understanding among the nations of the world. I pray that God in His mercy will bless you and the good work you are doing, aiding and inspiring us who meet with others at the crossroads of life.

Urpo Ratia, engineer and manufacturer, Finland, writes:

In this cross-minded and confused world, activities and endeavors of your kind represent the only realistic approach to keep evil under control; if not completely so, partly however. It is hard work which yields good results only slowly. The major provision of success is strong belief and hard necked and industrious striving toward a high goal. My extensive journey all over the United States of America in the years 1958 and 1959, and many short visits in many European countries, have opened my eyes to comprehend the importance of international friendship. The exchange of ideas and experiences helps everyone to widen one's horizon and grasp the behaviors of individuals and nations in this changing world. Personally. my responsibilities have altered since we met in Washington. I am now a director of a group of three plants and a commercial enterprise, as a chairman of the board of directors in two companies, in one foundation, and in a high school. Naturally, I try to apply the gains, findings, and innovations from abroad on my job and to foster mutual understanding, both on domestic and international bases. In such a climate, many progressive ideas find a fertile soil to breed and grow. The achievements encourage me to continue. I'll strive forward along these lines and work for a better world and future for my fellow men.

Lt. Raymond D. Reel, U.S. Navy research and development engineer, stationed at Vienna, Austria, reports:

I well remember on October 27, 1957, Hon. Francis B. Sayre (the famous diplomat), spoke on "The Pathway Ahead." At that time, we also had in attendance your first Russian visitors. What a curious coincidence at the crossroads-for today, on the April 12, 1961, the Russians have announced their being ahead in the pathway with a human being in outer space around the earth. You and your crossroads programs are ahead, to my way of thinking, as being happy examples of putting our American principles into practice in such a friendly fashion as to be fascinating intellectually and impressively moving in their impact on the individuals from so many different countries, who thereby gain good impressions of what America and we Americans are really like. Each trip back to my home and country, after my long sojourn abroad in Europe, there comes to me an enhanced appreciation of the true values of our national unselfishness, our deep interest in the welfare of other peoples, and our actual assistance toward human betterment everywhere.

T. E. Warth, Huntington, England, writes:

Your friendly, informal atmosphere is just the thing for getting to know people. I remember that when the meeting broke up, a lady came to me and said she worked for a time in England and in return for the hospitality she had received there, would like to show me around Washington. She went and got her car and a very pleasant Sunday morning was spent in a tour of the city, my seeing parts that I would otherwise have missed.

Other recollections of Washington include eating bread-and-cheese suppers on a park bench outside the White House with a Bristol University student to save money, as I had underestimated expenses between England and Wisconsin. Thanks to the permanent residents, who work so hard to make us, the once-in-a-lifetime visitors, feel very welcome.

Hermann Eimterbaumer, teacher of English and economics, Uber Bielefeld, Germany, reports:

The Sunday morning breakfast in March 1961 was the high point of my whole Washington trip and I am very thankful for those hours I spent with this group. I was delighted by the unity and by the spirit among the members of your group coming from all corners of the world. I personally had the feeling of being at home and a part of a happy family gathering. I thank you also very much for the nice way you welcomed me and made me a member of the international gathering, and would like to express how helpful I consider these meetings for the understanding of other people and other nations. You are practicing true Christian love by establishing a spirit of good will and peace among all members of your group. I hope that this spirit will be carried into the whole world.

H. L. D. Selvaratnam, a banker in Ceylon, writes:

There is a Christian atmosphere prevailing, and tolerance and good will to those who differ from you. It is these qualities that have made the United States of America a great Nation. John L. Handley, associated with his family's motor distributorship in Birmingham, England, writes:

I remember quite clearly my good fortune in visiting the fellowship in May 1959. I was so interested in the conversation going on around me that for the only time in my life, I allowed an excellent breakfast to go cold. I feel very strongly the challenge presented to Western civilization by Soviet aggrandizement in different areas of the world. In May 1959, when I sat at your breakfast, it was Berlin that was the subject of conversation. That problem is still with us and to the problem of Berlin has been added new problems. Southeast Asia is in the news at the moment and we do not know where the next challenge to the integrity of freedom will come from. I do earnestly suggest that men of good will, everywhere, as embodied by your fellowship, no matter what part of the world they may come from, must at all times endeavor to unify their aims and purposes to meet the Soviet challenge.

Heinz Gechter, of Cologne, Germany, leader of the Carl Duisberg Society for the exchange of trainees, sent the following:

I am writing in behalf of the 25 German exchange students who were given the excellent opportunity of participating in the ICSMB with Hon. H. C. SCHADEBERG, on March 26, 1961. All the students and myself were very much impressed by that delightful speaker. I would like to extend my sincere thanks and to express my admiration to you, dear Paul, being the promoter of this program and having done the challenging work for 15 years. Our society is planning to exchange each year 200 trainees from Germany to America. For all the new groups, I shall arrange a stay over the weekend in Washington at the YMCA so that they are able to participate in the breakfast on Sunday morning and will get the marvelous and, I think, unique chance to meet you and other outstanding people from other countries.

C. Rajagopalan, professor of geology, Alagappa College, Kavaikudi, India, says:

It is almost 3 years since I met you and yet to me it appears only yesterday. I am making plans to return, and the very first thing that I would like to do in the United States of America is to attend the Crossroads breakfast and meet the people there. I have seen several things while in the United States, and met several people, too, but nothing has caught me as the International Crossroads. It is my sincere prayer that Almighty God, in His infinite wisdom, will give you sufficient strength and life to carry on this self-imposed good work of the Crossroads.

Dr. Deane Stout, Uganda, east Africa, reports:

On my way to Uganda the first of July 1960, I heard General Armstrong address a capacity audience at the ICSMB on "Independence in the Cold War." One thought that he expressed has helped me daily in my work as a teacher of physics under the Fulbright plan. I am teaching native boys in a secondary school. General Armstrong said, "A Christian believes in the dignity and worth of all men." Using this as my guide, I have worshipped side by side with naked Karamonjong tribesmen, talked as a friend with fierce Masal, eaten with the primitive Acholi, and explained the American way of life to chiefs and assembled men in remote Teso villages. In every case, I have approached each opportunity as a Christian friend and received friendship in return. My thanks go out to Mr. Brindle for securing such forceful and thought-provoking speakers as General Armstrong. May the ICSMB continue its influence, and my wish from half way around the world is that each one present at the 15th anniversary will carry away one challenging idea for world brotherhood.

M. V. Krishna Murthy, industry relations, Bangalee, India, writes:

I look back with pride to the wonderful time I spent in the States and the nice people I met. It is no wonder that the time I spent with you certainly, to me, is most precious. I saw the true American spirit in you and I will not forget my evening rounds with you to the Lincoln Memorial. Washington Monument, and Jefferson Memorial. That is America. I have no doubt that the ICSMB will carry its torch further in the cause of peace and democracy and make people appear and feel this world a small single unit rather than separate parts with different cultures. Apparently, the differences appear too many, but when you analyze, you will find common qualities so many as to make us feel more at home. You and the "Y" will certainly be able to achieve better practical results than millions of dollars could otherwise achieve.

William T. van Wijk, of Haarlem, Holland, comments:

I was in Washington in August 16, 1959, when Dr. Seamens of your State Department spoke and that made it even more international, and from that point of view, more worthwhile. Dr. Miller, of Harvard University, was also present and I often think about his words, as I was sitting next to him during breakfast. The international understanding of people is, in my opinion, very important.

Ishimatsu Nohara, safety specialist, Japanese Government, writes:

I learned many things at your Crossroads meeting through the wonderful speeches and nice discussions after that. Speakers came from various fields, such as education, Congress, diplomatic, and so forth. Moreover, I have made many friends from other countries. I keep up correspondence with some of them. Many impressions from this meeting will live with me as long as I live and encourage me all the time. I hope to have similar meetings in Tokyo.

Dr. Deitrich Gurlitt, Freiburg, Germany, geologist in Middle East oil and repeated visitor at the Crossroads, writes:

I am writing on March 15 and thinking about the 15th birthday of your child, the ICSMB. When I first met it, it was 11, and as it grows older, I love it more and more. On February 15, I saw an eclipse of the sun at home, which started Lent and Ramadau. When I called at a friend's home, his house number was changed from 17 to 15. And on the same February 15, at 1515 hours, I just had a coke with three secretaries when the radio announced the hour and said, "Fuentzehn uhr fuentzehn." Fifteen must be my number of luck. I hope that 15 is your child's number of luck, too. As human beings reach the peak of beauty at 15, spiritual beings may get the same blooming.

Dr. P. G. Gollerheri, professor at Kasturba Medical College, Mangalore, India, writes:

You have been able to build up such a tremendous volume of real good will and understanding, internationally, from this

simple idea of meeting together for a breakfast, from among the guests who may be sojourning in Washington on every Sunday of the year. From such an eyewitness evi-dence of generated good will only once in your country, I felt there is hope for the future international peace of the world, despite the alarms and excursions of pure politics pointing the other way. Every time I meet a Westerner, and this happens to be more often a citizen of the United States of America, my mind goes back to the selfintroduced friendships that I, a small per-son from India, could achieve from among the travelers from the four corners of the world and from all walks of life, meeting informally for an hour or two in your improvised dining room at the YMCA. Although it is 9 years since that Sunday morn-ing, the indelible memory of the scene is as fresh as ever. I will cherish it as long as I live. May your idea of fostering real international good will and amity in this unique manner grow in volume and strength and be so irresistible for the nations to desist from all wars-hot or cold-and give all mankind the world over everlasting peace, happiness, and social harmony.

Don Jefferies of Brisbane, Australia, writes:

Though I be only one of the thousands whom you have met and talked to at the International Crossroads, I want you to know that I have not forgotten you as you have not forgotten me.

Dr. George Dissanaike, lecturer in physics, University of Ceylon, writes:

On this anniversary, we must feel not only a sense of pride at our past achievements, buf also a sense of dedication to our obligations and responsibilities in the future. It is my belief that cooperation is perhaps best achieved among people who understand each other's weaknesses, and perhaps there can be no better way of revealing such weaknesses than over the breakfast table. Let us learn more about each other and cherish the ideals of peace and cooperation.

Herbert Gropel writes from Germany:

I am a schoolteacher in a tiny village in the Bavarian Forest. I teach the seventh and eighth graders and do something in adult education. I think it would be a good idea to have such Sunday morning breakfasts in some places in Europe, too. Unfortunately, I live in a very small village now and have no opportunity of meeting people from other countries. The more I appreciate your reports and letters. The interesting Sunday morning breakfast in the spring of 1952 is still a vivid memory to me."

Kyros L. Savvides, soil conservationist in Cyprus, comments:

The 12 months I spent among students and other citizens of the United States of America revealed to me the real brotherhood of nations. This is an excellent demonstration of the possibility for the establishment of peace on our planet, which can be made a reality if the rules of Christianity for love and helping each other are made part of our lives.

Toshinhiko Suzuki, electrical engineer at Itami, Japan, writes:

I returned to the Kansai Electric Power Co. after I finished my assignment at Westinghouse. It is really hard to tell you how much I have been affected by just staying 1 year in your country. The world situation, at present, is not a happy one. But we can create a peaceful world if we can understand each other. Your ICSMB has contributed very much to a better understanding among people from abroad and will continue to do this more and more. Jorge Villegas Duncan, an engineer in Santiago, Chile, writes:

I wish you and the association the greatest success. Your labors deserve it. All the Americas may hope it to be of very useful results. Men of good will are what this continent and the whole world requires to save it from impending catastrophe. This is a work requiring the joint action of all spiritual forces.

B. K. Shivalingappa, executive engineer, Mysore State, India, comments:

I, being at a place half way around the globe, am pleased and thrilled to hear about the 15th anniversary. It would certainly be a privilege and joy to be there to witness the occasion, but though I regret my inability to be there physically, my mind and heart will be there at that time on that day. I cannot forget the friendships developed by casual meeting at the Crossroads, some 2 years back in Washington, and I am greatly benefited by it. Meetings of this type make possible friendships and intimacies among people, irrespective of color, creed, country, or nationality and develop a sense of universal brotherhood. I wish the function all success, and best wishes to all the members who participate in the meeting.

Mats Blom, in the grain business at Norrhaping, Sweden, sent a photograph of his lovely family and writes:

I can't do less but congratulate you and all friends 'round the Sunday morning breakfast table for the very prominent lecturers you have secured, and for all the interesting and actual matters that have been under discussion. You are marvelous to keep this going from week to week for 15 years. But I know, dear Paul, that what you are doing is of great value.

J. L. F. Lawalata, a government official in Indonesia, writes:

I am proud to have known you as my friend and I have always appreciated the Sunday morning breakfast under your inspiring leadership. I met people from all the far-flung corners of the world and many of them created a favorable impression upon me. You hear there a great variety of speakers covering a wonderful series of fascinating topics. Their speeches opened some windows in my mind, which I did not realize at first.

I would strongly recommend that foreign students participate in the Sunday morning breakfast, since it will surely help them in their studies and enrich their lives abundantly. Although I knew you for only about a year, I learned to appreciate you as a man of deeds rather than words, giving an example of fellowship and brothership in the true Christian spirit.

Raymond Issid, who graduated in engineering from the University of Montana, writes from his home in Beirut, Lebanon:

Since I was a little boy, I wanted to be a Christopher Columbus II. My dreams came true, and I discovered and learned about the truth of the free world in the United States of America. One of my beautiful memories is the great opportunity that I had of sharing the fellowship at the ICSMB where I met so many people from different nations. I shall not forget my unique experience, and I pray to God to preserve you—peaceful agent—through the years to come.

Wollert A. Hille-Dahl writes from Geneva:

A year and a half has passed since I visited the United States of America at which time

I was lucky enough to attend the Thanksgiving breakfast and hear Dr. Raymond W. Miller, of Harvard University, speak. This breakfast stands for me as something unique which I shall never forget. It is regrettable that we do not have something similar in Europe.

C. S. Parthasarathy, civil engineer with the Planning Commission at New Delhi, writes:

It was indeed my good fortune to meet you and your colleagues during my short stay at Washington, early in 1957. I continue to be engaged on the task of preparation and implementation of our 5-year plans, of which you are aware. It is an exciting and rewarding experience to be associated with the 5-year plans for a country like ours. Since returning from the United States, there are occasions, not infrequently, when I find opportunities to apply some of the knowledge and experience acquired during my deputation in the United States to study the water resources development projects there. My sincere appreciation and thanks for the most interesting delightful session I had with you all. It has been a great value to me in many different ways, both in my official and personal life.

Heinz Brockstedt, of Germany, writes from Bombay, India, where he is constructing a pharmaceutical plant:

The ICSMB is forever connected with Washington in my memories, and many a time I have thought of the words of Dr. Bowman, who addressed us on May 22, 1960. It's certainly something to feel among friends right from the beginning, something so far from home, and I only hope still many visitors will share the same feeling in the future. Kindly give my special regards to and thanks to Mr. Stan Craige, who was so kind to show and explain to me so much on a tour of Washington.

Panit Sampawakoop, Member of Parliament, Thailand, reports:

I am very happy to recollect my past memory of being with you during my last year's visit, which was kindly arranged by the Department of State. After returning home, I have missed all of you, and wish to be with you again when the opportunity arises in order to participate in the ICSMB which cherishes the aim of mutual understanding which leads to peaceful coexistence among free world nations. There is, at present, unrest in Laos, my neighboring country, where Communist activities are working fruitfully, and government troops are retreating. Simultaneously, the revolution party is being defeated in Cuba by Castro. I cannot help feeling worry about the free world deterio-rating. Anyhow, I hopefully believe that through the unity of our free world nations, the International Crossroads' mutual understanding, we will win over communism eventually.

Dr. Radgo Kukuroi, Professor of Tahoku University, Research Institute of Metals, Sendai, Japan, sends:

I wish to inform you that I and my colleagues who visited and learned in the United States have become members of the Tahoku Japan-American Association in Sendai, under the good offices of the American Cultivation Center. It is earnestly hoped that your kind treatment will be given other young students who will visit Washington in the future and also look forward to the opportunity of meeting you.

Wolf Luckterhand, a young man in Berlin, Germany, comments:

Just about 11 months ago I visited you, and it was one of the most interesting times I had on my trip through your country. You might remember, the trip was my childhood dream becoming a reality. I saved money for years to enable it. I started from Vancouver, Canada; went down to San Francisco, Los Angeles, the Grand Canyon, Texas, New Orleans, then up through Georgia, Washington, D.C., Delaware, New York, and Niagara Falls, to Montreal. I saw the country. I saw people, and I learned to understand. That was the most remarkable experience that I had, understanding the people. Everybody, at least every student on this world, should be forced to travel; to see other countries, and to meet people of other opinions. There would not be another war. I believe in people like you and your Crossroads' Sunday. There is something that helps to establish a contact between people of different nationalities, to create understanding.

Raimo Raevouri, principal of a school in Finland, writes:

You may be sure that in me you have a trustworthy friend, although it is 10 years since I was in the United States. I would like very much to visit your wonderful country once again. As an evidence of my friendship for Americans, I am a member of the Finnish-American Society.

Hyung Chull Lee, Department Vice Manager, Korean Reconstruction Bank, Seoul, writes:

I really enjoyed the Sunday morning breakfasts which gave me actual understanding of the friendship between the United States of America and other free nations. I am very happy that I obtained a lot of valuable knowledge about the United States of America through the speeches of many erudite speakers at the breakfasts. I believe that International Crossroads is very helpful to many people from foreign countries in improving their mutual relationship and understandings with each other.

David Hudson, chartered accountant, Lusaka, Northern Rhodesia, reports:

I most certainly have never forgotten the time I spent in your lovely city, nor the welcome I received at the Sunday morning breakfast and the kindness which prompted your invitation to attend. Most of the African States are going through a time of turmoil and change, but it will all turn out for the best if those concerned have enough patience and understanding.

Karl Moll, exchange teacher from Germany, had this to say:

It was wonderful being with you on February 15 and February 22, 1959, when I was in the United States as a teacher in the Fulbright program. I had the opportunity to speak to various groups in my country since then about the United States and your unique organization. It was really a fine experience for me, this gathering of people from all over the world. Whenever I think of that cordial welcome and atmosphere when I participated in the Crossroads breakfast, I realize how much good is done by your institution. Whenever my students ask me about my impression of the United States, I tell them of my wonderful and inspiring experience at the Crossroads in Washington, D.C.

A. Hugo Grassi, general secretary, YMCA, Montevideo, Uruguay, writes:

The amazing way in which we can travel quickly by air points out how right you are in trying to offer opportunities for people of many lands to get together. To get together even for a breakfast session and to try to know each other and each other's point

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of view, in order to build up a better understanding is very important in a world that more and more is bound to become one. I want to congratulate you and those connected with this enterprise for your fine initiative and for your persistence on it.

Dr. Carlos Henrique Mayr, physician and surgeon, Rio de Janeiro, said:

I have recalled many times those nice Sunday mornings when I was a student there, and I wish that more foreign students would take advantage of the warm welcome and friendships established there. It was a wonderful and good experience. I have been sending many of my friends to join you in your purpose.

Desmond R. Lovatt, Wellington, New Zealand, comments:

It would be a fine extension of this fraternity which the breakfast has created if members who find themselves in other countries could obtain from you addresses of those in that country who are members. In this way, a far stronger bond could be forged and may lead to some interesting groups.

Masashi Mori, attorney in Japan, says:

My meeting with you on one rainy day and my attending your ICSMB on New Year's Day, 1961, became one of the most precious experiences I had during my stay in the United States. It will remain in my memory my lifetime.

Dr. Hanns D. Ahrens, public relations, Germany, sends as a contribution, an experience as told to him on a recent visit to Berlin, by an elderly lady who had gone through very difficult times in the war, its aftermath, and now participating in the rebuilding:

"God," she said, "was mentioned in the past to be with the strong battalions. That time, believe me, sir, is past forever. We experience day by day that God works through strong souls. There is nothing in the world that the godless materialists fear more than people who believe in God and act as though they were His assistants on earth. We need men with souls stronger than atoms."

As you see, many of these letters indicate the great respect these people have for our system and way of life. What to them before had been a distorted picture became more clear as they visited our Capital and listened to the guest speakers and had an opportunity to personally meet distinguished American citizens and to make their own contribution about their own system and their own basic beliefs.

One cannot know about and participate in this program without realizing the truth of the statement made by Edwin Markham, quote:

- There is a destiny that makes us brothers, None goes his way alone. All that we send into the lives of others.
- All that we send into the lives of others, Comes back into our own.
- I care not what his temples or his creeds, One truth holds firm and fast.

That into his heap of days and deeds, The soul of man is cast.

Mr. Speaker, I am enthusiastic about this voluntary, effective, and meaningful program sponsored by the YMCA here in Washington, D.C. I am convinced that it is doing much to give this country of ours the image that we want it to have.

This type of thing and this program in particular needs to be encouraged. I would like to see this program in Washington expanded and made available to a larger percentage of the visitors who come to this place where we find the evidence of what liberty and freedom can do and where we have done, do, and can do more for more people in more ways to give them the abundant life than anywhere else in the world.

It is my hope that more Members of Congress, public officials, and just plain citizens of America will show an interest in this program and find ways and means to aid and abet its noble and worthwhile objectives.

FARM HOUSING LOAN PROGRAM

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the gentleman from Alabama [Mr. RAINS] may extend his remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. RAINS. Mr. Speaker, one of the finest programs we have in the field of housing is that which provides financing for our farm population. Since this program was created in 1949, it has made 43,000 loans and at present another 7,000 applications are pending. Under this program these families have been able to make improvements in their farm homes which would in all likelihood have been impossible without this assistance. This is because rural areas do not have ready access to the large mortgage lenders who are centered in our cities.

This fine program will expire on July 1 of this year unless the Congress acts. It would be a tragedy if this were allowed to happen, since housing needs in our rural areas are as great as in any part of the country.

To keep this program going, H.R. 6028, the general housing bill, provides a 4year extension. It also authorizes an additional \$200 million for this particularly worthwhile program which, together with the \$207 million remaining from past authorizations, will make it possible for many families to take ad-vantage of these benefits. The housing bill also makes a number of improvements in the program. For example, it would extend the benefits to a now neglected market-nonfarm families living in rural areas. These people are faced with the same disadvantage in obtaining mortgage credit as farm families and should be made eligible. In fact, this is a provision urged in the strongest terms by such groups as the National Grange, the National Farmers' Union, and the National Rural Electric Cooperative Association.

Mr. Speaker, these loans have been made to families in every State in the country. It has been particularly helpful to the South and, as the table shows, Southern States account for over half of the applications now pending. For the information of my colleagues, I would like to insert at this point in the RECORD a table showing the distribution of the 43,000 loans which have been made and the 7,000 applications on hand.

CONGRESSIONAL RECORD — HOUSE

June 20

U.S. Department of Agriculture, Farmers Home Administration

FARM HOUSING LOANS MADE THROUGH DEC. 31, 1960, AND APPLICATIONS PENDING AS OF MAY 31, 1961

State	Total number of bor- rowers	Total loans	Unpaid principal balance	Number of bor- rowers paid in full	Applica- tions for new loans on hand May 31, 1961	State	Total number of bor- rowers	Total loans	Unpaid principal balance	Number of bor- rowers paid in full	Applica- tions for new loans on hand May 31, 1961
U.S. total	42, 674	\$274, 967, 199	\$198, 596, 232	10, 141	7, 072	Montana Nebraska	433 545	\$3, 388, 416 2, 888, 877	\$2, 467, 011	110 235	90 5
Alabama	2, 593	17, 405, 328	12, 677, 040	528	533	Nevada	39	307, 389	1, 610, 537 209, 867	235	9
Alaska	11	66, 120	61, 925	1	5	New Hampshire	29	116, 967	66, 336	10	
Arizona	154	1, 375, 861	728, 590	71	18	New Jersey	249	1,604,268	1,024,108	89	1
Arkansas	2,130	9, 414, 866	6, 565, 488	551	270	New Mexico	370	2, 530, 652	1, 599, 395	123	6
California	841	6, 676, 255	4, 256, 108	324	114	New York	340	2, 156, 714	1, 528, 655	92	10
Colorado	304	1, 970, 344	1,097,258	127	84	North Carolina	1,646	11, 765, 764	8, 564, 014	357	31
Connecticut	54	253, 021	98,602	32	6	North Dakota	745	6, 495, 430	5, 434, 748	81	26
Delaware	15	76, 115	46, 257	5	4	Ohio	485	2, 845, 094	1, 961, 435	172	8
Florida	1,452	12, 487, 569	9, 818, 160	259	221	Oklahoma	1,854	11, 228, 181	7, 740, 573	498	35
Georgia	2, 580	15, 129, 144	10, 576, 561	625	326	Oregon Pennsylvania	474 669	3, 585, 524	2, 620, 808	123	10
Hawaii	172 616	1, 586, 000 4, 593, 203	1,045,254	48 164	24 91	Rhode Island	5	3, 495, 023 15, 090	2, 407, 215	226	17
Idaho Illinois	610 579	4, 093, 203	3, 124, 856 1, 563, 737	230	91 53	South Carolina	1, 425	10, 764, 101	13, 359 8, 262, 854	0 243	10
Indiana	524	3, 094, 401	2,060,666	176	118	South Dakota	1, 420	3, 860, 472	3, 042, 753	109	19 10
Iowa	794	4, 810, 841	3, 584, 172	186	99	Tennessee	1, 917	12, 748, 162	9, 994, 243	298	34
Kansas		3, 609, 898	2, 525, 169	153	125	Texas		17, 243, 494	12, 241, 712	575	31
Kentucky	989	6, 524, 621	4, 773, 443	192	116	Utah	640	5, 462, 802	4, 177, 983	112	9
Kentucky Louisiana	1,275	8, 083, 694	5, 380, 713	323	136	Vermont	42	218, 825	161, 114	9	I STATE
Maine	701	4, 774, 362	3, 769, 532	148	104	Virginia	583	4, 265, 398	2, 872, 473	149	11
Maryland	275	2,038,920	1, 406, 119	83	39	Washington	614	5, 174, 132	4, 111, 135	109	12
Maryland Massachusetts	46	326, 233	245, 843	10	7	Washington West Virginia	611	4, 463, 152	3, 351, 963	91	11
Michigan	895	5, 709, 975	4, 153, 975	234	167	Wisconsin	887	5, 581, 780	4, 473, 216	164	23
Minnesota	773	4, 150, 536	3, 149, 031	158	204	Wyoming	280	1, 963, 035	1, 332, 277	78	23
Mississippi	3,602	19, 382, 695	14, 449, 073	660	479	Puerto Rico.	689	3, 488, 790	2, 366, 633	177	10
Missouri	2,202	10, 914, 709	7, 752, 486	601	312	Virgin Islands	23	141, 118	49,757	13	1.

URBAN RENEWAL OUT OF FUNDS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the gentleman from Alabama [Mr. RAINS] may extend his remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. RAINS. Mr. Speaker, the urban renewal program, begun in 1949, has made a vital contribution toward eliminating slums and making our towns and cities better places in which to live. Under this program Federal capital grants are made to local governments to cover up to two-thirds of the net cost of acquiring and clearing slum areas. Pending housing legislation would increase the Federal share to three-fourths for small towns and for depressed areas up to 150,000 population. So far, 900 projects in nearly 500 communities have been undertaken.

Because of the failure to pass a general housing bill last year, and because of the rising level of activity under the program, the Urban Renewal Administration exhausted its present authority back in January. Since then a backlog of applications has mounted steadily. By the early part of this month there were applications totaling \$265 million for urban renewal projects in every part of the country pending in the Washington office. An additional \$132 million in applications are pending at the regional office level. Not one of these projects can be undertaken unless and until addi-tional funds are provided. This means that the hope for these communities to clear up some of their worst slum areas depends on the enactment of H.R. 6028, the Housing Act of 1961. That bill would authorize an additional \$2 billion for this program to meet the growing backlog and carry it at a high level of operation for an estimated 4 years.

Mr. Speaker, I include in the RECORD a list of those projects whose fate depends on prompt approval of the General Housing Act:

Applications pending in Urban Renewal Administration central office for which funds are not available as of June 9, 1961

STATE, CITY, AND PROJECT NUMBER

U.S. total	Capital grant requested
J.S. total	\$265, 112, 805
Region 1—Total	
Connecticut:	- The Street
Ansonia, R-18(c)	141, 171
Hartford, R-51	5, 501, 181
New Britain, R-50	7, 226, 345
New Haven, R-48(GN)	3, 800, 000
Waterbury, R-53	906, 769
West Haven, R-47	1, 865, 841
Maine: Waterville, R-6	1, 268, 900
Massachusetts:	National Arrents
Dedham, R-39(GN)	910,000
Holyoke, R-40	2,035,000
Stoneham, R-52(GN)	855,000
New Hampshire: Manchester,	1 10 187540315
R-4(GN)	1,000,000
New York:	
Gloversville, R-85(GN)	629, 705
Lindenhurst, R-81	2,040,808
Lockport, R-86	4, 555, 666
Mamaroneck, R-78(GN)	1, 553, 000
Mt. Vernon, R-87	11, 250, 000
New York:	A CONTRACTOR OF A
R-83(GN)	4,000,000
R-18	4, 440, 000
R-68	4, 453, 450
R-90	2,050,000
R-43	15, 619, 443
Niagara Falls, R-91	655, 750
Rochester, R-80	10, 520, 000
Utica, R-89	2, 446, 723
Rhode Island:	
Newport, R-6(GN)	1, 284, 866
Providence:	
R-4	13,061,750
R-7	5, 500, 000
R-1	5, 500, 000

Applications pending in Urban Renewal Administration central office for which funds are not available as of June 9, 1961— Continued

Continued	
STATE, CITY, AND PROJECT NUMBER	-continued Capital grant requested
Region 2—Total	\$46, 536, 369
Delaware: Wilmington, R-3_	155, 580
District of Columbia-Wash- ington:	
R-8	11,021,266
R-7	1
Maryland, Baltimore:	
R-14	504, 543
R-15	4, 394, 930
New Jersey:	
Belmar, R-76	837, 500
Keansburg, R-69	610, 866
Mt. Holly, R-47	364, 662
Passaic, R-71	4, 254, 200
Plainfield, R-75	261, 978
Trenton: R-68	
R-68	706, 800
R-74	3, 923, 172
Union City, R-70	1, 174, 166
Pennsylvania:	
Bethlehem: R-110	1100 010 000
R-110	1,064,681
R-111	400, 573
Collier Township, R-76	124, 812
East Stroudsburg, R-116	699, 903
Harrisburg: 14–1	
14-1	276, 631
R-77	10, 553
Hazleton, R-105 Lower Merion Township:	630, 033
R-109(GN)	0 040 040
R-112(GN)	3, 348, 242
New Brighton, R-118	1, 475, 167
Pottsville, R-74	120,072 325,974
Rochester, R-114	808, 990
Scranton, R-108	1, 744, 341
Wilkes-Barre, R-117	1, 485, 000
Virginia:	1, 100, 000
Norfolk, R-21(GN)	4, 289, 658
South Norfolk, R-19	131, 623
West Virginia .	
Huntington, R-7	504, 106
Moundsville, R-6	886, 347
modified inter to	000,011

Applications pending in Urban Renewal Administration central office for which funds are not available as of June 9, 1961— Continued

STATE, CITY, AND PROJECT NUMBER-continued STATE, CITY, AND PROJECT NUMBER-continued Capital

	grant
	requested
Region 3-Total	\$26, 032, 912
Alabama:	
Birmingham, R-35	2, 623, 299
Luverne, R-37	96, 869
Mobile, R-34	2, 500, 000
Opelika, R-36 Georgia:	336, 054
Athens, R-50	423, 887
Atlanta, R-48(GN)	1,066,000 486,666
Brunswick, R-47(GN) Carrollton, R-40	21, 286
Glasgow, R-17(GN)	114,050
R-16(GN)	715, 101
R-19 Mississippi:	
Clarksdale, R-5	206, 631
Cleveland, R-2	138, 677
Tupelo, R-1	617, 944
North Carolina: Charlotte, R-14	
Winston-Salem, R-18 Tennessee:	4, 684, 393
Jackson, R-39(GN)	786,000
Knoxville, R-40 South Pittsburg:	6, 717, 650
R-32	27, 699
R-33	10, 142
Region 4—Total	40, 241, 417
Alton, R-27	71, 709
Cairo, R-36	464, 800
R-31	2, 692, 807
R-24	55, 768
R-6	92, 333
Indiana: Batesville, R-27(GN)	266, 200
Elkhart, R-26	729, 184
Evansville, R-21(GN)	1, 751, 667
Jeffersonville, R-22(GN)	506, 600
La Porte, R-18(GN)	311, 464
Mishawaka, R-9	951, 842
South Bend, R-19(GN)	1,915,000 1,009,732
Terre Haute, R-16 Michigan:	1,000,101
Clinton Township, R-51	449 500
(GN) Detroit:	448, 500
R-52	5, 409, 175
R-50(GN)	8, 584, 284
Wayne, R-48(GN)	1, 179, 485
Minnesota:	
Minneapolis, R-12(CR)	482, 238
St. Paul, R-4(GN) Ohio:	1, 816, 255
Akron, R-38(CR)	73, 374
Cleveland: R-43	10, 400, 000
R-44 Wisconsin, Madison, R-2	1, 029, 000
Region 5—total	19, 143, 495
Arkansas:	000 500
Fort Smith, R-19	639, 736 1, 838, 133
Harrison, R-21(C) Junction City, R-7	201, 965
North Little Rock, R-18	2, 912, 368
Colorado: Denver, R-9	1,066,000
Kansas: Kansas City, R-12_	4, 367, 111
Louisiana: Monroe, R-3	5, 639, 172
Missouri:	
Joplin, R-19	
Joplin, R-19 Mexico, R-22 St. Joseph, R-32(CR)	65, 125 39, 820
Oklahoma, Tulsa, R-3	184, 548
	and the second se

Applications	pending	in	Urban	Renewal
Administrat	ion cent	ral	office	for which
funds are no	ot availab	le a	s of Jun	e 9, 1961—
Continued				

Waco, R-51	1, 252, 414
	840, 840
Wink, R-34	96, 263
Region 6-Total	23, 587, 244
California:	The second
Fresno, R-24	542, 281
Salinas, R-53	1, 154, 932
San Francisco:	
R-54 1	4, 254, 000
R-7	2, 683, 521
Santa Rosa, R-45	1, 774, 734
Hawaii: Honolulu:	
R-7	1, 348, 352
R-6(GN)	1, 204, 353
R-5	(1)
Oregon:	Pellin ach ??
Coos Bay, R-5	135, 475
Monmouth, R-6	119,240
Washington: Tacoma, R-3	370, 356
¹ No new authority.	

Applications pending in Urban Renewal Ad-ministration regional offices for which funds are not available as of June 9, 1961

State and city	Number of appli- cations	Capital grant requested
U.S. total	120	\$131, 609, 602
Arkansas, total	8	3, 227, 931
Junction City Little Rock Morrilton Texarkana	2 4 1 1	293, 624 2, 702, 724 130, 441 101, 142
California, total	6	8,005,042
Oakland Pasadena Richmond San Francisco Seaside	1 1 1 2	3, 343, 502 3, 083, 800 31, 113 193, 966 1, 352, 661
Colorado, total	1	1, 417, 044
Arvada	1	1, 417, 044
Connecticut, total	6	17, 477, 074
Bridgeport Bristol Meriden Norwieh Stamford	1 1 1 2 1	4, 200, 330 691, 977 413, 037 106, 130 12, 065, 600
Georgia, total	2	1, 485, 539
Athens Decatur	1	1, 388, 187 97, 352
Illinois, total	2	4, 584, 208
Bloomington	1	3, 416 4, 580, 792
Iowa, total	2	3, 950, 786
Des Moines Sioux City	11	1, 514, 690 2, 436, 096
Kansas, total	1	31, 950
Wichita	1	31, 950
Kentucky, total	1	138, 750
Corbin	1	138, 750
Maine, total	1	285, 488
Bangor	1	285, 488
Massachusetts, total	5	7, 629, 812
Cambridge Fitchburg Lynn. Springfield	$\begin{array}{c}1\\2\\1\\1\end{array}$	3, 142, 311 1, 683, 001 824, 500 1, 980, 000

Applications pending for Urban Renewal Administration central office for which funds are not available as of June 9, 1961— Continued

Michigan, total Benton Harbor Hamtramek Muskagan	4	\$2, 370, 270
Hamtramck		
Muskegon Wayne	1 1 1	$12,200 \\ 569,632 \\ 1,731,687 \\ 56,751$
Missouri, total	5	15, 153, 297
Kansas City	1	185, 383
Olivette	1 1 1 1	527, 484 13, 736, 000 650, 000 54, 430
New Hampshire, total	1	748, 165
Somersworth	1	748, 165
New Jersey, total	17	6, 953, 390
Camden Clifton East Orange Edison Long Branch	211111	$\begin{array}{c} 1,009,126\\ 144,000\\ 87,993\\ 425,295\\ 166,748\\ 1,552,150\\ 229,495\\ 10,000\\ 920,000\end{array}$
Newark Park Ridge Passaic Pitman Plainfield	31111	694, 908
Stanhope Trenton Wayne Township West Orange	1 1 1 1	320,400 4,830 1,110,670 967,775
New York, total	9	10, 401, 344
Albany. Auburn. Island Park. Niagara Falls. Nyack. Port Jervis. Sloatsburg.	211112	$\begin{array}{c} \textbf{1, 501, 232} \\ \textbf{819, 950} \\ \textbf{658, 725} \\ \textbf{4, 583, 332} \\ \textbf{271, 949} \\ \textbf{1, 410, 667} \\ \textbf{1, 155, 489} \end{array}$
North Carolina, total	2	1, 843, 810
Asheville Greensboro	11	393, 000 1, 450, 810
North Dakota, total	1	1,005,653
Fargo	1	1,005,653
Ohio, total	6	13, 500, 096
Akron. Columbus. Hamilton Springfield Youngstown	1 1 1 2 1	3, 484, 751 901, 451 37, 104 2, 710, 123 6, 366, 667
Oregon, total	2	544, 818
Eugene Monmouth	1	381, 478 163, 340
Pennsylvania, total	11	4, 993, 398
Cheltenham Township Lancaster	11211111	486, 351 338, 819 861, 333 97, 215 8, 000 738, 493 721, 604 48, 106 1, 547, 000 146, 477
Puerto Rico, total	6	1, 417, 975
Aguadilla Arecibo Juana Diaz Loiza San Sebastian	1 2 1 1 1	443, 500 892, 257 70, 000 1, 835 10, 383
Rhode Island, total	1	10, 300, 000
Providence	1	10, 300, 000
	2	1, 050, 080
South Carolina, total		
South Carolina, total Columbia Spartanburg	1	550,080
	1 1 4	550, 080 500, 000 842, 279

Applications pending for Urban Renewal Administration central office for which funds are not available as of June 9, 1961-Continued

State and city	Number of appli- cations	Capital grant requested
Texas, total	4	\$1, 250, 049
Austin Crystal City Port Isabel	2 1 1	686, 995 186, 425 376, 629
Virginia, total	4	3, 134, 140
Danville Norfolk Portsmouth	1 2 1	56, 777 1, 744, 363 1, 333, 000
Washington, total	1	798, 200
Seattle	1	798, 200
West Virginia, total	2	728, 537
Bluefield Wheeling	11	722, 187 6, 350
Wisconsin, total	3	6, 340, 477
Milwaukee	3	6, 340, 477

COMMITTEE ON RULES

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the Committee on Rules have until midnight tonight to file certain reports.

The SPEAKER pro tempore (Mr. PRICE). Is there objection to the re-quest of the gentleman from Massachusetts?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. HARRISON of Virginia (at the request of Mr. McCormack), for today, on account of a death in the family.

To Mr. THOMPSON of New Jersey (at the request of Mr. RODINO), for today, on account of official business.

SPECIAL ORDER GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. HECHLER (at the request of Mr. McCORMACK), for 20 minutes, on Thursday next.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. HOLLAND.

Mr. BROOKS of Louisiana.

Mr. SMITH of Virginia and to include a speech by Gov. William M. Tuck, of Virginia.

Mr. DOYLE and to include extraneous matter.

Mr. LESINSKI and to include extraneous matter.

Mr. KEOGH and to include extraneous matter.

Mr. MICHEL and to include an editorial. (The following Members (at the request of Mr. CONTE) and to include ex-

traneous matter:)

Mr. SCHNEEBELI. Mr. WILSON of Indiana.

Mr. VAN ZANDT in two instances.

Mr. LATTA.

Mr. SCHERER.

(The following Members (at the request of Mr. McCormack) and to include extraneous matter:)

Mr. ANFUSO.

noon.

Mr. ADDABBO in two instances.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 1619. An act to authorize adjustments in accounts of outstanding old series currency, and for other purposes.

ADJOURNMENT

Mr. McCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 47 minutes p.m.), the House adjourned until tomorrow, Wednesday, June 21, 1961, at 12 o'clock

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1048. A communication from the President of the United States transmitting a draft of a proposed bill entitled "A bill to provide increased Federal assistance to State and local governments in planning new or improved transportation facilities and services as a part of comprehensive planning for metro-politan and other urban areas, and for other purposes"; to the Committee on Banking and Currency.

1049. A letter from the Acting Administrator, General Services Administration, transmitting a draft of a proposed bill entitled "A bill to amend section 109 of the Federal Property and Administrative Services Act of 1949, as amended, relative to the general supply fund"; to the Committee on Government Operations.

1050. A letter from the Deputy Director for Congressional Relations, International Cooperation Administration, transmitting a copy of the agency's reply to the Comptroller General of the United States relating to a report to the Congress on a review of the mutual security program for fiscal year 1961, numbered as (B-133175); to the Committee on Government Operations.

1051. A letter from the Chairman, Civil Aeronautics Board, transmitting a draft of a proposed bill entitled "A bill to amend section 416(b)(1) of the Federal Aviation Act of 1958"; to the Committee on Interstate and Foreign Commerce.

1052. A letter from the Chief Justice, Supreme Court of the United States, trans-mitting a copy of the report of the proceed-ings of a special meeting of the Judicial Conference of the United States, held at Washington, D.C., March 13–14, 1961 (H. Doc. No. 198); to the Committee on the Judiciary and ordered to be printed.

1053. A letter from the Secretary of State, transmitting a draft of a proposed bill en-titled "A bill to implement the provisions of the International Convention for the Prevention of the Pollution of the Sea by Oil, 1954"; to the Committee on Merchant Marine and Fisheries.

REPORTS OF COMMITTEES ON PUB-LIC 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. McMILLAN: Committeee on the Dis-trict of Columbia. H.R. 4913. A bill to fur-ther amend the act of August 7, 1946 (60 Stat. 896), as amended by the act of October 25, 1951 (65 Stat. 657), as the same are amended, by providing for an increase in the authorization for funds to be granted for the construction of hospital facilities in the District of Columbia; by extending the time in which grants may be made; and by authorizing a grant for funds to the George Wash-ington University Hospital, and for other purposes; with amendment (Rept. No. 551). Referred to the Committee of the Whole House on the State of the Union.

Mr. MURRAY: Committee on Post Office and Civil Service. Report on reducing the reporting requirements of transportation industries; without amendment (Rept. No. 552). Referred to the Committee of the Whole House on the State of the Union.

Mr. DAVIS of Tennessee: Committee on Public Works. H.R. 4300. A bill to designate the Bear Creek Dam on the Lehigh River, Pa., as the Francis E. Walter Dam; without amendment (Rept. No. 553). Referred to the House Calendar.

Mr. THORNBERRY: Committee on Rules. House Resolution 350. Resolution for consideration of H.R. 6028, a bill to assist in the provision of housing for moderate and low income families, to promote orderly urban development, to extend and amend laws re-lating to housing, urban renewal, and community facilities, and for other purposes; without amendment (Rept. No. 554). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mrs. GRIFFITHS: H.R. 7743. A bill to provide for the is-suance of a postage stamp in honor of the life and contributions of Henry Ford; to the Committee on Post Office and Civil Service. By Mr. INOUYE:

H.R. 7744. A bill to provide for a Peace Corps to help the people of interested countries and areas in meeting their needs for skilled manpower; to the Committee on Foreign Affairs

By Mr. LANGEN:

H.R. 7745. A bill to amend the Soil Bank Act, as amended, to provide a uniform procedure for the alleviation of damage, hardship, or suffering caused by severe drought, flood, or other natural disaster, and for other purposes; to the Committee on Agriculture.

By Mr. LENNON:

H.R. 7746. A bill to extend for 3 years the temporary provisions of Public Laws 815 and 874, 81st Congress, and to make certain changes in such laws; to the Committee on Education and Labor.

By Mr. MACGREGOR:

H.R. 7747. A bill to amend title 39 of the United States Code to permit the private carriage of letters and packets in certain cases, and for other purpose; to the Com-mittee on Post Office and Civil Service.

By Mr. O'KONSKI:

H.R. 7748. A bill to amend section 314(s) of title 38, United States Code, to provide that the compensation payable under that subsection may be payable to veterans who are entitled to compensation at total dis-ability rates and who are permanently housebound; to the Committee on Veterans' Affairs.

By Mr. O'KONSKI (by request): H.R. 7749. A bill to amend title II of the Social Security Act to provide for the payment of maximum old-age or disability in-

Mr. GARMATZ.

surance benefits to any veteran who is entitled to such benefits and who meets the service requirements applicable to the payment of pension for non-service-connected disability; to the Committee on Ways and Means.

By Mr. ROGERS of Texas (by request) :

H.R. 7750. A bill to amend section 9(d) (1) of the Reclamation Project Act of 1939 (53 Stat. 1187; 43 U.S.C. 485), to make additional provision for irrigation blocks, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. SCOTT:

H.R. 7751. A bill to extend for 3 years the temporary provisions of Public Laws 815 and 874, 81st Congress, and to make certain changes in such laws; to the Committee on Education and Labor.

By Mr. ST. GERMAIN: H.R. 7752. A bill to amend the District of Columbia Alcoholic Beverage Control Act, as amended, and for other purposes; to the Committee on the District of Columbia.

By Mr. SMITH of Mississippi: H.R. 7753. A bill to establish certain quali-

fications for Justices of the Supreme Court of the United States and for judges of U.S. courts of appeals; to the Committee on the Judiciary. By Mr. BECKER:

H.R. 7754. A bill to prescribe the minimum permissible rate of interest on loans made by the United States; to the Committee on Ways and Means.

By Mr. DIGGS:

H.R. 7755. A bill to provide for an investi-gation and study of means of making the Great Lakes and the St. Lawrence Seaway available for navigation during the entire year; to the Committee on Public Works.

By Mr. HALL: H.R. 7756. A bill to amend the Internal Revenue Code of 1954 so as to provide additional deductions and exemptions for the expenses of medical care of persons 65 years of age and over; to the Committee on Ways and

Means By Mr. HERLONG:

H.R. 7757. A bill to amend subsection (b) of section 512 of the Internal Revenue Code of 1954 (dealing with unrelated business taxable income); to the Committee on Ways and Means.

By Mr. MONAGAN:

H.R. 7758. A bill for the relief of the housing authority of the city of Derby, Conn.; to the Committee on the Judiciary.

By Mr. McCORMACK: H.R. 7759. A bill to further amend the act of August 7, 1946 (60 Stat. 896), as amended by the act of October 25, 1951 (65 Stat. 657), as the same are amended, by providing for an increase in the authorization for funds to be granted for the construction of hospital facilities in the District of Columbia; by extending the time in which grants may be made; and by authorizing a grant for funds to the George Washington University Hospital, and for other purposes; to the Com-

mittee on the District of Columbia. By Mr. ASPINALL (by request)

H.R. 7760. A bill to amend section 9(d) (1) of the Reclamation Project Act of 1939 (53 Stat. 1187; 43 U.S.C. 485), to make additional provision for irrigation blocks, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. McCORMACK:

H.R. 7761. A bill to provide for a Peace Corps to help the peoples of interested countries and areas in meeting their needs for skilled manpower; to the Committee on Foreign Affairs.

By Mr. CELLER: H.R. 7762. A bill to provide for planning the participation of the United States in the New York World's Fair, to be held at New New York City in 1964 and 1965, and for other purposes; to the Committee on Foreign Affairs.

By Mr. DELANEY:

H.R. 7763. A bill to provide for planning the participation of the United States in the New York World's Fair, to be held at New York City in 1964 and 1965, and for other purposes; to the Committee on Foreign Affairs.

By Mr. DEROUNIAN:

H.R. 7764. A bill to provide for planning the participation of the United States in the New York World's Fair, to be held at New York City in 1964 and 1965, and for other purposes; to the Committee on Foreign Affairs.

By Mr. DOOLEY:

H.R. 7765. A bill to provide for planning the participation of the United States in the New York World's Fair, to be held at New York City in 1964 and 1965, and for other purposes; to the Committee on Foreign Affairs.

By Mr. FARBSTEIN:

H.R. 7766. A bill to provide for planning the participation of the United States in the New York World's Fair, to be held at New York City in 1964 and 1965, and for other purposes; to the Committee on Foreign Affairs.

By Mr. HALPERN:

H.R. 7767. A bill to provide for planning the participation of the United States in the New York World's Fair, to be held at New York City in 1964 and 1965, and for other purposes; to the Committee on Foreign Affairs.

By Mr. MULTER:

H.R. 7768. A bill to provide for planning the participation of the United States in the New York World's Fair, to be held at New York City in 1964 and 1965, and for other purposes; to the Committee on Foreign Affairs.

By Mr. PIRNIE:

H.R. 7769. A bill to provide for planning the participation of the United States in the New York World's Fair, to be held at New York City in 1964 and 1965, and for other purposes; to the Committee on Foreign Affairs.

By Mr. RAY: H.R. 7770. A bill to provide for planning the participation of the United States in the New York World's Fair, to be held at New York City in 1964 and 1965, and for other purposes; to the Committee on Foreign Affairs.

By Mr. RIEHLMAN:

H.R. 7771. A bill to provide for planning the participation of the United States in the New York World's Fair, to be held at New York City in 1964 and 1965, and for other purposes; to the Committee on Foreign Affairs.

By Mr. MONTOYA:

H.R. 7772. A bill to amend and extend the provisions of the Sugar Act of 1948, 25 amended; to the Committee on Agriculture. By Mr. MORRIS:

H.R. 7773. A bill to amend and extend the provisions of the Sugar Act of 1948, as amended; to the Committee on Agriculture. By Mr. STAGGERS:

H.R. 7774. A bill to provide that standard time shall be the measure of time for all purposes and to authorize Congress to establish daylight saving time for any year by concurrent resolution; to the Committee on Interstate and Foreign Commerce.

H.R. 7775. A bill to amend the Standard Time Act of March 19, 1918, so as to provide that the standard time established thereunder shall be the measure of time for all purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 7776. A bill to require the Secretary of the Army to accept the donation of certain real property to be held and administered as a part of the national cemetery situ-ated at Grafton, W. Va.; to the Committee on Interior and Insular Affairs.

By Mr. DIGGS:

H.J. Res. 457. Joint resolution to establish the Emancipation Proclamation Centennial Celebration Commission, and for other purposes; to the Committee on the Judiciary. By Mr. FRELINGHUYSEN:

H.J. Res. 458. Joint resolution designating the 8-day period beginning on the 12th day of October of each year as Patriotic Educa-tion Week; to the Committee on the Judiciary.

By Mr. HAYS: H. Res. 348. Resolution to authorize the Committee on Foreign Affairs to employ an additional employee, and for other purposes; to the Committee on House Administration. By Mr. PRICE:

H. Res. 349. Resolution authorizing the printing of "U.S. Defense Policies in 1960" as a House document; to the Committee on House Administration.

MEMORIALS

Under clause 4 of rule XXII.

The SPEAKER presented a memorial of the Legislature of the State of Texas, me-morializing the President and the Congress of the United States relative to urging the Congress to propose to the States an amendment to the Constitution of the United States as provided by article V of the Constitu-tion, relating to the budget and the national debt, and the inflationary fiscal policy of the Federal Government, which was referred to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CELLER:

H.R. 7777. A bill for the relief of Elisa-betta Marchegiani; to the Committee on the Judiciary.

By Mr. FINNEGAN:

H.R. 7778. A bill for the relief of Cynthia Ann Fili; to the Committee on the Judiciary

H.R. 7779. A bill for the relief of Rose Babayan; to the Committee on the Judiciary. By Mr. INOUYE:

H.R. 7780. A bill for the relief of Mrs. Rita Alison; to the Committee on the Judiciary. By Mr. LANKFORD:

H.R. 7781. A bill to authorize the Administrator, General Services Administration, to convey by quitclaim deed a parcel of land to the Silver Hill Voluntary Fire Depart-ment and Rescue Squad; to the Committee on Government Operations.

H.R. 7782. A bill to authorize the Secre tary of the Interior to convey certain lands in the State of Maryland to the Prince Georges County Hospital, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. LOSER:

H.R. 7783. A bill for the relief of Dr. Lourdes Casas Ocampo, Cely Carrillo On-rubia (Maria Celia O. Carrillo Onrubia), Mrs. Carmen Ocampo Carrillo and her three minor children, Tomas Antonio Jesus Carrillo, Maria Corinto Asuncion Carrillo, and Marie Cecile Carrillo; to the Committee on the Judiciary.

By Mr. MORRISON: H.R. 7784. A bill for the relief of Dr. John P. Chiasson and his wife, Alice Chiasson, and their minor children, Louis, Marc, Marina, and Nicolee Chiasson; to the Committee on the Judiciary. By Mr. PELLY: H.R. 7785. A bill for the relief of Huan-

pin Tso; to the Committee on the Judiciary.

By Mr. RYAN: H.R. 7786. A bill for the relief of Juan Alejandro Luis Berenguer; to the Committee on the Judiciary.