

There are additional aspects of the Court's decision in this instance which bear examination.

The statute under which the appellant was convicted by the California court contains a criminal provision; that is, it makes infraction of the statute a criminal offense. California has another statute—a civil one—enabling it to deal with narcotic addiction, in its welfare and institutions code—section 5355.

According to Mr. Justice Clark, these two statutes are well-considered parts of a program resulting from long study and experience in the problem of narcotic traffic and addiction by responsible officials of the State of California. The division of labor between the two statutes reflects a desire by the State to deal with the problem in realistic stages. Justice Clark describes the stages as follows:

At its incipency narcotic addiction is handled under section 11721 of the health and safety code which is at issue here. * * * [This] criminal provision applies to the incipient narcotic addict who retains self-control, requiring confinement of 3 months to 1 year and parole with frequent tests to detect renewed use of drugs. Its overriding purpose is to cure the less seriously addicted person by preventing further use. On the other hand, the civil commitment provision deals with addicts who have lost the power of self-control, requiring hospitalization up to 2 years.

As Justice Clark, in his distinguished dissent, pointed out:

The majority strikes down the conviction [of appellant] primarily on the grounds that [he] was denied due process by the imposition of criminal penalties for nothing more than being in an involuntary status.

The Justice goes on to say:

The viewpoint is premised upon the theme that section 11721 is a criminal provision authorizing a punishment, for the majority admits that a State might establish a program of compulsory treatment for those addicted to narcotics which might require periods of involuntary confinement.

Justice Clark comments—and I most certainly agree—that California has done exactly that. He maintains further:

The majority's error is in instructing the California legislature that hospitalization is

the only treatment for narcotics addiction—that anything less is a punishment denying due process. California has found otherwise after a study which I suggest was more extensive than that conducted by the Court. Even in California's program for hospital commitment of nonvolitional narcotic addicts—which the majority approves—it is recognized that some addicts will not respond to or do not need hospital treatment. As to these persons its provisions are identical to those of section 11721—confinement for a period of not less than 90 days. * * * The fact that section 11721 might be labeled criminal seems irrelevant, not only to the majority's own treatment test but to the concept of ordered liberty to which the States must attain under the 14th amendment.

As the Justice noted in an incisive footnote:

Any reliance upon the stigma of a misdemeanor conviction in this context is misplaced, as it would hardly be different from the stigma of a civil commitment for narcotics addiction.

The Court, as Justice Clark has stated, deems it necessary to instruct the State of California on the nature of a proper treatment for narcotic addiction. We should not be too surprised, however, as we do not have to stretch our memories too far to be reminded that this Court is enamored of its wisdom in regard to psychological and psychomedical phenomena. They are only too anxious to infuse the Constitution with the fruits of this wisdom.

The State of California thought it had not only taken steps to discourage the entrance of undesirables into the State, but also that it had developed an intelligent and sane approach to the problem of making a distinction between the volitional and nonvolitional addict. Now, the Supreme Court tells them, if they wish to have some control over the individual whose addiction is proven but whose use within the State is not, they must do it under the so-called civil code. Their distinctions between volitional and nonvolitional addicts must be tossed out, in this case, and they must revamp their theories of proper treatment.

It is reassuring to know that our Justices are so learned—not only in legal matters, but in medical lore as well.

Mr. Speaker, how much longer must we suffer the abridgment of the rights and privileges of our States? Will this erosion never be stopped? Must the Congress stand helplessly by while the Court—in its majority—makes continual mockery of the word "sovereign" in respect to the States?

If that is the case, Mr. Speaker, then let us once and for all renounce the fiction of division of powers. Let us plainly state that it is the Court which legislates as well as adjudicates.

And let us also renounce the fiction of State borders. If the State of Alabama is not to be permitted the right of protecting her citizens from the evil and pestilence arising from societies alien to her, then the intent and purpose of the framers and signers of the Constitution of this Republic have been repudiated.

National Lottery of the Philippines

EXTENSION OF REMARKS

OF

HON. PAUL A. FINO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, July 20, 1962

Mr. FINO. Mr. Speaker, I should like to point out to the Members of this House about the national lottery of the Philippines.

Last year, the gross receipts of this lottery amounted to over \$3 million. The Government profit came by way of a stamp tax and 1.5 percent tax in lieu of income tax. The net income of over \$1 million was allotted to a special charity fund.

Mr. Speaker, the Filipinos are not the only people who have had the wisdom to see that gambling revenues can be used to further charitable and other beneficial endeavors. Indeed, the United States is one of the few Western nations that has yet come to its senses.

A national lottery in this country can easily produce over \$10 billion a year in new income which can be used to cut taxes and reduce our national debt.

HOUSE OF REPRESENTATIVES

MONDAY, JULY 23, 1962

The House met at 12 o'clock noon.

Dr. Daniel P. Parker, rabbi, Temple Zion, Philadelphia, Pa., offered the following prayer:

Sovereign of the universe, we thank Thee for Thy bountiful kindness unto us, for life and its blessings, for health of body and happiness of home, for the welfare of our people, and the peace of our beloved Nation.

Even in thanksgiving, though, we beseech Thee to put to nought the counsel of those that devise evil against us. Strengthen our cherished land of freedom, that it might send forth the light of liberty unto those who still struggle in darkness.

May Thy blessings rest upon our lawmakers. Let them unite in concord that the commonweal may be advanced.

Guide them to work with the righteous of all nations and creeds, so that hatred among men shall cease, the walls of prejudice separating peoples shall crumble and fall, and men and states will dwell together in amity. Amen.

THE JOURNAL

The Journal of Friday, July 20, 1962, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. McGown, one of its clerks, announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 10904. An act making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1963, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. HILL, Mr. RUSSELL, Mr. MAGNUSON, Mr. STENNIS, Mr. PASTORE, Mr. MONROE, Mr. COTTON, Mrs. SMITH of Maine, and Mr. ALLOTT to be the conferees on the part of the Senate.

WATERSHED PROTECTION AND FLOOD PREVENTION

The SPEAKER laid before the House the following communication, which was read and referred to the Committee on Appropriations:

JULY 20, 1962.

Hon. JOHN W. McCORMACK,
The Speaker, House of Representatives,
Washington, D.C.

DEAR MR. SPEAKER: Pursuant to the provisions of section 2 of the Watershed Protection and Flood Prevention Act, as amended,

the Committee on Public Works has approved the work plans transmitted to you which were referred to this committee. The work plans involved are:

State	Watershed	Executive communication No.	Committee approval
Alabama	Hurricane Creek	2065	July 16, 1962
Arizona	Florence area	1902	July 16, 1962
Georgia	Marbury Creek	2065	July 16, 1962
Georgia	Middle Fork Broad River	2065	July 16, 1962
Montana	Box Elder Creek	1332	July 16, 1962
North Dakota	North Branch Forest River (supplemental)	1902	July 16, 1962

Sincerely yours,

CHARLES A. BUCKLEY,
Chairman, Committee on Public Works.

DANIEL J. FLOOD

Mr. WALTER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

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

There was no objection.

Mr. WALTER. Mr. Speaker, this morning I had the great pleasure of greeting our esteemed colleague, who has recovered from a long illness and has been away from us too long. I am referring to the gentleman from Pennsylvania, Congressman FLOOD, from my State. We have missed his great contributions to the various security measures brought to us. I am sure I voice the sentiments of every Member of this body when I say we have missed him greatly and are very happy because of his return.

Mr. ALBERT. Mr. Speaker, will the gentleman yield?

Mr. WALTER. I yield to the gentleman from Oklahoma.

Mr. ALBERT. Mr. Speaker, I also had the privilege this morning of greeting our fighting comrade, one of the most able and beloved Members of this House, when he came by my office. Soldier that he is, he has fought his way back to us. He is here in full armor, ready for the impending legislative battles. Welcome, DAN.

Mr. THOMAS. Mr. Speaker, will the gentleman yield?

Mr. WALTER. I yield to the gentleman from Texas.

Mr. THOMAS. May I, too, welcome back to the Chamber our beloved, learned, and distinguished friend, the gentleman from Pennsylvania, Congressman FLOOD. Congressman FLOOD, we have said some prayers for you and it looks as if they have been answered. You look grand. You have a wonderful color. You have always had that color. We wish you a speedy and more and more substantial recovery. I repeat, it is really a privilege and a pleasure to see you back on this floor. I know of few men that have as many friends on the floor on both sides of the aisle.

Mr. JENSEN. Mr. Speaker, will the gentleman yield?

Mr. WALTER. I yield to my colleague from Iowa.

Mr. JENSEN. Mr. Speaker, I wish to join my colleagues in welcoming our colleague and friend, the gentleman from Pennsylvania, DAN FLOOD, back to the House. DAN, we have missed you in the Appropriations Committee meetings.

We have missed that fine countenance of yours. At times, you know, you give us a little bad time, but nevertheless we like it. So I wish you every bit of health the good Lord may shower on you. May your health improve each day. You have lost 20 pounds, you told me; I am willing to donate 10 of my pounds to you and I think there are one or two other Members who would be glad to donate 10 of their pounds to you.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. WALTER. I yield to our distinguished Speaker.

Mr. McCORMACK. Mr. Speaker, I am very glad to see our friend, the gentleman from Pennsylvania, DAN FLOOD, back with us again. He has been through a very trying ordeal. Each and every Member of the House of Representatives was constantly thinking of him during his days of pain. We are so happy to see him back. There is no Member who enjoys the respect, friendship, and affection of all of his colleagues without regard to party more than our dear friend, the gentleman from Pennsylvania, DAN FLOOD.

I might say that DAN came to see me this morning—and his call was in the line of duty, showing the people of his district how well he represents them. On his first day back after his serious illness, he called to see me about a bill in which he is very much interested, and I might say I am supporting him very strongly on that bill. I know when the bill comes up, perhaps next week or at any time at his convenience, his personality, his logic, and the power of his eloquence will convince Members on both sides of the House that the bill should pass.

Mr. MARSHALL. 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 Minnesota?

There was no objection.

Mr. MARSHALL. Mr. Speaker, it was indeed a pleasant surprise to come onto the floor and see our distinguished colleague, the gentleman from Pennsylvania, DANIEL J. FLOOD, in attendance. Personally, I have missed DAN very much while he has been convalescing.

It was my pleasure to serve on the Committee on Appropriations with him for a number of years. He has done well in serving his constituents and his constituents in turn have rendered a real service to the country by sending DAN FLOOD here to represent them.

He is a great American, a hard worker, and a fighter for those things in which he believes. It is good to see him looking so well and judging by his appearance he will soon be exhibiting the fighting spirit for which he is noted.

I am sure I join with all his colleagues in wishing him happiness and good health and all of the good things for which he is entitled in the years to come.

DEFENSE DEPARTMENT SAYS "DAMN THE DOLLARS; FULL SPEED AHEAD"

Mr. WILSON of Indiana. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

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

There was no objection.

Mr. WILSON of Indiana. Mr. Speaker, again, I call the attention of the House to the attitude of our Defense Department in what I describe as "damn the dollars; full speed ahead." Only this time, it is of such urgent nature that his expenditure of dollars is via airmail. We have now arrived at the point where the squandering of the taxpayers' dollars seems to be adequately justified by use of the word "emergency."

I hold here in my hand a quantity of material addressed to the Progress Examiner, Orleans, Ind., and sent to that paper by airmail. It cost the taxpayers \$1.15 to mail it airmail from Washington, D.C., to Orleans, Ind. Upon examining the contents of this package I find it contains three full-page publicity reprints, seven large newspaper mats, a reprint from the Reader's Digest, reprints from the CONGRESSIONAL RECORD, two press releases, a fact sheet, a pamphlet on the National Guard, and a covering letter.

Although it deals with an outstanding service, the National Guard, I cannot for the life of me discover an emergency which would justify the expense of sending this boilerplate or filler material by way of air mail to this newspaper, nor did the publisher of the paper, Mr. Busick, of the Orleans Progress Examiner, Orleans, Ind., for it was he who alerted me to this and mailed me the package.

I would like my colleague, the gentleman from Georgia, Congressman VINSON, chairman of the Armed Services Committee, and the gentleman from Texas, Congressman MAHON, chairman of the Subcommittee on Appropriations for Armed Services, to look into this matter. I would like to know how many such pieces were mailed and how they justified the expense of mailing this undated material by way of air mail. No doubt many thousands of pieces were mailed out in the same fashion, and although only a small number of thousands of dollars were expended, I do not accept this as an excuse for such gross waste of the taxpayers' money.

TREASURY-POST OFFICE APPROPRIATION BILL, 1963

Mr. PASSMAN. Mr. Speaker, I ask unanimous consent that the managers

on the part of the House have until midnight tomorrow, July 24, to file a conference report on the bill H.R. 10526, making appropriations for the Treasury and Post Office Departments, and the Executive Office of the President, for the fiscal year 1963, and for other purposes.

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

There was no objection.

SPECIAL SUBCOMMITTEE ON TRAFFIC, STREETS, AND HIGHWAYS

Mr. WHITENER. Mr. Speaker, I ask unanimous consent that the Special Subcommittee on Traffic, Streets, and Highways may be permitted to sit during the legislative deliberations today.

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

There was no objection.

SECOND SUPPLEMENTAL APPROPRIATION BILL, 1962

Mr. THOMAS. Mr. Speaker, pursuant to the unanimous agreement of last Friday, I call up for consideration a House concurrent resolution.

The Clerk read as follows:

H. CON. RES. 505

Resolved by the House of Representatives (the Senate concurring). That the Clerk of the House of Representatives be authorized and directed in the enrollment of the bill H.R. 11038 to make the following changes in the engrossed House bill:

- (1) Page 2, strike out lines 13 to 16, inclusive.
- (2) Page 2, line 20, strike out "\$37,000,000" and insert "\$34,500,000".
- (3) Page 4, line 12, strike out "\$134,000" and insert "\$103,000".
- (4) Page 5, line 2, strike out "\$355,000" and insert "\$310,000".
- (5) Page 5, line 5, strike out "\$225,000" and all that follows in that paragraph through line 7 and insert "\$94,000".
- (6) Page 5, strike out lines 11 to 16, inclusive.
- (7) Page 6, strike out lines 10 to 13, inclusive.
- (8) Page 6, line 16, change the period to a comma and insert "to remain available until expended."
- (9) Page 6, strike out lines 18 to 20, inclusive.
- (10) Page 6, strike out lines 21 to 24, inclusive.
- (11) Page 7, strike out lines 1 to 5, inclusive.
- (12) Page 7, line 10, strike out "\$40,000" and insert "\$15,000".
- (13) Page 7, strike out lines 15 to 18, inclusive.
- (14) Page 7, strike out lines 19 to 23, inclusive, and page 8, strike out lines 1 and 2.
- (15) Page 8, line 9, strike out "\$2,250,000" and insert "\$2,120,000".
- (16) Page 8, strike out lines 14 to 16, inclusive.
- (17) Page 8, strike out lines 19 and 20 and insert "In addition to the amount heretofore made available for travel expenses of employees, not to exceed \$70,000 shall be available for such expenses from the appropriation to the Interstate Commerce Commission for the current fiscal year for 'Salaries and expenses'."
- (18) Page 9, strike out lines 1 to 4, inclusive.
- (19) Page 9, strike out lines 12 to 19, inclusive.

(20) Page 10, line 14, strike out "including" and lines 15 and 16, and insert "\$2,200,000".

(21) Page 10, strike out lines 17 to 19, inclusive.

(22) Page 11, strike out lines 13 to 19, inclusive.

(23) Page 12, line 2, strike out "\$4,880,000" and insert "\$4,690,000".

(24) Page 12, strike out lines 13 to 15, inclusive.

(25) Page 12, line 20, strike out "\$230,000" and insert "\$110,000".

(26) Page 13, strike out lines 20 to 24, inclusive.

(27) Page 14, strike out lines 1 to 3, inclusive.

(28) Page 14, strike out lines 4 to 7, inclusive.

(29) Page 14, strike out lines 17 to 21, inclusive.

Mr. THOMAS (interrupting reading of the House concurrent resolution). Mr. Speaker, I ask unanimous consent that further reading of the resolution be dispensed with. I shall attempt to explain what it is.

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

There was no objection.

Mr. THOMAS. Mr. Speaker, it will be recalled this deals with what we call the second supplemental appropriation bill for 1962. When the supplemental left the House it had 55 items carrying about \$447 million, which was a reduction, in round figures, of \$100 million under the budget, a reduction of about 20 percent.

It went to the other body and that body added some 29 items, increasing the amount over the House by \$112 million, which made a round figure of about \$560 million.

We bring to you two items, one a concurrent resolution and the other a conference report. First, why the concurrent resolution? We put in the concurrent resolution some 29 items which were originally in the supplemental, but those 29 items are a reduction—follow me now—below the figure that was in the supplemental when it left the House and the figure when it left the Senate.

It is a complete reduction and a change. It is in the concurrent resolution because it could not be in the conference report, and the reason it could not be in the conference report is because it is a reduction in those amounts.

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

Mr. THOMAS. I will be glad to yield to the gentleman from Iowa.

Mr. GROSS. How much of the reduction is attributable to the fact that the fiscal year passed several days making some items unnecessary, and how much of it is attributable to an outright reduction in spending?

Mr. THOMAS. Well, let me answer the gentleman by this statement. We had a continuing resolution that left the House. That continuing resolution was, to be perfectly frank about it, pretty rough and pretty tough. It only included 22 items at a total cost of \$133 million. The other body for the first time—so our brain trusters tell us—amended that item. A continuing resolution is not usually amended, but they

did amend it, and they doubled it in numbers and amounts—not quite in numbers but some 12 or 15, but in dollars, yes, about \$144 million. That was never enacted into law. Does that answer the gentleman's question?

Mr. AVERY. Mr. Speaker, will the gentleman yield?

Mr. THOMAS. I yield to the gentleman from Kansas.

Mr. AVERY. I had not intended to interrupt the gentleman, but since he has been interrupted, perhaps I could propound a question at this time. Further it is in context with what the gentleman from Iowa [Mr. Gross] mentioned I was interested, and I am sure many other Members are, in the entitlements under Public Law 815, that were slightly deficient in fiscal 1962.

Mr. THOMAS. May I say to my genial friend from Kansas, he put his finger on perhaps the most popular item in the whole thing. What we did was this. Your conferees of the other body and the House left the operating money of \$15 million intact and your construction money, \$7 million, so I am advised, is in the regular Senate bill, and you know what will happen to that. It will be approved.

Mr. AVERY. I think I understand, but to make sure that those of us not on the committee are entirely in tune with the language of the Committee on Appropriations, it is my understanding that that item was deleted from this supplemental bill, but the appropriation bill for fiscal 1963, for Department of Health, Education, and Welfare supplemental money has been included, with authorizing language, whereby this deficiency, particularly in Public Law 815, may be picked up, shall we say, in 1963.

Mr. THOMAS. That is my understanding.

Mr. AVERY. Well, I would hope that we are both not in error.

Mr. THOMAS. Well, I am sure we are not.

Mr. BROWN. Mr. Speaker, will the gentleman yield?

Mr. THOMAS. I yield to our beloved friend whom we lovingly call the gentleman from Ohio [Mr. BROWN].

Mr. BROWN. A few days ago I raised a question that I thought rather a serious one at the time when we had before us a resolution from the Committee on Rules providing that upon the adoption of the resolution there would be taken from the Speaker's table a Senate amendment, and the amendment be agreed to by adoption of the resolution.

Mr. Speaker, that amendment was an entirely different bill dealing with sugar which had been attached to a previously House-approved honey bee bill by the Senate. The Rules Committee had reported out that rule or resolution without ever seeing this so-called sugar amendment. It was brought onto the floor of the House without that amendment being available. We had to send and get an engrossed copy of the amendment from the Senate in order to try to find out what was in it.

Mr. Speaker, I notice today we are called on to adopt this concurrent resolution, agreeing to this conference report on this particular bill, and the only

bill we have available with which to check these amendments is House Resolution 11038, as ordered printed on April 16, 1962. Of course, none of the amendments provided for in the House concurrent resolution of July 23 as furnished to us here fits in with the bill, and this resolution, to show the Members of the House just what these amendments will do.

I want to say this is a perfect illustration as to why the House is so often confused, and I can understand why the people think we are confused. I am sure I am confused, because we cannot find out around here what is going on in the way of legislation about half the time.

Mr. Speaker, it does seem to me that sooner or later a job is going to have to be done here on correcting the rules of the House so as to make it necessary that all legislation be printed before it is considered on the floor of the House in order that Members may at least have the opportunity to know what they are voting on. I know the gentleman can explain this conference report because the gentleman sat in at the conference. But I doubt if any of the rest of us know what is in it. I have great faith in the gentleman from Texas [Mr. THOMAS] but I am getting tired of taking everything on faith.

Mr. THOMAS. I cannot seriously disagree with what my friend, the gentleman from Ohio [Mr. BROWN] says.

The concurrent resolution carrying the reduction of \$117 million of the \$200 million as handled by the other body—perhaps the Committee on Printing, of which the Appropriations Committee is not involved, could perhaps change its rules. I am not sure about that, and I am not criticizing the committee. But there is a copy here of the resolution 11038 to which I have referred, and as far as the concurrent resolution is concerned it is available and you can call the Document Room and get it now.

Mr. BROWN. Why is it not made available to Members on the floor of the House as it should be, and as the gentleman knows it should be, and as I know it should be, because we have both been here for a long time?

Mr. THOMAS. The concurrent resolution is available; yes. The gentleman can get it by going back here to the House Document Room.

Mr. BROWN. Yes; by going back to the House Document Room and looking for it.

Mr. THOMAS. I mean it is available here on the floor of the House.

Mr. BROWN. I tried to get it at the usual place here with the other prints.

Mr. JENSEN. If the gentleman will yield, it is available now.

Mr. THOMAS. Yes; it is here, I think.

Mr. BROWN. Then we must get some additional assistance around here in order to know where to find it.

Mr. THOMAS. I think it is available. We have tried to do everything we could to make it available.

Mr. BROWN. Let me say one other word, please: It is very good to be able to say, as the gentleman has said, that this bill carries a reduction totaling so

much. But it is rather good to be able to say to your constituents just where and what this reduction is. That is the information I think we ought to have the RECORD furnish.

Mr. THOMAS. The amendments are here, and the gentleman can see them. We beg the gentleman's pardon if the gentleman did not see them.

Mr. BROWN. I would appreciate it if the gentleman would go to the Document Room and get those documents about which the gentleman talks.

Mr. JENSEN. Mr. Speaker, will the gentleman yield?

Mr. THOMAS. I yield to the distinguished gentleman from Iowa.

Mr. JENSEN. Mr. Speaker, I can understand the position of some of the Members with reference to this concurrent resolution. It is rather an unusual condition under which we were called upon to operate. We had, as you know, quite a hassle with the other body on whether or not Members of the House should chair part of the conference committee meetings. That took considerable time. In fact, the House passed this deficiency bill more than 90 days ago and during the interim we had this hassle to which I have just referred.

The House committee has worked diligently in an effort to save the taxpayers some money; and we have done that. We cut below the budget the tidy sum of \$193,318,240. When you make a reduction such as that you may imagine that it takes long hours of effort to find the places to reduce the President's budget. Most of the items in this bill are emergency items, so to speak; I should say they come in the category of deficiencies. There are a few on which we have possibly stretched a point and allowed some funds that were not strictly deficiencies. But let us not forget that we appropriated in this bill \$2,750,000 for pest control. There is quite a problem confronting us today in the eradication of the screw-worm, for instance, and many other pests. We simply have to take hold of it now before it spreads too far.

Then there is a \$10 million direct loan for farm housing which we consider quite important.

There are a number of other items in here such \$40 million for small business loans. The Small Business Administration has committed itself to much more than that, possibly four times more than \$40 million; but we decided that they should have some money to make loans to business concerns that are on the verge of collapse unless they get some help and get it now.

There are other items in here, of course, that one can criticize. But we did the very best we could in conference. I must say that the other body was quite cooperative in doing, I think, the best job I have seen done in the many years I have been on the Deficiency Subcommittee with reference to a deficiency bill.

Mr. THOMAS. Mr. Speaker, I want to compliment our able and distinguished colleague from Iowa [Mr. JENSEN] on his very fine statement. I intend to yield to the gentleman from

Tennessee [Mr. EVINS] and then move the previous question.

At this time, Mr. Speaker, I ask unanimous consent to put in the RECORD at this point a complete explanation of the bill.

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

There was no objection.

The matter referred to follows:

EXPLANATION OF BILL

There are a number of items in the bill H.R. 11038 which are no longer necessary. The House concurrent resolution authorizes the Clerk of the House of Representatives in the enrollment of the bill to make the following changes in the engrossed House bill:

1. Deletes language for an appropriation of \$425,000 for the Department of Agriculture, Agricultural Marketing Service, for poultry inspection.

2. Reduces the appropriation for the Department of Agriculture, Forest Service, from \$37 million to \$34,500,000 for firefighting costs.

3. Reduces the limitation for the U.S. Soldiers' Home on operation and maintenance and capital outlay from \$134,000 to \$103,000.

4. Reduces the appropriation from District of Columbia funds for Public Safety from \$355,000 to \$310,000.

5. Reduces the appropriation from District of Columbia funds for wage-board employees from \$225,000 to \$94,000 and deletes language earmarking funds from the highway and water funds.

6. Deletes language earmarking \$60,000 of funds heretofore appropriated for "Capital outlay," District of Columbia, to repair and reconstruct the laundry at the Lorton Reformatory.

7. Deletes language for an appropriation of \$16,155,000 for the Department of Health, Education, and Welfare for contributions to student loan funds.

8. Inserts language making the item for the Department of Health, Education, and Welfare for payments to school districts available until expended.

9. Deletes language for an appropriation of \$250,000 for the Department of Health, Education, and Welfare for Indian health activities of the Public Health Service, for added costs of wage-board employees pay increases.

10. Deletes language for an appropriation of \$135,000 for the Department of Health, Education, and Welfare for St. Elizabeths Hospital for added costs of wage board employee pay increases.

11. Deletes language for an appropriation of \$80 million for the Social Security Administration for grants to States for public assistance.

12. Reduces the limitation for the Civil Aeronautics Board on travel expenses from \$40,000 to \$15,000.

13. Deletes language for an appropriation of \$18,000 for the Delaware River Basin Commission for expenses of the U.S. member of the commission.

14. Deletes language for the General Accounting Office to increase the limitation on travel expenses by \$375,000.

15. Reduces the appropriation for the General Services Administration for operating expenses of the "Public buildings service" from \$2,250,000 to \$2,120,000.

16. Deletes language for an appropriation of \$350,000 for the General Services Administration for supply distribution expenses of the Federal Supply Service.

17. Deletes language for an appropriation of \$100,000 for the Interstate Commerce Commission and inserts limitation language to authorize \$70,000 for travel expenses.

18. Deletes language for an appropriation of \$50,000 for the National Mediation Board.

19. Deletes language for an appropriation of \$13,000 for the Selective Service System and an increase of \$6,500 for expenses of travel.

20. Reduces the appropriation for the Veterans' Administration, medical care, from \$4 million to \$2,200,000 for added costs of wage board pay increases.

21. Deletes language for an appropriation of \$15 million for the Veterans' Administration for "Compensation and pensions."

22. Deletes language to increase the limitation for the Department of the Interior on the amount of annual payments that the Government shall be obligated to make under contracts and agreements for the purchase of helium from \$47,500,000 to \$63 million.

23. Reduces the appropriation for the Department of the Interior for expenses of the lead and zinc stabilization program of the Office of Minerals Exploration from \$4,880,000 to \$4,690,000.

24. Deletes language for an appropriation of \$3,000 for care of the building and grounds of the Supreme Court.

25. Reduces the appropriation for the judiciary for travel and miscellaneous expenses of courts of appeal, district courts, and other judicial services from \$230,000 to \$110,000.

26, 27, and 28. Delete language for the Architect of the Capitol to appropriate \$7,500 for Capitol Buildings and Grounds, \$7,500 for House office buildings and \$6,000 for Library buildings and grounds to cover added costs of wage board employee pay increases.

29. Deletes language for an appropriation of \$210,000 for the Treasury Department for salaries and expenses of the U.S. Secret Service.

Mr. THOMAS. Mr. Speaker, I find that in my colloquy with our able and distinguished friend from Ohio [Mr. BROWN] I stated that the concurrent resolution was available and had been for some time. I understand that it has just been brought up from the document room, and the gentleman from Ohio was right, as usual. I was somewhat premature. But it is now available.

Mr. BROWN. Mr. Speaker, will the gentleman yield?

Mr. THOMAS. I yield to the gentleman from Ohio.

Mr. BROWN. The resolution that was available was a House concurrent resolution which did not fit with the bill. The resolution to which the gentleman had reference was House Joint Resolution 745, which was brought from the Document Room and delivered to me after our discussion on the floor of the House.

Mr. THOMAS. I repeat, the gentleman is right, as he always is.

Mr. BROWN. It was not available before our discussion.

Mr. EVINS. Mr. Speaker, will the gentleman yield?

Mr. THOMAS. I yield to the gentleman from Tennessee.

Mr. EVINS. We are all anxious that this appropriation bill be passed as rapidly as possible, as it has been somewhat delayed. The deficiency appropriation has been the concern of a large number of the departments. I understand the Deficiency Subcommittee approved earlier for the small business revolving fund the sum of \$85 million and the

Senate approved \$90 million. Now we are appropriating in this bill only \$40 million for the SBA. My question is, Why the reduction beyond the amounts which both Houses have earlier approved for this purpose?

Mr. THOMAS. We understand that the item is well taken care of in the regular 1963 appropriation bill. My able friend from Tennessee will like what the committee has done. That is my understanding.

Mr. EVINS. I thank my friend, the gentleman from Texas, for this assurance.

Mr. O'HARA of Illinois. Mr. Speaker, will the gentleman yield?

Mr. THOMAS. I yield to my genial friend from Illinois.

Mr. O'HARA of Illinois. May I ask if there is an appropriation here to cover claims?

Mr. THOMAS. Yes, that is taken care of, too. The gentleman is talking about the retirement pay?

Mr. O'HARA of Illinois. No, the payment of recorded claims.

Mr. THOMAS. Oh, judgments? Yes. I thought the gentleman was talking about the Court of Claims. Judgments. The gentleman is right. It is in there.

Mr. O'HARA of Illinois. I want to be sure. The gentleman knows I spoke to him sometime ago about this item.

Mr. THOMAS. The gentleman may wire or write his people and tell them they will get their money.

Mr. BAILEY. Mr. Speaker, will the gentleman yield?

Mr. THOMAS. I yield to the gentleman from West Virginia.

Mr. BAILEY. The distinguished gentleman, I understand, has already spoken about an item that was written in on the floor when the second supplemental appropriation bill was approved. I refer to what is generally called the Fogarty amendment to Public Laws 815 and 874. I would like to have a clarification of what happened, and whether the House conferees made any concessions whatever in this matter.

Mr. THOMAS. May I say to our able and genial friend from West Virginia that for all practical purposes the bill we are bringing here today is just exactly like it was when it left the Senate. It is agreed that the other body will put into the regular 1963 bill the item in which the gentleman is interested; namely, construction, with language that will make the fund available until expended. That takes care of the gentleman.

Mr. BAILEY. Now, what about the situation where they paid the 3,567 school boards 91 cents on the dollar instead of 100 cents on the dollar? I am being flooded with requests about that.

Mr. THOMAS. The gentleman means under operation? The full budget estimate of \$15 million is in this bill you are about to vote on.

Mr. BAILEY. There is no reduction in the amount we wrote into the House bill?

Mr. THOMAS. That is correct.

Mr. BAILEY. I thank the gentleman.

Mr. HALPERN. Mr. Speaker, I ask unanimous consent that the gentleman

from Massachusetts [Mr. MORSE] 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 New York?

There was no objection.

Mr. MORSE. Mr. Speaker, since coming to Congress I have fought for and supported full appropriations to meet our Federal obligation under Public Laws 815 and 874, the acts which provide for an in-lieu-of-taxes type arrangement with public schools in federally impacted areas. Until a year ago there was virtually no controversy over the absolute justice of this program, wherein the Federal Government quite rightly assumes the role of local taxpayer and bears its fair share of the school costs to which it has added a burden. Last year the fate of these funds was in jeopardy; the Congress eventually righted the situation. This year our school officials have again been concerned lest they be limited to only 92 percent of their rightful Federal contribution. I am pleased today to urge the House to vote for the full Federal share of the costs of running schools which have had a substantial increase in enrollment because of new or expanded Federal activities.

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

Mr. THOMAS. I yield to the gentleman from Iowa.

Mr. GROSS. As I recall, this bill originally passed the House on April 4. Is that correct?

Mr. THOMAS. I think the gentleman's memory is correct?

Mr. GROSS. I hope it will be a long, cold, or hot day before we have a repetition of this sort of procedure whereby the House passes a deficiency appropriation bill on April 4 and then finally gets around to final consideration of it in the latter part of July. It is not much of a bill on April 4 and then finally gets that basis, and certainly when it breaks through for final approval in a new fiscal year.

I would like to ask the gentleman this question. There is an increase in the deficiency appropriation for the Secret Service; is there not?

Mr. THOMAS. It is out altogether. There is not any appropriation for it.

Mr. GROSS. That is because of the end of the previous fiscal year?

Mr. THOMAS. They absorbed it from other funds.

Mr. GROSS. They absorbed it from other funds? Then there is no increased appropriation to take care of the Secret Service men who are operating speedboats to tow members of the Kennedy family, when they are water skiing?

Mr. THOMAS. I do not know about that. But let us put it on the basis that there are no funds here for that purpose.

Mr. GROSS. But the personnel of the Secret Service has been increased and their appropriations increased in other bills, if not in this bill; is that not correct?

Mr. THOMAS. I think the gentleman is correct. That was not sent to this committee but I think that is a fair statement and I am not trying to hedge.

Mr. GROSS. I would hope the Appropriations Committee, when the Secret Service comes in for additional funds, would find out whether it is one of the functions of the Secret Service to operate motorboats to tow people around on water skis.

Mr. THOMAS. Well, now that is a matter of taste and judgment.

Mr. GROSS. It is a matter of taste; did the gentleman say?

Mr. THOMAS. Some people like to walk and some people like to swim—who am I to criticize?

Mr. GROSS. Do you suppose I could get some Secret Service men to tow me around, if I wanted to water ski?

Mr. THOMAS. If you ever get yourself elected President of the United States, I would say, yes—and I might be inclined to vote for you some time.

Mr. GROSS. How many other citizens now get the same treatment who are not President of the United States?

Mr. THOMAS. Please, now you are carrying it a little too far.

Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

SUPPLEMENTAL APPROPRIATIONS, FISCAL YEAR ENDING JUNE 30, 1962

Mr. THOMAS. Mr. Speaker, I call up the conference report on the bill (H.R. 11038) making supplemental appropriations for the fiscal year ending June 30, 1962, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

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

There was no objection.

The Clerk read the statement.

Mr. THOMAS (during the reading of the statement.) Mr. Speaker, I ask unanimous consent that the further reading of the statement be dispensed with.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. NO. 2025)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 11038) making supplemental appropriations for the fiscal year ending June 30, 1962, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 3, 5, 8, 9, 14, 15, 18, 20, 27, 30, 34, 40, 45, 50, and 52.

That the House recede from its disagreement to the amendments of the Senate numbered 6, 11, 13, 24, 26, 31, 33, 35, 37, 38, 39, 41, 44, 46, 49, and 51, and agree to the same.

Amendment numbered 1: That the House recede from its disagreement to the amend-

ment of the Senate numbered 1, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$2,750,000"; and the Senate agree to the same.

Amendment numbered 17: That the House recede from its disagreement to the amendment of the Senate numbered 17, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$7,500,000"; and the Senate agree to the same.

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

Amendment numbered 21: That the House recede from its disagreement to the amendment of the Senate numbered 21, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$82,500,000"; and the Senate agree to the same.

Amendment numbered 29: That the House recede from its disagreement to the amendment of the Senate numbered 29, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert "\$1,250,000"; and the Senate agree to the same.

Amendment numbered 32: That the House recede from its disagreement to the amendment of the Senate numbered 32, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$1,800,000"; and the Senate agree to the same.

Amendment numbered 36: That the House recede from its disagreement to the amendment of the Senate numbered 36, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert "\$100,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 2, 4, 7, 10, 12, 16, 22, 23, 25, 28, 42, 43, 47, 48 and 53.

ALBERT THOMAS,
MICHAEL J. KIRWAN,
CLARENCE CANNON,
BEN F. JENSEN,

Managers on the Part of the House.

SPESSARD L. HOLLAND,
CARL HAYDEN,
RICHARD B. RUSSELL,
JOHN L. MCCLELLAN,
LISTER HILL,
WARREN G. MAGNUSON,
MILTON R. YOUNG,
LEVERETT H. SALTONSTALL,
KARL E. MUNDT,

Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 11038) making supplemental appropriations for the fiscal year ending June 30, 1962, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

DEPARTMENT OF AGRICULTURE

Amendment No. 1—Appropriates \$2,750,000 for the Agricultural Research Service instead of \$2,500,000 as proposed by the House and \$3,000,000 as proposed by the Senate.

Amendment No. 2—Reported in disagreement.

DEPARTMENT OF COMMERCE

Amendment No. 3—Appropriates \$200,000 for salaries and expenses of the Coast and Geodetic Survey as proposed by the House instead of \$625,000 as proposed by the Senate.

Amendment No. 4—Reported in disagreement.

Amendment No. 5—Appropriates \$17,000,000 for participation in the New York World's Fair as proposed by the House instead of \$15,000,000 as proposed by the Senate.

DEPARTMENT OF DEFENSE—CIVIL

Amendment No. 6—Appropriates \$3,900,000 for the Department of the Army for the Corps of Engineers, civil, for operation and maintenance, general, as proposed by the Senate instead of \$1,500,000 as proposed by the House.

DISTRICT OF COLUMBIA

Amendment No. 7—Reported in disagreement.

EXECUTIVE OFFICE OF THE PRESIDENT

Amendment No. 8—Deletes the Senate provision relating to review of requests for additional personnel by the Bureau of the Budget. The conferees are agreed on the objectives of the language and that its purposes can be achieved under present law.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Amendment No. 9—Deletes language proposed by the Senate for an appropriation of \$7,092,000 for assistance for school construction.

Amendment No. 10—Reported in disagreement.

Amendment No. 11—Appropriates \$174,000 for hospitals and medical care as proposed by the Senate.

Amendment No. 12—Reported in disagreement.

INDEPENDENT OFFICES

Amendment No. 13—Appropriates \$20,000 for contribution to Delaware River Basin Commission as proposed by the Senate.

Amendment No. 14—Deletes appropriation of \$175,000 for the Federal Maritime Commission proposed by the Senate.

Amendment No. 15—Deletes appropriation of \$150,000 for the Federal Power Commission proposed by the Senate.

Amendment No. 16—Reported in disagreement.

Amendment No. 17—Appropriates \$7,500,000 for the General Services Administration to increase the general supply fund instead of \$5,000,000 as proposed by the House and \$10,000,000 as proposed by the Senate.

Amendment No. 18—Appropriates \$350,000 as proposed by the House instead of \$488,000 as proposed by the Senate for expenses, supply distribution.

Amendment No. 19—Appropriates \$1,000,000 to the Housing and Home Finance Agency for an additional amount for the public works planning fund instead of \$2,000,000 as proposed by the Senate.

Amendment No. 20—Appropriates \$100,000 as proposed by the House instead of \$125,000 as proposed by the Senate for the Interstate Commerce Commission.

Amendment No. 21—Appropriates \$82,500,000 for the National Aeronautics and Space Administration for research and development instead of \$80,000,000 as proposed by the House and \$85,000,000 as proposed by the Senate.

Amendment No. 22—Reported in disagreement.

Amendment No. 23—Reported in disagreement.

Amendment No. 24—Inserts language proposed by the Senate earmarking \$15,000,000 for disaster loans by the Small Business Administration.

DEPARTMENT OF THE INTERIOR

Amendment No. 25—Reported in disagreement.

Amendment No. 26—Appropriates \$200,000 for the Bureau of Land Management for construction as proposed by the Senate.

Amendment No. 27—Appropriates \$775,000 for the National Park Service for management and protection as proposed by the House instead of \$875,000 as proposed by the Senate.

Amendment No. 28—Reported in disagreement.

Amendment No. 29—Appropriates \$1,250,000 for the National Park Service for construction instead of \$1,850,000 as proposed by the Senate.

Amendment No. 30—Appropriates \$720,000 for the Bureau of Indian Affairs for resources management as proposed by the House instead of \$820,000 as proposed by the Senate.

Amendment No. 31—Appropriates \$220,000 for Menominee educational grants as proposed by the Senate.

Development and operation of helium properties: The budget request for an increase of \$17,500,000 in the annual limitation on the amount of payments that the Government may be obligated to make under contracts executed for the purchase of helium has been passed over without prejudice. The existing contracts, executed under the present annual obligation limitation of \$47,500,000, provide for the procurement of 62,500,000,000 cubic feet of helium over a period of 22 years at a cost of about \$1,000,000,000. It is believed desirable to postpone action on this new request, which would authorize additional helium purchase contracts at a cost of up to \$300,000,000 over the next 22 years, pending completion of the program review being conducted by the General Accounting Office.

Amendment No. 32—Appropriates \$1,800,000 for the Fish and Wildlife Service for construction by the Bureau of Sport Fisheries and Wildlife instead of \$300,000 as proposed by the House and \$1,990,000 as proposed by the Senate.

THE JUDICIARY

Amendment No. 33—Appropriates \$300,000 for the courts of appeal, district courts, and other judicial services as proposed by the Senate.

Amendment No. 34—Deletes appropriation of \$11,250 for the Administrative Office of the United States Courts proposed by the Senate.

DEPARTMENT OF JUSTICE

Amendment No. 35—Inserts heading as proposed by the Senate.

Amendment No. 36—Appropriates \$100,000 for salaries and expenses, United States attorneys and marshals, instead of \$200,000 as proposed by the Senate.

Amendment No. 37—Appropriates \$400,000 for fees and expenses of witnesses as proposed by the Senate.

Amendment No. 38—Appropriates \$300,000 for the Federal Prison System for buildings and facilities as proposed by the Senate.

Amendment No. 39—Appropriates \$800,000 for support of United States prisoners as proposed by the Senate instead of \$600,000 as proposed by the House.

DEPARTMENT OF LABOR

Amendment No. 40—Deletes \$2,850,000 appropriation proposed by the Senate for manpower development and training activities.

LEGISLATIVE BRANCH

Amendment No. 41—Inserts heading as proposed by the Senate.

Amendment No. 42—Reported in disagreement.

Amendment No. 43—Reported in disagreement.

Amendment No. 44—Inserts heading as proposed by the Senate.

Amendment No. 45—Deletes item proposed by the Senate appropriating \$1,185 for the Office of the Vice President.

Amendment No. 46—Inserts heading as proposed by the Senate.

Amendments Nos. 47 and 48—Reported in disagreement.

Amendment No. 49—Inserts heading as proposed by the Senate.

Amendment No. 50—Deletes item proposed by the Senate appropriating \$20,000 for the Joint Economic Committee.

Amendment No. 51—Appropriates \$286,000 for miscellaneous items, Senate, as proposed by the Senate.

Amendment No. 52—Deletes item proposed by the Senate appropriating \$15,000 to the Architect of the Capitol for the Senate office buildings.

Amendment No. 53—Reported in disagreement.

The conferees note that since the bill was passed by both bodies the fiscal year has ended and some items are no longer necessary. The managers on the part of the House will propose a concurrent resolution to change the engrossed House bill to eliminate those items which are now found unnecessary due to the lapse of time.

ALBERT THOMAS,
MICHAEL J. KIRWAN,
CLARENCE CANNON,
BEN F. JENSEN,

Managers on the Part of the House.

Mr. THOMAS. Mr. Speaker, we have discussed virtually everything that is involved here in answer to questions raised by our colleagues and in the absence of any further questions, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the conference report.

The conference report was agreed to.

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

The Clerk read as follows:

Senate amendment No. 2: Page 2, line 17, insert:

"FARMERS HOME ADMINISTRATION "Direct loan account

"Direct loans and advances not to exceed \$50,000,000 may be made from funds available in the Farmers Home Administration direct loan account for operating loans under subtitle B and section 335(a), for which funds are not otherwise available, of the Consolidated Farmers Home Administration Act of 1961."

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

The Clerk read as follows:

Mr. THOMAS moves that the House recede from its disagreement to the amendment of the Senate numbered 2 and concur therein with an amendment, as follows: In lieu of the sum of \$50,000,000 named therein, insert "\$10,000,000".

The motion was agreed to.

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

The Clerk read as follows:

Senate amendment No. 4: Page 3, line 20, insert: "Including compensation of a United States Commissioner, who shall be appointed by the President, at the rate of \$19,500 per annum."

Mr. THOMAS. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. THOMAS moves that the House recede from its disagreement to the amendment of the Senate numbered 4 and concur therein.

The motion was agreed to.

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

The Clerk read as follows:

Senate amendment No. 7: Page 4, line 22, strike out "\$63,000" and insert "\$77,500".

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

The Clerk read as follows:

Mr. THOMAS moves that the House recede from its disagreement to the amendment of the Senate numbered 7 and concur therein with an amendment, as follows: In lieu of the amounts stricken out and inserted, insert: "\$60,000".

The motion was agreed to.

Mr. ROONEY. Mr. Speaker, will the distinguished gentleman from Texas yield?

Mr. THOMAS. I yield to my able friend, the gentleman from New York.

Mr. ROONEY. Mr. Speaker, as a member of the New York City delegation here in the House of Representatives as well as a member of the board of directors of the New York World's Fair 1964-65 Corp., I should like to thank the distinguished gentleman from Texas and the House conferees for their action with regard to amendments to H.R. 11038 numbered 4 and 5 which have just now been resolved by the House in connection with the appropriation to commence Federal participation in the New York World's Fair. Amendment No. 4 provides compensation of a U.S. Commissioner, who shall be appointed by the President, while amendment No. 5 appropriates \$17 million toward participation in the New York World's Fair as proposed by the House instead of \$15 million as proposed by the Senate.

Mr. Speaker, on Friday last, shortly after the House-Senate conferees agreed on the conference report just now adopted, the junior Senator from New York, who was not a member of that conference or of the Appropriations Committee of the other body, released to the press the action just now taken here in the House of Representatives. As far as I am concerned, I am going to leave newspaper reporting to the accredited members of the press and stick to my knitting as a member of the House Committee on Appropriations.

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

The Clerk read as follows:

Senate amendment No. 10: Page 7, line 2, insert:

"GRANTS FOR WASTE TREATMENT WORKS CONSTRUCTION

"For an additional amount for 'Grants for waste treatment works construction', fiscal year 1961, \$5,000,000."

Mr. THOMAS. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. THOMAS moves that the House recede from its disagreement to the amendment of the Senate numbered 10 and concur therein with an amendment, as follows: In lieu of the sum of \$5,000,000 named in said amendment, insert: "\$645,260, to remain available until expended".

The motion was agreed to.

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

The Clerk read as follows:

Senate amendment No. 12: Page 7, line 14, insert:

"GENERAL PROVISION"

"The amounts made available for fiscal year 1962, for planning or construction of buildings or facilities under the headings, 'Foreign quarantine activities', 'National Cancer Institute', 'National Heart Institute', and 'Allergy and infectious disease activities', shall remain available until June 30, 1963."

Mr. THOMAS. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. THOMAS moves that the House recede from its disagreement to the amendment of the Senate numbered 12 and concur therein.

The motion was agreed to.

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

The Clerk read as follows:

Senate amendment No. 16: Page 10, line 16, insert:

**"ACQUISITION OF LAND AND BUILDINGS,
CHICAGO, ILLINOIS"**

"For an additional amount for 'Acquisition of land and building, Chicago, Illinois', \$2,703,000."

Mr. THOMAS. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. THOMAS moves that the House recede from its disagreement to the amendment of the Senate numbered 16 and concur therein with an amendment as follows: In lieu of the sum proposed, insert: "\$2,715,000."

The motion was agreed to.

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

The Clerk read as follows:

Senate amendment No. 22: Page 11, line 19, insert:

"CONSTRUCTION OF FACILITIES"

"For an additional amount for 'Construction of facilities', \$71,000,000, to remain available until expended: *Provided*, That this paragraph shall be effective only upon enactment of authorizing legislation into law to cover such amount."

Mr. THOMAS. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. THOMAS moves that the House recede from its disagreement to the amendment of the Senate numbered 22 and concur therein.

Mr. GROSS. Mr. Speaker, I reserve a point of order pending an explanation of the amendment.

The SPEAKER. The gentleman from Iowa reserves a point of order on the amendment.

Mr. THOMAS. Mr. Speaker, this was stricken from the original bill, as you recall, by reason of the fact that the legislative committee had not approved it. I think both legislative committees, that of the other body and that of the House, are in agreement on this item. It has not been signed yet, but the gentleman will notice the language reads: "subject to enactment into law."

Mr. GROSS. Will the gentleman explain what this \$71 million is for, the purpose of it?

Mr. THOMAS. It is construction.

Mr. GROSS. Of what?

Mr. THOMAS. For facilities for the Space Agency; and it is in two places: one is Florida at Canaveral, the test center, and the other is in Mississippi, also a test center.

Mr. GROSS. Mississippi and Florida. Could not this have waited until the regular appropriation bill rather than put it in this deficiency bill?

Mr. THOMAS. They claim that they would like to have it to get started. You will recall that funds are available until expended; therefore, it comes out of the pot. They thought they needed it, and both committees concurred in their thinking on the matter.

Mr. GROSS. I do not know that I am going to object too strongly to this, but I think it is always better legislative procedure to provide for appropriations through regular bills unless there is some compelling emergency.

Mr. THOMAS. The gentleman will recall we reduced their appropriations by about this amount of money last year. They complained that we were slowing them down; so, after they enlarged the program we put it in the deficiency bill. It was stricken out. We did not object to that, for under the rules of the House it was in order, but now I hope the gentleman will not object. The bill will be signed by the President, we are told, in another week.

Mr. GROSS. This money is going into two States, Florida and Mississippi. Is that correct?

Mr. THOMAS. That is our understanding.

Mr. JENSEN. Mr. Speaker, will the gentleman yield?

Mr. THOMAS. I yield.

Mr. JENSEN. I may say that when the committee held its hearings several months ago, it came to our attention that the Space Administration was purchasing a considerable amount of land in Florida and Mississippi and perhaps a little in Louisiana for the new facilities for the Space Administration which are to be established there.

During the Easter recess I, with one of our clerks, went down to take a look at this area. The Space Administration had \$25 million in the 1962 appropriation bill which they could spend at will for things they felt were necessary. They had spent some of that money in purchasing land and in starting the rehabilitation of a large plant that we built during the war for airplanes. So we took this look and came back and reported to the committee that we felt for what was needed, if it was necessary for the Space Administration to do all these things, there was no other way to handle the situation. The authorization bill has not gone through, as the gentleman knows. We recommend this appropriation contingent on the passage of the authorization bill. There was nothing else we could do. But I can assure the gentleman this matter was looked into quite thoroughly; it is justified as much as we can justify appropriations for the Space Administration.

Mr. GROSS. I thank the gentleman, and withdraw my reservation.

The SPEAKER. The question is on the motion offered by the gentleman from Texas.

The motion was agreed to.

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

The Clerk read as follows:

Senate amendment No. 23: Page 12, line 13, strike out "\$85,000,000" and insert "\$90,000,000".

Mr. THOMAS. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. THOMAS moves that the House recede from its disagreement to the amendment of the Senate numbered 23 and concur therein with an amendment, as follows: In lieu of the amounts stricken out and inserted, insert "\$40,000,000".

The motion was agreed to.

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

The Clerk read as follows:

Senate amendment No. 25:

On page 13, line 13, strike out "\$1,250,000" and insert "\$1,760,000".

Mr. THOMAS. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. THOMAS moves that the House recede from its disagreement to the amendment of the Senate numbered 25 and concur therein with an amendment, as follows: In lieu of the amounts stricken out and inserted, insert "\$825,000".

The motion was agreed to.

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

The Clerk read as follows:

Senate amendment No. 28: On page 14, line 4, strike out "\$400,000" and insert "\$455,000".

Mr. THOMAS. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. THOMAS moves that the House recede from its disagreement to the amendment of the Senate numbered 28 and concur therein with an amendment, as follows: In lieu of the amounts stricken out and inserted, insert "\$225,000".

The motion was agreed to.

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

The Clerk read as follows:

Senate amendment No. 42. Page 18, after line 2, insert the following:

"For payment to Doloris T. Bridges, widow of Henry Styles Bridges, late a Senator from the State of New Hampshire, \$22,500."

Mr. THOMAS. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. THOMAS moves that the House recede from its disagreement to the amendment of the Senate numbered 42 and concur therein.

The motion was agreed to.

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

The Clerk read as follows:

Senate amendment No. 43: On page 18, after line 5, insert:

"For payment to Marie T. Schoepfel, widow of Andrew F. Schoepfel, late a Senator from the State of Kansas, \$22,500."

Mr. THOMAS. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. THOMAS moves that the House recede from its disagreement to the amendment of the Senate numbered 43 and concur therein with an amendment, as follows: At the end of said amendment, add the following:

"For payment to Myrle G. Case, widow of Francis Case, late a Senator from the State of South Dakota, \$22,500."

The motion was agreed to.

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

The Clerk read as follows:

Senate amendment No. 47: On page 18, after line 14, insert:

"For an additional amount for 'Administrative and Clerical Assistance to Senators', \$118,250: *Provided*, That the basic clerk hire allowance of each Senator is increased by \$3,000."

Mr. THOMAS. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. THOMAS moves that the House recede from its disagreement to the amendment of the Senate numbered 47 and concur therein with an amendment, as follows: In lieu of the matter inserted, insert the following:

"The basic clerk hire allowance of each Senator is hereby increased by \$3,000."

The motion was agreed to.

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

The Clerk read as follows:

Senate amendment No. 48: Page 18, line 19, insert:

"For an additional amount for 'Administrative and Clerical Assistance to Senators', \$4,730: *Provided*, That the clerk hire allowances of the Senators from the States of New York and Virginia are hereby increased so that the allowances of Senators from the State of New York will be equal to that allowed Senators from States having a population of over seventeen million, the population of said State having exceeded seventeen million inhabitants, and so that allowances of Senators from the State of Virginia will be equal to that allowed Senators from States having a population of four million, the population of said State having exceeded four million inhabitants."

"For an additional amount for 'Administrative and Clerical Assistance to Senators', \$4,730: *Provided*, That the clerk hire allowances of the Senators from the States of New York and Virginia are hereby increased so that the allowances of Senators from the State of New York will be equal to that allowed Senators from States having a population of over seventeen million, the population of said State having exceeded seventeen million inhabitants, and so that the allowances of Senators from the State of Virginia will be equal to that allowed Senators from States having a population of four million, the population of said State having exceeded four million inhabitants."

Mr. THOMAS. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. THOMAS moves that the House recede from its disagreement to the amendment of the Senate numbered 48 and concur therein

with an amendment, as follows: In lieu of the matter inserted, insert the following:

"The clerk hire allowances of the Senators from the States of New York and Virginia are hereby increased so that the allowances of the Senators from the State of New York will be equal to that allowed Senators from States having a population of over seventeen million, the population of said State having exceeded seventeen million inhabitants, and so that allowances of Senators from the State of Virginia will be equal to that allowed Senators from States having a population of four million, the population of said State having exceeded four million inhabitants."

The motion was agreed to.

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

The Clerk read as follows:

Senate amendment No. 53: Page 21, line 15, insert:

"CLAIMS AND JUDGMENTS"

"For payment of claims as settled and determined by departments in accord with law and judgments rendered against the United States by the United States Court of Claims and United States district courts, as set forth in Senate Document Numbered 84, Eighty-seventh Congress, \$1,065,929, together with such amounts as may be necessary to pay interest (as and when specified in such judgments or provided by law) and such additional sums due to increases in rates of exchange as may be necessary to pay claims in foreign currency: *Provided*, That no judgment herein appropriated for shall be paid until it shall have become final and conclusive against the United States by failure of the parties to appeal or otherwise: *Provided further*, That, unless otherwise specifically required by law or by the judgment, payment of interest whenever appropriated for herein shall not continue for more than thirty days after the date of approval of this Act."

Mr. THOMAS. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. THOMAS moves that the House recede from its disagreement to the amendment of the Senate numbered 53 and concur therein.

The motion was agreed to.

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

GENERAL LEAVE TO EXTEND

Mr. THOMAS. Mr. Speaker, I ask unanimous consent that all Members may have 3 legislative days in which to revise and extend their remarks on the conference report just adopted.

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

There was no objection.

DISTRICT OF COLUMBIA BUSINESS

The SPEAKER. This is District of Columbia Day. The Chair recognizes the gentleman from South Carolina [Mr. McMILLAN], chairman of the Committee on the District of Columbia.

AUTHORIZE LICENSING OF TISSUE BANKS IN DISTRICT OF COLUMBIA

Mr. McMILLAN. Mr. Speaker, I call up the bill S. 2321 and ask unanimous

consent that the bill be considered in the House as in Committee of the Whole.

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

Mr. GROSS. Mr. Speaker, reserving the right to object, will the gentleman give us just a few words of explanation and particularly if this is going to cost the taxpayers of the country anything?

Mr. McMILLAN. It will not cost the taxpayers anything.

Mr. Speaker, the purpose of S. 2321 is to license and regulate a tissue bank in the District of Columbia which would have the same status as the blood bank.

The leading physicians in the District of Columbia have advised my committee that a bank of this nature would prove to be of great assistance in connection with research work in the hospitals in the District of Columbia.

I hope there will be no opposition to this bill as no opposition developed at the hearings before my committee.

Mr. SPRINGER. Mr. Speaker, will the gentleman yield?

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

Mr. SPRINGER. This bill is substantially as the chairman has reported. There is no money involved. There is no cost to the Federal Government or the District of Columbia. In view of the hearings on the bill, I hope it will pass.

Mr. Speaker, I ask unanimous consent that the gentleman from Virginia [Mr. BROYHILL] may extend his 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. BROYHILL. Mr. Speaker, I wish to express my support of S. 2321, and to urge its passage. The purpose of this proposed legislation is to aid the development of reconstructive surgery and medico-surgical research through the licensing and regulation of human tissue banks in the District of Columbia. My interest in this matter is evidenced by the fact that I introduced H.R. 8913, a companion bill to S. 2321, during the first session of this Congress.

In recent years, progress in reconstructive surgery involving the transplantation of tissue from dead human bodies has produced dramatic, even miraculous results in many cases such as accidental injuries which would otherwise have been crippling or disfiguring, blindness, severe burns, and certain abnormalities of the bones or blood vessels; and there is no doubt that this great science will develop much further in the years to come, and achieve even greater miracles in the relief of human suffering.

At present, the laws of the District of Columbia seriously inhibit the use of such human tissue even when the decedent, while still alive, wills such disposition of his body after death. For example, it is forbidden to make any disposition whatever of any part of a dead body until a permit has been issued by the Director of Public Health, or to take any steps to preserve any portion of a body until 4 hours after death has

occurred. These lapses of time frequently preclude the utilization of the body tissues for medical purposes.

Hence, while this type of surgery and surgical research is being performed in the District of Columbia at the present time, it is seriously handicapped and limited by reason of such statutory restrictions.

S. 2321 will greatly facilitate the development of this vital humanitarian work, by authorizing the licensing of human tissue banks in the District, and by providing for practical regulations and procedures regarding the obtaining of proper consent and authorization for the removal of tissue after death and for its transportation to a processing center or place of use. At the same time, the rights of the deceased and his survivors in this regard are adequately protected.

Legislation similar to this has been adopted in recent years in many States, and it is my sincere conviction that it is vitally important to medical progress in the District of Columbia.

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

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 this Act may be cited as the "District of Columbia Tissue Bank Act".

SEC. 2. STATEMENT OF POLICY AND PURPOSE.—Because of the rapid medical progress in the field of tissue preservation, tissue transplantation, and tissue culture, and because it is in the public interest to aid the development of this field of medicine, it is the policy and purpose of Congress in enacting this Act to encourage and aid the development of reconstructive medicine and surgery and the development of medico-surgical research by providing for the licensing and regulation of tissue banks, and by facilitating antemortem and postmortem authorizations for donations of tissue.

SEC. 3. DEFINITIONS.—For the purposes of this Act, except where the context indicates a different meaning—

"Commissioners" means the Commissioners of the District of Columbia or their designated agent.

"Donor" means any person who, in accordance with the provisions of this Act, bequeaths or donates his tissue for removal after death in furtherance of the purposes of this Act, and also means any deceased person whose tissue is donated or disposed of for the purposes of this Act.

"Tissue" means any portion of the body of a dead human.

"Tissue bank" means a facility for procuring, removing, and disposing of portions of bodies of dead humans for the purposes of reconstructive medicine and surgery, and research and teaching in reconstructive medicine and surgery.

SEC. 4. TISSUE BANK LICENSES AND REGULATIONS.—(a) No person shall operate any tissue bank in the District of Columbia without a valid license issued pursuant to this Act. No such license shall be issued except to persons duly licensed or duly registered as physicians under the Healing Arts Practice Act of the District of Columbia (45 Stat. 1326; title 2, ch. 1, D.C. Code, 1951 ed.) or to persons holding valid licenses to operate and maintain hospitals for humans pursuant to the Act entitled "An Act to regulate the

establishment and maintenance of private hospitals and asylums in the District of Columbia", approved April 20, 1908 (35 Stat. 64; D.C. Code, 1951 ed., title 32, ch. 3).

(b) The Commissioners are authorized, after public hearing, to adopt and promulgate rules and regulations prescribing, without limitation, (1) the terms and conditions under which a tissue bank license may be issued and renewed; (2) the fees to be paid for the issuance and renewal of such licenses; (3) the duration of such licenses; (4) the grounds of suspension and revocation of such licenses; (5) the operation of tissue banks; (6) the conditions under which tissue may be processed, preserved, stored, and transported; and (7) the making, keeping, and disposition of records by tissue banks or by other persons processing, preserving, storing, or transporting tissue.

(c) The Commissioners may, after notice and hearing, deny, suspend, or revoke any tissue bank license issued or applied for pursuant to this Act.

(d) Any person aggrieved by any final decision or final order of the Commissioners denying, suspending, or revoking any tissue bank license or renewal thereof, issued or applied for under this Act, may obtain a review of such decision or order in the municipal court of appeals for the District of Columbia, and may seek review by the United States Court of Appeals for the District of Columbia of any judgment of the municipal court of appeals entered pursuant to its review of any such decision or order, all in accordance with subsection (f) of section 7 of the Act approved April 1, 1942, as added by the Act approved August 31, 1954 (68 Stat. 1048; sec. 11-772, D.C. Code, 1951 ed.).

(e) Except with respect to the provisions as to licensing, the provisions of this Act, and the regulations made pursuant thereto, shall apply to Federal agencies situated in the District of Columbia, and to District of Columbia agencies.

SEC. 5. PENALTIES.—Any person violating any provision of this Act, or any regulation made pursuant to this Act, shall be fined not more than \$300, or be imprisoned for not more than ninety days. Prosecution for violations of this Act and regulations made pursuant thereto shall be brought in the name of the District of Columbia.

SEC. 6. DONATION OF TISSUE.—(a) Any person who, under the law of the District of Columbia, has capacity to make a valid will, may by will, codicil, or any written statement donate his tissue for the purposes of this Act. Any person who, in accordance with this Act, donates his tissue may, but shall not be required to, designate the purpose for which his tissue is to be used. Any physician or hospital validly operating a tissue bank shall have full authority to take the tissue so donated and use the same for the purposes enumerated in this Act.

(b) No particular words shall be required for such person to donate his tissue, but any will, codicil, or written statement shall be liberally construed to effectuate the intent and purpose of the person desiring to donate his tissue for any purpose authorized by this Act. If, pursuant to this section or section a person donates tissue by a written statement other than by a will or codicil, such statement shall be signed by him and be witnessed by two persons of legal age.

(c) A provision in any will, codicil, or written statement which donates tissue as provided by this Act shall become effective immediately upon the death of the testator or donor, and shall constitute the authority for any physician or hospital validly operating a tissue bank to remove said tissue.

SEC. 7. TISSUE DONATIONS BY THOSE HAVING RIGHT TO BODY.—Any person having the right

to a body for the purpose of burial may by a written statement donate any tissue from such body to any tissue bank, and in such written statement may designate the purpose or purposes for which such tissue is to be used. Such writing shall constitute full authority for the tissue bank to use such tissue for the purposes of this Act.

SEC. 8. PERSONS ENTITLED TO THE BODY.—For the purposes of this Act, the order of priority in which persons are entitled to the body for burial and who may donate tissue therefrom shall be the following:

(a) The surviving spouse.

(b) If there be no surviving spouse, or if the surviving spouse is incompetent, unavailable, or does not claim the body for burial, then an adult child, a parent, an adult brother, or an adult sister of the decedent. Any one of such persons may make such donation: *Provided*, That tissue shall not be removed pursuant to a donation made by any one of such persons designated in this subsection if, before such tissue is removed, any one of such persons shall, in writing, notify the tissue bank which is to remove the tissue that he objects to such removal.

(c) Any person whom the deceased during his lifetime designated by written instrument to take charge of his body for burial.

(d) The person or agency who or which assumes custody of the body for burial, in any case in which the person designated as provided in paragraph (c) or all of the persons mentioned in paragraph (a) or (b) of this section have failed to claim the body.

SEC. 9. OFFICE OF THE CORONER.—(a) The Commissioners are authorized to appoint such number of licensed physicians as they deem appropriate to perform such of the functions of the Coroner of the District of Columbia as the Commissioners shall prescribe. The Commissioners are authorized to fix the compensation of such physicians at a rate or rates not in excess of the per diem equivalent of the maximum rate for grade 18 of the General Schedule of the Classification Act of 1949, as amended. The Commissioners are further authorized, in their discretion, to accept the services of such physicians without compensation.

(b) The Coroner of the District of Columbia may, in his discretion, allow tissue to be removed from any dead human body in his custody or under his jurisdiction: *Provided*, That such tissue removal shall not interfere with other functions of the Office of the Coroner: *Provided further*, That the person who, in accordance with section 8 of this Act, is entitled to the body for burial, shall first authorize such tissue removal.

SEC. 10. MOVEMENT AND DISPOSITION OF TISSUE BY TISSUE BANKS.—Sections 675 and 676 of the Act entitled "An Act to establish a code of laws for the District of Columbia", approved March 3, 1901 (31 Stat. 1296), as amended by the first section of the Act approved September 22, 1950 (64 Stat. 904; sec. 27-119a, D.C. Code, 1951 ed.), are amended (a) by striking, in the first sentence of such sections, the words "remove, transport,"; (b) by inserting immediately after "designate," in such first sentence the following: "or to remove from place to place, or transport, the dead body, or any part thereof, of a human being, except"; and (c) by inserting immediately after such first sentence of such sections the following: "Notwithstanding the provisions of the preceding sentence, the Commissioners may, in their discretion, by regulation authorize (a) tissue banks operating pursuant to the District of Columbia Tissue Bank Act or (b) other persons subject to regulations made pursuant to such Act, or both, to remove, transport, and dispose of tissue taken from such dead body without such permit."

SEC. 11. REMOVAL OF TISSUE IMMEDIATELY AFTER DEATH.—Section 683 of the Act entitled "An Act to establish a code of laws for the District of Columbia," approved March 3, 1901 (31 U.S.C. 1298; sec. 27-125, D.C. Code, 1951 ed.), is amended by adding at the end thereof the following: "Notwithstanding the provisions of this section, whenever any person is pronounced dead by a physician duly licensed or duly registered under the Healing Arts Practice Act of the District of Columbia (45 Stat. 1326; title 2, ch. 1, D.C. Code, 1951 ed.), tissue donated in accordance with the provisions of the District of Columbia Tissue Bank Act may be removed by or under the supervision of a person licensed under the authority of section 4 of such Act for preservation in a tissue bank operating pursuant to such Act, without regard for any time limitation, or for any permit or certificate requirement, established by this section: *Provided*, That with respect to a dead human body in the custody of the Coroner or under his jurisdiction, no tissue shall be removed therefrom for preservation except with the specific approval of the Coroner in each case."

SEC. 12. EXEMPTION OF LICENSED UNDERTAKERS FROM ACT.—Nothing in this Act shall be construed (1) to prohibit undertakers licensed pursuant to paragraph 44A of section 7 of the Act entitled "An Act making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1903, and for other purposes", approved July 1, 1902, as amended (61 Stat. 711; sec. 47-2344a, D.C. Code, 1951 ed.), from discharging their duties, or (2) to prohibit or affect in any way the authority, duties, rights, or obligations vested, imposed, or granted by the Act entitled "An Act for the promotion of anatomical science and to prevent the desecration of graves in the District of Columbia", approved April 29, 1902 (32 Stat. 173, D.C. Code, 1951 ed., title 2, ch. 2).

SEC. 13. COORDINATION OF ACT WITH REORGANIZATION PLAN NO. 5.—Nothing in this Act shall be construed so as to affect the authority vested in the Board of Commissioners of the District of Columbia by Reorganization Plan Numbered 5 of 1952 (66 Stat. 824). The performance of any function vested by this Act in the Board of Commissioners or in any office or agency under the jurisdiction and control of said Board of Commissioners may be delegated by said Board of Commissioners in accordance with section 3 of such plan.

SEC. 14. EFFECTIVE DATE.—This Act, except section 4, shall take effect upon approval. Section 4 shall take effect sixty days after the Commissioners have initially promulgated regulations pursuant to such section.

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.

DISTRICT OF COLUMBIA NON-PROFIT CORPORATION ACT

Mr. McMILLAN. Mr. Speaker, by direction of the Committee on the District of Columbia, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 6967) to provide for the incorporation of certain nonprofit corporations in the District of Columbia, and for other purposes, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 3, after line 47, insert: "107. Act Not To Affect Internal Revenue Code of 1954."

Page 3, strike out "107, 108, 109, and 110" and renumber as follows: "108, 109, 110, and 111".

Page 4, line 14, strike out all after "or" down to and including "income" in line 18 and insert "officers; except nothing in this Act shall be construed as prohibiting the payment of reasonable compensation for services rendered and the making of distribution upon dissolution of final liquidation as permitted in this Act".

Page 27, line 17, strike out all after "Act" down to and including "income" in line 19.

Page 55, line 18, after "registered" insert "or certified".

Page 105, after line 5, insert:

"ACT NOT TO AFFECT INTERNAL REVENUE CODE OF 1954

"SEC. 107. Nothing in this Act shall be construed as repealing or affecting any provision of the Internal Revenue Code of 1954."

Page 105, line 7, strike out "107" and insert "108".

Page 105, line 15, strike out "108" and insert "109".

Page 105, line 22, strike out "109" and insert "110".

Page 106, line 2, strike out "110" and insert "111".

Mr. McMILLAN. Mr. Speaker, the Senate amendments to H.R. 6967 which my committee unanimously approved at our regular meeting on July 11 are self-explanatory.

All the Senate amendments are clarifying amendments and do not vitally affect the original bill which passed the House.

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

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

DISTRICT OF COLUMBIA HOSPITAL CENTER

Mr. McMILLAN. Mr. Speaker, on behalf of the Committee on the District of Columbia, I ask unanimous consent for the immediate consideration of the bill (H.R. 12547) 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.

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 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 (60 Stat. 896), as amended, is amended by striking out "on the last day of the second session of the Eighty-seventh

Congress" and inserting in lieu thereof "June 30, 1963".

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.

POINT REYES NATIONAL SEASHORE, CALIF.

Mr. SISK. Mr. Speaker, by direction of the Committee on Rules I call up House Resolution 732 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (S. 476) to establish the Point Reyes National Seashore in the State of California, and for other purposes. After general debate, which shall be confined to the bill, and shall continue not to exceed two hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interior and Insular Affairs, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. SISK. Mr. Speaker, I yield 30 minutes to the gentleman from California and, pending that, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 732 makes in order the consideration of S. 476, which is a bill to establish the Point Reyes National Seashore in the State of California.

Mr. Speaker, this is the second bill which has come before the Congress during the past 2 years making in order the establishment of seashore national parks. We have in this country over 60,000 miles of seashore. Yet only something like one-third of it is suitable for public use and recreational use. Yet at the same time only a few hundred miles of the seashore of our country are actually today in use and open and available to the public.

Mr. Speaker, in line with recent policies which have been established to try to preserve and to conserve these areas for the American people of today as well as future generations, this will be another step in preserving a great area for public use, and make it possible for people not only in the area, but people from throughout the 50 States of our Union to go to and enjoy the scenic wonders, the beauties, as well as to engage in recreation at the Point Reyes, Calif., seashore.

Mr. Speaker, this will represent the first establishment of a national seashore park on the Pacific Ocean. I believe this is a good piece of legislation. It has received much consideration by the Committee on Interior and Insular Affairs

and I think a very able case was made for the legislation at the time it was presented before our Committee on Rules.

Mr. Speaker, I urge the adoption of House Resolution 732.

Mr. SMITH of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as stated by the gentleman from California [Mr. SISK], House Resolution 732 makes in order the consideration of the bill S. 476 with 2 hours of general debate and an open rule.

This will create another national seashore. The area is located 35 miles north and west of San Francisco on the Marin County coast.

The national seashore park that this will encompass is about 53,000 acres. Of this total, at least 26,000 acres are now in dairy and beef cattle ranches and it could not be acquired; I believe that under section 4 of the legislation it could not be acquired for public use as long as it continues to be used for ranching purposes, its present purposes. If some time subsequent the purpose for which that land is being used is changed so as to upset the pastoral scenic effect of this particular area, then the Government will have the right under condemnation to proceed to obtain those parcels of land which have changed their operation. But 23,000 acres, including some of the peninsula's spectacular shoreline would be acquired for public recreational use as soon as funds are appropriated.

It is reported that subdivision interests are also competing for this particular area at the present time. That is one of the reasons why the committee and the Commissioner saw fit to start early on projects like this, because it may be less costly at this time than it would be in the future.

About \$14 million is the estimate for the cost of the land that they anticipate acquiring at this time. The National Park Service also has estimated that development of this land over the next 6 years or so would be at a cost of about \$8.5 million additional. Included in the development cost is a proposed marina and fishing center similar to that already in operation at Cape Hatteras National Seashore in North Carolina.

The attitude of the House in connection with this Point Reyes proposal will probably be a significant step as to what our future action may be. We have had Cape Cod; we have had Cape Hatteras, and the Senate has already passed a bill which is now pending in the House Committee on Interior and Insular Affairs to establish the Padre Island National Island Seashore in Texas. There are other proposed projects which are less advanced, but they are under consideration as seashore and lakeshore or recreational area proposals. Some of those would be the Oregon Dunes in Oregon, the Ozark Rivers in Missouri, Pictured Rocks and Sleeping Bear Dunes in Michigan, Allagash River in Maine, Between-the-Lakes in Kentucky and

Tennessee, and Tocks Island in New Jersey and Pennsylvania.

The reason I bring those to your attention is that if there is any controversy on this particular measure I would suggest that they may arise in these areas.

Mr. FORD. Mr. Speaker, will the gentleman yield?

Mr. SMITH of California. I yield to the gentleman from Michigan.

Mr. FORD. I notice the gentleman mentioned two such projects in Michigan. I have read the committee report on the legislation before us and I want it on record today that there is absolutely no comparison between this proposed project and the Sleeping Bear project in Michigan. They should not be mentioned in the same breath. The circumstances, the facts, are entirely different. I can assure the gentleman that if the Sleeping Bear legislation as presently proposed by Members of the other body should come to the House there would be considerable—and I emphasize considerable—opposition.

Mr. SMITH of California. I thank the gentleman. I simply wanted to mention these because if we approve this, we may start a pattern.

Mr. Speaker, as far as I am concerned personally, I would be perfectly willing to give away much less money by way of foreign aid and do some of these things such as this project will call for for our own deserving U.S. citizens. If we do not preserve some of these areas, as time goes on our citizens are going to be compelled to go to high-class motels or hotels or other points to get to these recreational areas such as this bill will establish.

There may be some discussion on the matter of the money. In my own opinion \$14 million probably will not take care of the entire cost of acquiring the land. It may cost more than that. But we are not talking about billions of dollars in this bill; we are talking about millions of dollars. This is a start. It may cost more than \$8.5 million to develop the area as time goes on. But these are the best estimates the committee has given us at this particular time. Our decision will be as to whether to proceed with this project which I think is a good project and then from that point determine what we want to do with subsequent projects which will undoubtedly be brought to the attention of the Congress.

Mr. Speaker, I yield 3 minutes to the gentleman from Kansas [Mr. AVERY].

CALL OF THE HOUSE

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

The SPEAKER pro tempore [Mr. ALBERT]. Evidently a quorum is not present.

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

A call of the House was ordered.

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

[Roll No. 170]

Alexander
Alford

Anfuso
Bass, N.H.

Blitche
Boggs

Bolling
Bolton
Bow
Boykin
Brademas
Brewster
Buckley
Celler
Chamberlain
Coad
Cook
Corbett
Cramer
Curtis, Mass.
Curtis, Mo.
Daddario
Daniels
Davis,
James C.
Davis, Tenn.
Dent
Diggs
Dominick
Edmondson
Ellsworth
Farbstein
Fenton
Findley
Finnegan
Fino
Fogarty
Frazier
Gallagher
Garland
Glenn

Granahan
Gray
Gubser
Halleck
Hansen
Hardy
Harrison, Va.
Healey
Hébert
Hemphill
Hoffman, Mich.
Holland
Ichord, Mo.
Kee
Kelly
Kilburn
Kling, Utah
Kluczynski
Lesinski
Lipscomb
Loser
McDowell
McSween
McVey
Macdonald
Martin, Mass.
Merrow
Miller, N.Y.
Minshall
Montoya
Moorehead,
Ohio
Moorhead, Pa.
Morse
Moulder

Multer
Nedzi
Nix
Norblad
Osmers
Plicher
Pillion
Powell
Purcell
Roberts, Ala.
Robison
Rogers, Tex.
Rostenkowski
St. Germain
Santangelo
Saund
Scherer
Scranton
Selden
Shriver
Sibal
Slack
Spence
Steed
Stratton
Taber
Thompson, La.
Thompson, N.J.
Weaver
Weis
Whalley
Willis
Winstead
Yates
Zelenko

The SPEAKER pro tempore [Mr. ALBERT]. On this rollcall 323 Members have answered to their names, a quorum.

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

POINT REYES NATIONAL SEASHORE, CALIF.

Mr. AVERY. Mr. Speaker, this is a very important bill. It will cost \$14 million. In addition to that, it dislocates a substantial number of people, and whenever there is a dislocation of a number of people and land and property is taken from them against their will, it always is extremely important to them and important to the Congress of the United States. But, I do not think that is the most important issue here today.

Mr. Speaker, I would like mostly to reiterate a few remarks made by my colleague, the gentleman from California [Mr. SMITH]. In my judgment, Mr. Speaker, the issue today is not simply authorizing Point Reyes as such. I think actually the House is passing judgment on a package of recreational and conservation areas that was submitted to the Congress by the President of the United States on March 1 of this year in a Presidential message. You will recall that message. It was a rather lengthy one, and it encompassed quite a number of different points. But, the crux of it, in my judgment, is this: There are nine national park areas that were recommended in this Presidential message. By coincidence, or otherwise, I am not sure, the Point Reyes National Seashore Park in California was first on that list. There are eight other park areas that will follow.

Now, I asked the distinguished chairman of the Committee on Interior and Insular Affairs if the list submitted by the President signified any particular list of priorities. I recall—and I do not

want to misquote him—I think he replied that it did not necessarily suggest priorities; that the committee of the House would consider them; there were other factors that would be considered by the committee but that the committee, of course, would take into consideration the recommendation of the administration.

Mr. ASPINALL. Mr. Speaker, will the gentleman yield?

Mr. AVERY. I will be very happy to yield to the chairman of the committee in order that this point might be clarified.

Mr. ASPINALL. The gentleman's statement is substantially correct. The folks downtown recommended to the Congress at least eight new additions to the national park system. As far as I know they did not attempt to establish any priorities. In any event, the House Committee on Interior and Insular Affairs will take care of its own plans in these particulars and will establish the priorities as they appear to be justified. Congress approved the Cape Cod installation last year. Today we have the second authorization, the legislation for Point Reyes. The next will be—and we hope in this session—the legislation for Padre Island. Others will follow in line with the wishes of Congress.

Mr. AVERY. Would the gentleman agree with me that by and large we are, in effect, passing judgment on this concept of preserving these areas that were designated for public use?

Mr. ASPINALL. We are following through with a policy that was established several years ago when we authorized the inclusion of Cape Hatteras as a national park unit, and then we went to Cape Cod, and now we are at Point Reyes on the other side of the continent.

Mr. AVERY. The other point I wish to make is this: In the Presidential message it was suggested that a user fee be attached for the use of these public areas and that the fees, in turn, should create a revolving fund which could be used to acquire other public use areas. Now, I do not think anybody has been any more critical of the fiscal policies of this administration than I, but I want to stand here in this well today and say that I certainly endorse the approach on financing recreational areas. I think it is entirely sound that a user fee be attached for the use of these public recreational areas.

Mr. Speaker, it is quite appropriate then that this fee should go into a fund which would, in turn, be used to acquire such additional areas as Congress might deem in the public interest and for the upkeep and so-called "housekeeping expenses" of the areas that are now under custody. I might just refresh the memory of the House in this respect: These were the user fees which were suggested by the President. I am not saying that these are the right ones, but I am saying that I think the principle is right.

Mr. Speaker, the President proposed that the proceeds come from entrance,

admission and user fees and charges for the Federal recreational areas. That is category No. 1. Category No. 2—and this is highly controversial—annual user charges on recreational boats. No. 3, a diversion from highway trust funds of refundable but unclaimed taxes paid on gasoline used in motorboats. Fourth, the receipts from the sale of surplus Federal nonmilitary land.

Mr. Speaker, perhaps that is the right source of revenue. I do not know. But certainly I do endorse the principle that the persons using these areas should pay for their upkeep and should also substantially provide the funds that will, in turn, be used to acquire supplemental areas.

Mr. SMITH of California. Mr. Speaker, I yield 10 minutes to the gentleman from Iowa [Mr. KYL].

Mr. KYL. Mr. Speaker, with this resolution and this bill comes an opportunity to discuss the principles, philosophies and trends in our national park and recreational programs. This is a legitimate subject for floor discussion because it is not a simple matter as it might seem to one who has not had to deal intimately with the problem, nor is it insignificant financially, because we are spending much money and we are going to spend more. Philosophically, it is important because it is at the heart of conservation, not only conservation of the natural wonders and historical items, but conservation of people as well. I am confident that every Member of this House will be directly concerned in the near future, because this subject will most certainly touch on his own congressional district.

Mr. Speaker, early national parks were created mostly through the philanthropies of individuals and from areas of public domain. The purpose of these national parks was to preserve forever some archeological, geographical, or other natural wonder for all future generations of Americans. This designated use was very restrictive.

Then came the addition of national monuments and historical sites to be preserved as a stimulus for national appreciation and for education in history. All of these preserved areas were of national significance. They were national in character. Their administration was logically national. Now, however, we enter a new phase in which we seek to preserve areas of regional significance and areas where the Nation can seek recognition of a more active kind. Included now are areas to be used for mass recreation.

Mr. Speaker, our outlook, therefore, is different. Our procedures are different, and there are new and different problems. I think we should be aware of those problems.

This problem might be demonstrated, I believe, by a comment made by the gentleman from California [Mr. SISK], a very knowledgeable individual in this field, a man who has served on the committee, when he referred to these seashore areas as seashore national parks. Actually, because we are embarking up-

on a program in new areas, we have to designate which is a national park and which is a seashore area, and so on. One might say, "What's in a name?" Legally, there is a very great difference.

I noted that most of the early parks were created out of public domain or by private philanthropy. Today most of the land included in these new preservations is held by individuals and by industries. This land must be purchased. In many instances the price is high and in some instances acquisition of the land is very difficult. Always there must be in our consideration a weighing of the public good and individual rights. This becomes a serious question in this deliberation. Today we are discussing a specific area, Point Reyes. It is an unusual area. It is beset by many problems which are typical in these new concepts of national preservations. The land here is privately held in large measure. The use suggested is a multiple use. A major argument in favor of the bill is that this area is close to a city with burgeoning population, with great new needs for recreation and relief from the carbon monoxide canyons of the metropolitan center. However, this argument also indicates that the maximum use of this area will be by the region rather than by the Nation. It will, of course, be a tourist attraction for all Americans to a degree, but certainly not to the degree demonstrated by thousands of acres in other similar reservations in the same State and in neighboring States.

This is not Yosemite; it is not the Grand Canyon; it is not the Carlsbad Caverns. I am not here deprecating the island. I am merely suggesting that perhaps this preservation might be better included in a concept of regional preserves with more local contribution and with considerably more local administration.

Now, with this new program, this new trend, comes the problem of property acquisition. In the first place, what will this cost? Perhaps it is worth 10 times what it is going to cost. The figure set here is \$14 million. I personally do not think that this land can be bought for double or triple that amount and there are reasons, valid reasons for suggesting that the cost might be greater. Remember, I said that the value might be three times what we are paying for it. But we have to be a little honest with ourselves in these things. I do not intend to belabor this point. But I do think it is significant that we heed the basic problems involved in this new concept and problems of financing.

There is another matter here of the inholdings. In many national parks there are areas still owned privately. These at least are the problem for the administrators of the Park Service. The inholdings make administration more costly. Furthermore, the inholding always poses the threat of establishing commercial developments or of unsightliness which detract from the value of the preservation. In the Nation's Capital we are aware of the problem which exists at Gettysburg where inholdings

almost destroy the value of the area. In this bill we actually create more of these inholdings which we admit are problems. It is the intent of the Department of the Interior and apparently of the Congress that some day these inholdings will become part of the preservation.

I should like to point out that the Committee on Appropriations of the House has been miserly in providing funds for such acquisition of inholdings. I am not arguing that there is no wisdom in their decisions. I simply point to this as a fact. We must work out better methods of purchase than we now have.

Section 4 of this bill illustrates the desire of the Interior Committee to protect individual property rights. This is actually a compromise of convenience. We say here that we are restricting the authority of the Secretary in section 4. However, we imply a restriction on the landowner. The man who owns one of these excepted dairy farms can hold his land so long as he uses it for present purposes. Oh, yes, he can subdivide, and build, and sell. But as a matter of hard, cold fact how free is he to do this when he knows that the moment he starts to subdivide or build or use this land for any other purpose, then the land becomes subject to condemnation? After all, it is the purpose of this bill to prevent construction of any residences or commercial development which will detract from the area to be owned by the Government. So there is very little freedom for the landowner, even though we ostensibly write in a restriction on the Secretary.

Mr. Speaker, we might turn to the experience in the Cape Cod area where there are people who own property who are ready to sell the property. The Government is not ready to buy. The property owner must continue to pay local taxes on the property, but he cannot use his own property and he cannot sell his own property. I suggest that this kind of arrangement, if it does not violate traditional American property rights, is at least grossly unfair to the property owners in these areas.

These are the factors I would ask you to ponder, because I think this is the time you ought to think about these problems you are going to face in this particular area on bills that are coming to you.

The Committee on the Interior and Insular Affairs, under the very able leadership of the gentleman from Colorado [Mr. ASPINALL], the gentleman from Texas [Mr. RUTHERFORD], and the ranking member, the gentleman from Pennsylvania [Mr. SAYLOR], in trying to implement the recommendations of the Outdoor Recreation and Resources Commission Report, is trying to coordinate this effort so that there is no piecemeal planning, so that we can have an orderly arrangement. With this Commission report as a background there is a new stimulus to the acquisition of additional land. The idea is good. I think the process is a necessity. But in our enthusiasm we must not gloss over the intricate difficulties which may come back to haunt us when general pride of

accomplishment wanes. Indeed, failure to consider the problems adequately now might soon cause the entire program to slow to a halt before the worthwhile goals are accomplished.

Mr. CLEM MILLER. Mr. Speaker, will the gentleman yield?

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

Mr. CLEM MILLER. Those of us who have been working since the very beginning with the House author of this legislation have certainly tried in every way possible to find compromises so that it would be satisfactory. I for one would certainly like to see the ranchers of the area be paid promptly when they are prepared to sell. We have tried in every way possible to accommodate the ranchers so that when they are ready to sell the Government will buy. We ran up against the objection that we cannot make prospective appropriations. Is there any possible answer to this question that the gentleman will regard as satisfactory?

Mr. KYL. I would say to the gentleman from California that when the appropriate time arrives I intend to offer an amendment which I do not think is an answer to the entire problem, but I think it is an improvement over what we have and should serve as a point of departure for future consideration.

Mr. CLEM MILLER. I would be very happy to accept that proposal. We are very earnestly seeking to have the problem solved.

Mr. KYL. The problem we have here is accommodating those with property rights and yet having an orderly establishment of these areas. I think this entire area is something we must look into now because of the vast amount of this type of legislation that will be coming to us in the near future.

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

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The resolution was agreed to.

Mr. RUTHERFORD. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (S. 476) to establish the Point Reyes National Seashore in the State of California, and for other purposes.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill S. 476, with Mr. WATTS in the chair.

The Clerk read the title of the bill.

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

The CHAIRMAN. Under the rule, the gentleman from Texas [Mr. RUTHERFORD] will be recognized for 1 hour, and the gentleman from Pennsylvania [Mr. SAYLOR] will be recognized for 1 hour.

The Chair recognizes the gentleman from Texas [Mr. RUTHERFORD].

Mr. RUTHERFORD. Mr. Chairman, I yield 5 minutes to the able and dis-

tinguished chairman of the Committee on Interior and Insular Affairs, the gentleman from Colorado [Mr. ASPINALL].

Mr. ASPINALL. Mr. Chairman, this bill, S. 476, to establish the Point Reyes National Seashore is as has been stated the second of three bills to establish new major units of the national park system to which our Subcommittee on National Parks has devoted a substantial part of its time during the present 87th Congress.

Taken together, these three bills, one dealing with the national seashore, as stated, on the eastern shore, Cape Cod; one on the west shore, Point Reyes; and one on the southern shores, Padre Island, situated in Texas on the Gulf of Mexico, pretty well reflect, I think, the thinking of the people of the United States as of this time as to their wishes where recreational facilities should be placed now. Certainly, they reflect the thinking of the Committee on Interior and Insular Affairs.

There was a suggestion made a while ago by the gentleman from Kansas [Mr. AVERY] as to the amount of legislation that is before our committee. May I say that it is an enormous amount of legislation and we have had to choose priorities. We have chosen priorities not only because of the thinking of the people, but we have chosen priorities because of the necessity of getting facilities near those areas that we think are in need of attention as of this time.

The emphasis, as one can readily see, has been threefold: First, these additions should be readily accessible to large population centers; second, they should provide not only for conservation of the resources of the area involved but also for their use and enjoyment by the people; and, third, they should be near or on the water.

To none of these elements have we paid sufficient attention in the past. There has been too strong a tendency to concentrate attention on preservation rather than on active use of our park resources. There has been too strong a tendency to keep far away from the population centers. And there has been too strong a tendency to let shorelines of our country slip into almost completely private ownership.

Enactment of S. 476 will, in a small degree, help to correct this. The 53,000 acres proposed for inclusion in the Point Reyes National Seashore lie within 30 to 35 miles of downtown San Francisco. A population of 5 million people already live within 100 miles of this seashore, and population experts tell us that this figure will more than double before the end of the century. In addition, San Francisco is itself a tourist mecca which attracts visitors from all parts of the country. Many of these will undoubtedly take advantage of the existence of the national seashore and include it in their travels as they do the other great units of the national park system in California with which we are blessed.

Point Reyes, moreover, gives us an almost unparalleled opportunity to save

a long and unspoiled stretch of our seashore for the people of this country. It includes 25 miles on the Pacific Ocean, 25 miles on Drakes Bay, 10 miles on Tomales Bay, and 12 miles on Drakes Estero—a total of about 72 miles, almost all of which is still in its original condition. The wonder is that so much unbroken shoreline could still exist so near the great metropolitan area of San Francisco, that the subdividers have not gone a lot further than they have. That is the wonder. The challenge is to provide a means of keeping it this way for the benefit of all the people. There are too few opportunities to let this one slip by.

I do not intend at this time to go into any more details on the subject. These will be handled by the chairman of our Subcommittee on National Parks, the gentleman from Texas [Mr. RUTHERFORD], and by the Members from the area. Let me merely close by expressing my appreciation to all of them for the fine work they have done and my hope that the House will see fit to pass the bill.

Mr. SAYLOR. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, Congress today has before it a bill which will determine in large measure whether or not we have the courage and the foresight to attack a problem which has existed for many years and which our predecessors have seen fit to ignore; that is the problem of providing the growing American public with areas of our national seashore to which they can go.

Of the 60,000 miles of seashore in the United States approximately 2 percent or 2,100 usable miles are suitable for recreational use. Nearly all of this is in private ownership, and one of the difficult problems the families of America find is that they cannot take their children and themselves and go where there is water.

In California at a place that is near and dear to the hearts of every history-loving American student, the place where Sir Francis Drake beached his boat when he was making his trip around the world, is Point Reyes. It is a beautiful spot.

The beach is in substantially the same condition it was when Sir Francis Drake first saw it.

The purpose of this legislation is to make sure that the people of these United States can have this seashore area for their use and enjoyment.

One of the growing areas of the United States is metropolitan San Francisco. There are about 4 million in that area right now. It has only been because the property at Point Reyes has been in the hands of a few families that this delightful area has not fallen under the rule of subdivisionists. Some of the property owners who live in this area are descendants of third, fourth, and fifth generations. They are interested in the dairy business and interested in carrying on their own business.

The committee made sure that those who are engaged in the dairy business may be permitted to carry on.

One of the interesting things that happened in the history of this bill before our committee is that the testimony disclosed that these people who have been in the dairying business were worried. They came here with their attorney. The principal thing they wanted to make sure of was that they could continue the same kind of operation they had inherited. When they received the assurance of the committee we would take care of them and grant them this permission, it seems that the attorney lost his case.

Immediately thereafter we began to be besieged by telegrams and letters from the owners of a few small tracts of land telling us they were violently opposed to what was going to happen at Point Reyes.

One of the newspapers early this spring—the exact date was the 14th of April—carried an advertisement which stated that Congress was about to adjourn, that while there had been a great deal of talk of establishing the Point Reyes National Seashore, in all probability Congress would not do it, and stating that people should immediately contact certain developers.

It so happens I have a relative who visited California. He went out to this area. He saw one of the prospectors and told him he was interested. The man said, "In all probability you will not be able to keep it, but if you want to make a fast buck here is the place to do it. You can get it, I know it sounds like a high price, but when Uncle Sam condemns it you will be able to double your money."

I am sure that when the Secretary and those whom he will designate appear in the area to make arrangements for the acquisition of this property, a lot of these washout sales will be found to be fictitious and the property will be acquired at its real value.

I certainly hope that with the establishment of the Point Reyes National Seashore this will be but the beginning of a program of establishing seashores in other areas of this country.

It is remarkable, if you were to ask people today whether or not they considered our national forests an asset to our country, I doubt if you could find one person in these United States that would challenge that statement, and yet it was only because of the foresight of President Theodore Roosevelt and Gifford Pinchot, who saw what certain timber barons had done in the eastern part of the United States, that we today have our national forests. They were about to rape the West of its timber as they had done in the East. President Theodore Roosevelt, by Executive order, set aside most of the area that is now in our national forests. Unfortunately, we have not yet had anyone who has been foresighted enough up to now to set aside sufficient areas for recreation of the people in the areas where people are. It is true that we have a grand national park system, but unfortunately most of our national parks are in areas where we have very few people. In the great

metropolitan areas we have hardly any national parks or monuments. So, this, I believe, is the beginning, following the establishment of Cape Cod National Seashore in Massachusetts, the establishment of Point Reyes National Seashore in California, and the acquisition of other seashore areas where people may go to enjoy the leisure time that they will have.

Mr. Chairman, I know of no opposition to this bill. It has bipartisan support in the State of California. Both Senators introduced legislation that passed over there. All of the California delegation have indicated their hearty support to our committee.

I would like to take this opportunity to commend the gentleman from California [Mr. CLEM MILLER] in whose district this area is situated. The gentleman has been a strong advocate of this legislation. He has devoted untold hours in the hearings to work out many of the difficult problems that exist, and it is to him and to the other members of the California delegation from that area that a great deal of credit is to be given.

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

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

Mr. BRAY. Are the people, generally, in that community in favor of this legislation?

Mr. SAYLOR. Well, I might say that most of the people in California that have appeared before our committee are in favor of it.

Mr. BRAY. Both Senators are in favor of it?

Mr. SAYLOR. Both Senators are in favor of it.

Mr. BRAY. And the members of the congressional delegation?

Mr. SAYLOR. The members of the congressional delegation are in favor of it.

Mr. BRAY. There is a considerable difference between that and the attitude toward the Indiana Dunes National Park, then, is there not?

Mr. SAYLOR. Well, that is correct.

Mr. BRAY. That is fine. You are not trying to force that upon the State of California.

Mr. SAYLOR. We are not trying to force that upon the State of California, that is correct.

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

Mr. SAYLOR. I yield to the gentleman from Colorado.

Mr. ASPINALL. That was a situation that caused us to bring up at this time this particular project, along with some other reasons, was it not?

Mr. SAYLOR. That is correct.

I might say that we will be perfectly willing to say to my colleague, the gentleman from Indiana [Mr. BRAY] when the time comes and we receive a request from downtown for the creation of the Indiana Dunes National Seashore, I am sure we will consider it before our committee and we will give the Senators and all the Members of the congressional

delegation from that great State an opportunity to appear and testify.

Mr. BRAY. Mr. Chairman, will the gentleman yield further?

Mr. SAYLOR. I would be delighted to yield further to the gentleman from Indiana.

Mr. BRAY. The gentleman talks about "downtown." Does the gentleman mean when the Secretary of Interior wants to put a park in a State that does not want it, then it will be brought up?

Mr. SAYLOR. No; I did not say that at all. I introduced that bill because I have been to the Indiana dunes. I think they are grand enough that they should be preserved. I regret a great deal that the people of Indiana have not been farsighted enough to set this unusual area aside themselves. I commend them for establishing the park which they did establish, but this park is wholly inadequate.

Mr. BRAY. If the gentleman will yield further, the gentleman is aware that Indiana is the only one of the States adjoining the Great Lakes which did preserve its dunes?

Mr. SAYLOR. No, sir, the State of Indiana is not the only State that preserved a portion of it. New York, Pennsylvania, Wisconsin, Michigan, Minnesota, and Illinois have all helped, too.

Mr. BRAY. If the gentleman will yield further, the State that is most interested apparently now in establishing a park—a Federal dunes park—in Indiana, is the same State that destroyed their dunes?

Mr. SAYLOR. That is right.

Mrs. CHURCH. Mr. Chairman, will the gentleman yield?

Mr. SAYLOR. I am happy to yield to the gentlewoman from Illinois.

Mrs. CHURCH. I would say to the gentleman that the State of Illinois has within recent years established a State park to protect for public use that part of its shoreline which was still available. We only wish that we had had the foresight to preserve more of such area, as many wish the State of Indiana to do now.

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

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

Mr. ROOSEVELT. I also would like to say to the gentleman from Indiana that speaking for some of us from southern California, we are heartily in favor of this measure and we want to commend the committee, its chairman, and subcommittee chairman, the gentleman from Texas [Mr. RUTHERFORD], for its foresight and overall policy in developing and preserving this fine seashore area. My esteemed colleague, the gentleman from California, CLEM MILLER, deserves great credit for the patient and constructive efforts he has exerted resulting in this workable compromise measure.

Mr. RUTHERFORD. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, Members of the House will recall that the last time I brought to the floor a bill to establish a new and a major unit of the national park system it was in connection with the Cape

Cod National Seashore in the State of Massachusetts. That was on July 10, 1961, when the bill passed by a vote of the House of 278 to 82. Today I am pleased to be able to present to the floor and to give my support to a bill which would establish another national seashore, this time at the opposite end of our Nation, the Point Reyes Seashore in California.

Mr. Chairman, the two areas are similar in many respects, and the benefits which the Nation will derive from them are quite comparable. Cape Cod lies near the Boston metropolitan area. Point Reyes lies near the San Francisco metropolitan area. Cape Cod will serve not only the population of 2.5 million people who reside in the Boston area, but the tens of thousands of visitors who come there every year from all parts of the country. Point Reyes will serve the San Francisco Bay area of 2.8 million, plus the tens of thousands of tourists who visit the area every year. Cape Cod gives us an unspoiled shoreline of about 40 miles on the Atlantic. Point Reyes will give us an unspoiled shoreline of about 25 miles on the Pacific, plus another 45 miles of the Drake bay area. The boundaries of Cape Cod include about 27,000 acres. The boundaries of Point Reyes include about 53,000 acres. The public investment in Cape Cod was estimated at \$16 million. The public investment at Point Reyes would be approximately \$14 million.

Mr. Chairman, as the Cape Cod project had the blessings of the Commonwealth of Massachusetts, a large number of the Massachusetts congressional delegation, Point Reyes has the backing of the State officials—I might say a great number of the officials—as well as the individual people of California, and I am told a major portion and possibly all of the congressional delegation from that State.

Mr. Chairman, there are differences, of course, between the two areas, but for the most part these go toward making the Point Reyes proposition a much simpler one to handle than was Cape Cod. Cape Cod has long been a settled area; Point Reyes has thus far largely, though not completely, escaped the subdivider and is notable for its open space. In Cape Cod there were many hundreds, perhaps thousands, of individual owners to be considered; in Point Reyes, six parties own 48 percent of the land and 25 own 99 percent of it. All in all, I anticipate far fewer problems on Point Reyes than on Cape Cod.

Mr. Chairman, the ranking minority member of our Committee on Interior and Insular Affairs [Mr. SAYLOR] and I visited Point Reyes last year and inspected it. Let me say at this point that I extend to the distinguished gentleman from Pennsylvania [Mr. SAYLOR], many happy returns of the day, this being his birthday; I extend to him my congratulations.

It is my practice to make such a visit before I bring any major park service proposal to the floor. I can report un-

equivocally that I consider Point Reyes a worthy, even an outstanding, addition to our national park system—one that should have been made long since. I can report firsthand that Point Reyes has a wide variety of attractions that will make it enjoyable. It has beaches, it has towering bluffs along the ocean, it has mountains, it has small lakes, it has forests, and it has pastureland. One would have to go far before he found such variety in so small a compass elsewhere.

In marking up the bill in committee, we tried to take full account of all reasonable requests. The big ones were handled easily. A. T. & T. and RCA between them own about 4,000 acres within the boundary of the national seashore which they use for their international transmitting stations. They did not ask to be excluded from the seashore and they have not been excluded, but they and the Department of the Interior have an understanding that their ownership will not be disturbed as long as their lands continue to be used as they are being used at present and that, if they decide to sell, they will first offer them to the Government. There is a similar understanding between the Department of the Interior and the Vedanta Society, a religious organization which has a large holding on Point Reyes.

Witnesses appeared before our committee on behalf of certain of the dairy ranchers and assured us that their sole concern is with being able to continue their ranching operations. The bill, as we bring it to you, will permit them to do so. All of these ranches are upwards of 500 acres in size and, as long as they are maintained as ranches, will contribute to the beauty of the area. The proposal in the original bill would have permitted the Secretary of the Interior to acquire these ranches immediately and, in effect, to lease them back to the ranchers. There was a good deal of merit to this provision but it has been changed, out of deference to the representations of the ranchers, to provide that ranches of this size will not be subject to condemnation as long as they are used for ranching purposes. If they wish to sell at a fair price, of course, the Secretary is authorized to acquire, but the bill specifically prohibits his using the Government's eminent domain powers in this connection.

I understand that a few of the ranchers are not yet fully satisfied, that they now think they may want to go out of the dairying business, and that they want assurance that the cash will be available when they decide to do so.

However, this is not on the record as far as the committee or the subcommittee is concerned.

Mr. ASPINALL. Mr. Chairman, will the gentleman yield at that point?

Mr. RUTHERFORD. I am glad to yield to my able Chairman.

Mr. ASPINALL. The gentleman says that this is not on the record. The gentleman means that this particular evidence has not been brought before our

committee as a part of the hearings; that to which the gentleman makes reference is information that supposedly is coming to us since the hearings were closed; is that correct?

Mr. RUTHERFORD. The gentleman is correct. The statement that was made on the record as far as the testimony is concerned was contrary to their expressions. These are statements made outside the hearings and are individual rather than organized testimony.

I can sympathize with their desires but I can only point out that the Committee on Interior and Insular Affairs has no desire to trespass on the jurisdiction of the Committee on Appropriations and therefore has not attempted to include in this bill, directly or indirectly, an appropriation to take care of such people as this. We have, however, included a provision stating the intent of Congress that lands included in the national seashore shall be acquired as rapidly as funds become available for this purpose. This will assure, as far as our committee can assure, against undue delay and, with good will on the part of all parties, ought to satisfy all reasonable men who understand our governmental processes. If the House wishes to go further than this, it will, of course, be free to do so, but no provision along the lines proposed is before you in the reported bill.

I want to point out, also, the provisions of section 6 of the bill under which the owners of property improved before September 1, 1959, will be permitted to retain a right to continue to use and occupy their property after it is acquired by the Government, the right expiring at the owner's death or the death of his spouse or on the date his youngest surviving child reaches the age of 30. This is very similar to, but somewhat more generous than, the comparable provisions in the Cape Cod legislation.

In the Cape Cod legislation the provisions are the same except that when the youngest surviving child reaches the age of 45 the rights expire.

Our committee amendments include one striking from the bill section 4(b) which would have given property owners in the Duck Cove area privileges not enjoyed by property owners in other parts of the seashore. If we had accepted this subsection we would, in good conscience, have had to extend it to other parts of the seashore and, in so doing, we would have multiplied the in-holding problem and left no way for the Secretary of the Interior, now or in the future, to overcome it except at holdup prices.

Mr. Chairman, I believe that this will give the House an outline of the merits of the bill and of the more controversial provisions that we had to deal with in committee. I want, however, to say a word about the \$14 million we have authorized to be appropriated for land acquisition. This is the best reasonable estimate we could find. There have been more recent transactions, I realize,

at fantastically high prices which, if they were applied across the board, would result in a much higher figure than this. But these, fortunately, are isolated cases in the most favored areas and involved small parcels of land. They are not, I believe it safe to say, representative of the Point Reyes area, or even a substantial part of the Point Reyes area, considered as a whole.

Nevertheless, I am frank to say that the \$14 million may turn out to be too conservative a figure and that it will so turn out if the assumptions on which it is based fail. If they do, we will come back to the House and ask for more. This is substantially the way it should be. We in the Congress, we in the Government, deal with real estate in a fish bowl. Everyone knows our intentions of taking and the result is that prices change.

These assumptions are, among others, that the land that is acquired will be acquired within a relatively few years before mounting prices destroy present values, that a substantial portion of it can be acquired by exchange for other Federal lands, and that the so-called ranching area will continue to be devoted to this purpose. At present, all of these appear to be reasonable assumptions, but there is no way in this or any other bill to stop the clock and to freeze present conditions. With this understanding, I believe the amount we authorize is a reasonable figure to use and I recommend it to the House accordingly.

Mr. Chairman, I hope Members will support S. 476 and I urge its passage.

Mr. CLEM MILLER. Mr. Chairman, will the gentleman yield?

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

Mr. CLEM MILLER. I would like to say to the chairman of this subcommittee that the conscientious and careful scrutiny that has been given this bill is a credit to the committee on both the minority and the majority sides.

May I ask a question of the gentleman. Is it not true with reference to the problems raised on this bill that we have sought in every way possible to meet the natural requirements of the homeowners and the ranchers of that area? Have we not sought in every way to accommodate to the demands that they have made upon us in order that their right to live there is untrammelled? Have we not sought to make it possible to enjoy their rights, to be preserved; is that not correct?

Mr. RUTHERFORD. The gentleman is correct. We have done everything in the world to agree with the residents on that point, I would say in a majority of the cases; and sometimes we have acceded to their position in toto and in other cases we have gone more than a reasonable distance in agreeing to what they even requested.

As I pointed out earlier, the big problems were the easiest ones to resolve such as the A.T. & T., the Vedanta Society, the RCA who own the largest area—some 4,000 acres. But we did

have problems sometimes with the small half-acre lot owners who have no real investment on the point, but even on this point we have tried to be more than fair and reasonable to meet objections, I will say, on most points. There was an overwhelming acceptance of our procedures in Point Reyes in the taking of the land.

Mr. CLEM MILLER. Mr. Chairman, will the gentleman yield further?

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

Mr. CLEM MILLER. What the gentleman says is correct and is attested to by the fact that whatever opposition there was in the beginning, and there was substantial opposition, in every single instance that opposition has swung around either to acceptance or to outright approval. I might say, for example, that the Marin County Farm Bureau which was opposed to this project in its present form 2 years ago, now accepts it and the board of supervisors who were opposed to it, 4 to 1, now accept it and approve it. The four school boards in the area that believed the local tax base would be interfered with now accept the proposal wholeheartedly because they realize it will improve their tax base. Therefore, I would say the efforts of the gentleman and the other members of his committee in making conciliations have made this bill acceptable to the people of Marin County, and of California, and the people of the entire area. I thank the gentleman very much.

Mr. RUTHERFORD. I would like to clarify one thing. While there have been compromises, and that is the basis of any legislation, we have compromised and I think we have received the approval not only of the Farm Bureau in Marin County and the ranchers and farmers as well as the local governing bodies, but at no time while we have acceded to their requests and have been fair and reasonable with them have we violated the basic purpose and objective of maintaining this as a national seashore area. This is no new concept. We have had the same or a similar concept called the hole-in-the-donut concept in the Everglades which has proved to be very successful.

We feel this is a fair and reasonable compromise to the extent that from the very real opposition which existed in the beginning, there is almost wholehearted acceptance by all those concerned.

I think we have a very good bill and a very splendid bill for the people of Marin County in the State of California, and I will say a great asset to the Nation.

The CHAIRMAN. The time of the gentleman has expired.

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

Mr. WESTLAND. Mr. Chairman, first of all, I would like to pay my compliments to the gentleman from Texas [Mr. RUTHERFORD], the chairman of the subcommittee, for his diligence in pursuing this legislation and actually going

out and seeing the property himself and for all the hearings that were held before the subcommittee. I think this matter was gone into very thoroughly and, perhaps, they have come up with a bill that is agreeable to most people. But just so that the House does not get the idea that all is love and kisses on this matter, I think, perhaps, there ought to be one or two things gone into. I would be the first one to say that the gentleman from California [Mr. CLEM MILLER] and the gentleman from Texas [Mr. RUTHERFORD] have done their best to try to resolve some of these problems, and there have been quite a few. But, first of all, with reference to this little matter of Duck Cove which has been mentioned, I think it consists of about 14 or 15 or 16 acres or something like that. It abuts on a presently existing State park. Those people have been going out there for quite a few years. Some of them are veterans. They built some homes and they wanted to enjoy this property.

If this area is included in the park, as the gentleman from Texas said, this would create an inholding within the park. During the committee sessions I thought it was rather simple to eliminate that problem just by excluding Duck Cove from the park to begin with so that they would not be within the park boundary, and instead of the park area being 53,000 acres it would be 52,984 acres, and these people could have their way.

When I first heard of Duck Cove I thought it was a place where they shot ducks, but that is not so at all; it is a secluded area. So in that respect I am in disagreement with the members of the committee, and I am certainly in disagreement with the way the Park Service operates on some of these propositions. They want to take the whole hog and want to take the land most particularly where some individuals are concerned in wanting to retain their property.

One other matter, the gentleman from Pennsylvania mentioned recent sales of property. I have a letter from the law firm of Freitas, Allen, McCarthy & Bettini from San Rafael, Calif., dated March 31 of this year. These people indicate that if the prices at which sales have recently been made are continued this park will cost somewhere, according to their figures, between \$38 and \$78 million. That is quite a jump from \$14 million. The gentleman from Pennsylvania indicated that these were phony sales. I think these people, at least to my satisfaction, documented the sales. Waterfront runs anywhere from \$100 to \$150 per foot. Prices indicate that beach front lots cost from \$7,500 to a top of \$15,000, whereas lots—and there are three pages of documented sales for cash—not a \$10 downpayment and catch me if you can, but either for cash or very substantial downpayments—three pages of these; and the prices range from \$3,500 to a high of \$4,500.

I think the House should know what at least some people think this land is

going to cost: not \$14 million, not \$20 million, but somewhere between \$38 and \$78 million.

Maybe people are taking advantage of the fact that this is a proposed national seashore. We in the committee have tried—I know the gentleman from Texas [Mr. RUTHERFORD] and the other members—to figure out how this could be avoided; nevertheless it is a fact and I think the House should know just what this situation is that affects the property owners of West Marin County.

Mr. RUTHERFORD. Mr. Chairman, I yield such time as he may desire to the gentleman from California [Mr. COHELAN].

Mr. COHELAN. Mr. Chairman, I take this time to congratulate my friend and able colleague from the First California District [Mr. CLEM MILLER] for the tremendous effort he has put in on this bill. As a coauthor it has been a great privilege to be associated with him on this measure which is of such great importance to California and to the Nation. At this time I want to compliment the chairman of the committee, the gentleman from Colorado [Mr. ASPINALL] for his many courtesies, my good friend, the chairman of the subcommittee, the gentleman from Texas [Mr. RUTHERFORD], and the ranking minority member of the committee, the gentleman from Pennsylvania [Mr. SAYLOR] for the excellent work they have done on this bill.

Mr. Chairman, I rise in support of this constructive, forward-looking proposal to create a national seashore on the Point Reyes Peninsula.

Mr. Chairman, in very blunt terms, the problem of providing an adequate resource of usable outdoor recreation facilities for the people of this country is acute. Supply has not kept pace with demand and I am sure that many of us have experienced this problem in a very personal sense.

The Outdoor Recreation Resources Review Commission—a Commission created 4 years ago by Congress—reported in January of this year that our 15-percent increase in population from 1951 to 1959 was accompanied by an 86-percent increase in the number of visits to national parks and a 143-percent increase in the number of visits to all State and Federal recreation centers combined. The Commission further reported that this is only a foretaste of things to come—that by the year 2000 our population is expected to double but the demand for recreational lands is expected to triple.

In its comprehensive report the Commission has also pointed out that the most pressing aspect of the supply problem is acquiring adequate shoreline for public use. Today less than 2 percent of our total shoreline is in public ownership for recreation—an amount which the Commission has described as inadequate and which must be increased.

Despite this great need, adequate resources are not always available, and this is particularly true in the case of shoreline area. A Pacific coast survey, conducted in 1957-58 by the National

Park Service, revealed that of the 1,700 miles of shoreline extending from Washington to southern California, four areas possessed scenic, natural, and recreational attractions of possible national significance. Point Reyes was one of these areas.

Point Reyes, however, is unique. It is unique for its outstanding natural attributes are in close proximity to one of our Nation's most heavily populated and fastest growing areas. The National Park Service, in fact, has stated that Point Reyes provides a combination of scenic, recreation, and scientific interests found nowhere else in this country so near a large center of population.

According to Department of Commerce and Interior statistics 4½ million people live within a 100-mile radius of this proposed national seashore—a figure which is expected to increase to more than 7 million by 1980 and to nearly 12 million by the year 2000.

This immediate population center, however, is not the only source of users for a national seashore at Point Reyes. At the present time more than 2 million, tourists and visitors come to the San Francisco Bay region annually, and with our rapidly growing population, increased travel and leisure time, this figure will continue to grow.

These conditions, combined with the fact that use of our public recreation areas has been growing at a rate of 8 to 10 percent or more a year, clearly indicate that a seashore at Point Reyes would receive extensive use, and that it would be truly national in nature. The National Park Service, furthermore, has estimated that by 1980 Point Reyes would receive at least 2,350,000 visitors a year—a number greater than recorded at all but one of our 29 national parks in 1961.

This proposed national seashore has received overwhelming local support, both from local governments and from individual citizens. I have received a steady stream of correspondence from the residents of my district—an area approximately 40 miles from Point Reyes—urging its creation, and more than 64 percent of my constituents who responded to a recent questionnaire expressed approval.

Mr. Chairman, Point Reyes offers us an opportunity to move ahead in one of the great areas of our Nation's unmet needs—the need to provide adequate recreational and undisturbed scenic areas for this and future generations. It is a thoroughly investigated, carefully considered plan which takes into account both individual and personal interests. It is a plan which if enacted promptly will enable us to minimize our costs, but which if further delayed would add expense not only in dollars, but even more important, in opportunities possibly lost forever.

Mr. Chairman, I urge that we approve this legislation today.

Mr. ASPINALL. Mr. Chairman, I yield such time as he may desire to the

gentleman from California [Mr. JOHNSON].

Mr. JOHNSON of California. Mr. Chairman, I rise in support of S. 476 which would establish Point Reyes National Seashore. In so doing, I would like to assure you that I am personally quite familiar with the beauty of this area and its suitability for national preservation as a vital addition to our park system.

To anyone familiar with this part of the Pacific coast, the most remarkable fact about Point Reyes is that it is still available for preservation and development for public use. Because of a series of fortunate historical and geographical circumstances the tremendous urban development of recent years in the San Francisco Bay area has bypassed the Point Reyes Peninsula. Although the situation today is changing rapidly, it still remains today much as it did before the first white man saw it 345 years ago. Only about 160 people live within the area of consideration and the principal development of ranching has effectively preserved the natural scene. The Director of the National Park Service has told us that he knows of "no other large area in the United States near population centers that has been left so unaltered by the hand of man."

The Park Service reports tell us that the recreational potential here is of the first magnitude. They estimate that if the national seashore is established as they recommend, it will attract 2.3 million visitors a year by 1980. This is more than visited all but one of our national parks last year; it is more than the total number who visited nine of our national parks last year.

The variety of the scenic, recreational, and scientific resources of the peninsula is most remarkable. After inventoring the remaining outdoor recreational opportunities along the entire Pacific coast the Park Service's 1959 "Pacific Coast Recreation Area Survey" report found that the Point Reyes Peninsula "provides a combination of scenic, recreation, and biologic interests which can be found nowhere else in this country as near to a large center of population."

I would like to make one observation on the uniquely national quality of our ocean shorelines. Our Pacific Ocean shorelines are the seashores of the inland States of our continental Nation just as they are of our coastal States. Our Pacific shoreline is the seashore of Idaho and Nevada, of Colorado and Oklahoma, Utah, Nebraska, Missouri, Wyoming, Iowa, and the Dakotas, just as it is the seashore of Alaska and Hawaii, Washington, Oregon, and California. The same holds true for our inland States which are near but do not touch our Atlantic and Gulf coasts. Our ocean shorelines are truly national seashores. And, as the Park Service reports thoroughly document, they are limited national resources that today are vanishing fast as far as availability for public recreational use near centers of population is concerned.

Now I would like to turn to the question of the appropriate unit for the proposed national seashore at Point Reyes, 30 miles north of San Francisco.

To understand fully why the boundaries recommended by the Committee on Interior and Insular Affairs should be preserved, one must understand the topography of the northern part of the peninsula. The area involved is bounded by the Inverness Ridge, the eastern boundary of the peninsula; Drake's Bay and the Pacific Ocean. When one stands at Point Reyes itself or practically on any other point of the northern peninsula, the eye sweeps across the entire peninsula. The ridge acts as a visual barrier, the eye stops there—just as it does at the Tetons when one looks across Jackson Lake. If Inverness Ridge were closer to the coastline, there would be no need to control the use of 53,000 acres.

When a visitor enters a unit of our national park system, he wants to see and enjoy the natural scene. He doesn't want to see the natural scene spoiled by subdivisions or shopping centers, hotdog stands, or honky-tonks. Certainly I think that it is no more logical to spoil the beauty of this magnificent seashore by this type of development than it would be to have billboards on the Washington Monument.

If we are going to commit the Federal Government to a sizable investment at Point Reyes, for the benefit of all the people of this country, we should insist that the national seashore there be well planned. We want to be proud of our national park system. Visitors to this national seashore should have an opportunity to enjoy the natural scene rather than the asphalt and concrete and neon signs they came to Point Reyes to escape. We should have assurance that the heartland of the peninsula will remain about as it is today.

I would like to emphasize that the northern portion of the peninsula is one visual, scenic unit. There is no logical way to cut it up into sectors. The only reasonable boundary is the natural barrier formed by Inverness Ridge. A national seashore should be more than a piece of beach to sit on.

The natural scenic character of Point Reyes is made up of many elements; ocean, beach, cliff, offshore rocks, marsh, ponds, dunes, rolling grass-covered downs, and chaparral and forest of several types. The unusual geological features and the plant and animal life—including a wide range of marine animals, including sea lions and seals, and waterfowl and upland game—are different in the north and south. Spectacular Point Reyes itself is in the northern portion.

The indicated natural-harbor site—which could be a sport fishing center comparable to Oregon Inlet at the Cape Hatteras National Seashore Recreation Area—is in the lee of the sheltering cliffs at the west end of Drake's Bay, near the existing Coast Guard station in the northern portion.

To this variety of natural features can be added the additional feature of historical interest—the probable landing of Sir Francis Drake in 1579 is at Drake's Cove—in the northern portion. This was the first English landing in what is now the United States. It preceded Roanoke, 1585; Jamestown, 1607; and Plymouth and Provincetown, 1620. This circumstance of history alone makes the northern part of the peninsula a national historic site of significance. The Indian villages were largely in the north. It is this rare combination of natural and historical values that gives national significance to Point Reyes.

Mr. Chairman, in conclusion, may I say that Point Reyes is one of the finest natural seashore areas still available to us for preservation for the enjoyment of not only our own generation but of the generations to come. The time has come to act since if we do not preserve the acreage now available to us and which we can obtain at a minimum cost, this area will develop rapidly and this will be lost forever. I urge my colleagues to support this vital legislation.

May I say that the chairman of the subcommittee, the chairman of the full committee, the ranking minority member, and the balance of the committee worked very hard to bring about a very satisfactory bill to the floor of the House, and I hope today the House sees fit to pass this bill.

Mr. RUTHERFORD. Mr. Chairman, I ask unanimous consent that the gentleman from California [Mr. CLEM MILLER] may extend his remarks at this point in the RECORD.

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

There was no objection.

Mr. CLEM MILLER. Mr. Chairman, as the Representative of the district in which Point Reyes is located, I first want to express our appreciation for the close and thorough consideration the members of the Committee on Interior and Insular Affairs have given to this bill.

We are grateful, particularly, for the work of the chairman of the committee, the gentleman from Colorado [Mr. ASPINALL], the chairman of the Subcommittee on National Parks, the gentleman from Texas [Mr. RUTHERFORD], and the ranking minority member of the committee and of the subcommittee, the gentleman from Pennsylvania [Mr. SAYLOR].

I also wish to commend the strong support and contribution made by my colleague from the San Francisco Bay area. The gentleman from California [Mr. COHELAN] has introduced a companion bill on which he has worked very hard, demonstrating his great interest for the legislation. I also wish to pay tribute to the gentleman from California, Congressman HAROLD JOHNSON, member of the committee, who has helped with the bill.

During the 3 years since the Point Reyes national seashore bill was first introduced, the committee has given every aspect of this proposal the most careful and diligent scrutiny—from the stand-

points of both the local and the national interests.

Members of the committee have visited Port Reyes to see for themselves this magnificent unspoiled seashore area and to talk with the landowners and the other keenly interested local citizens. The committee's hearings were extensive. The committee's amendments minimize both hardships to the landowners and costs to the Government.

The committee's own penetrating studies, coupled with the comprehensive surveys and reports of the National Park Service over the years, have caused this to be one of the most thoroughly considered proposed additions to our national park system ever to come before this body for decision.

Mr. Chairman, our ocean shorelines are a uniquely national recreational resource. They are the seashores of the residents of our landlocked States as well as of our coastal States.

Twenty-seven years ago, in 1935, the National Park Service first identified the Point Reyes Peninsula as a national recreational resource of the first magnitude and recommended that 53,000 acres of the peninsula be acquired for the inspiration, education, and enjoyment of all Americans. It could have been acquired for \$45 an acre at that time. The 1935 report also recommended that a dozen other outstanding shoreline areas be acquired for public use. In the intervening years, Congress has protected only two of these areas by authorizing the Cape Hatteras National Seashore Recreation Area in North Carolina and the Cape Cod National Seashore in Massachusetts.

Today, most of the other areas recommended in 1935 as national seashores have been, in effect, declared "off limits" to the great majority of our citizens. These areas have been encroached upon by urban or industrial development and their once great outdoor recreation value has been destroyed.

Last January, in its report to the Congress, the Outdoor Recreation Resources Review Commission reported that less than 2 percent of our ocean shoreline is in public ownership for recreation use. Looking to our fast growing and more mobile population, the Commission recommended that we acquire as soon as possible the few "remaining magnificent stretches of unspoiled shoreline" such as Point Reyes.

The fact that Point Reyes today is still in a relatively unspoiled natural condition approaches the miraculous. But since introduction of this legislation, subdividers and land speculators have been active on the peninsula. As a result the opportunity now before us will soon be lost unless prompt action is taken.

For example, there is now pending before the Marin County Board of Supervisors—the local governing body of the county in which Point Reyes is located—an application to build a road which would open up 13,000 acres of the peninsula to subdivision. The county supervisors, who support the national sea-

shore proposal, have postponed action until July 31—a week from tomorrow—in the hope that this body will have passed this bill by then. Once the proposed road is built, costs of acquiring the affected acreage will immediately increase substantially.

I have been interested to note that the only remaining organized opposition to this bill is coming from some of the subdividers and land speculators now active in the area.

In fact, some of their representatives have been here in Washington lobbying against this bill right up to these last few days. They have been calling on Members and asking that passage of the bill be delayed and that some of the recent subdivisions be excluded from the national seashore. I am confident that this body will vote for the interests of all our people, as the committee recommends, and not for the self-interests of a few.

Mr. Chairman, I would like to express appreciation for the interest and efforts of the thousands of conservationists from many parts of the Nation—both in the Congress and private citizens—who have played key roles in the long battle to save Point Reyes.

Many have been members of such private conservation organizations as the Izaak Walton League, the Audubon Society, National Wildlife Federation, Sport Fishing Institute, Wildlife Management Institute, National Parks Association and the Sierra Club.

I cannot begin to mention all the dedicated citizens of Marin County who have worked so long and so hard in the local area. Members of the Point Reyes National Seashore Foundation—people like Dr. Joel Gustafson, Kenneth Davis, George L. Collins, Doris Leonard, Lothar Salin, Margaret Azevedo, Mr. and Mrs. Bertram Dunshee, Mr. and Mrs. William Eastman, Harold Gilliam, Mrs. Norman Livermore, Donald Patterson, Mrs. William Newman, Luella Sawyer, and Vera Schultz. They have been in the forefront of the battle from the beginning.

Members of the Marin County Board of Supervisors—the Honorable Walter Castro, the Honorable William Gness, and the Honorable Peter Behr—and the Honorable Edmund G. Brown, the Governor of California, have been among the bill's most effective supporters.

In the other body, the strong supporters of Point Reyes National Seashore have included the junior Senator from New Mexico [Mr. ANDERSON], the senior Senator from Nevada [Mr. BIBLE], the junior Senator from Utah [Mr. MOSS], and of course the Senators from California—Senator ENGLE, with whom I introduced the first Point Reyes bill in the Congress 3 years ago, and Senator KUCHEL, cosponsor of S. 476 in the other body.

Mr. Chairman, Point Reyes is before us today as a Pacific coast counterpart to the Cape Cod and Cape Hatteras national seashores on our Atlantic coast and, prospectively, the proposed Padre Island National Seashore on the gulf coast.

At a time when so much of the Pacific coast is being engulfed by urban expansion, Point Reyes yet has unique scenic beauty, scientific wonder and historical significance that should be protected for all our citizens and the generations to come.

The bill before us is sound. It is thoroughly justified. It is farsighted. I urge its approval.

In conclusion, Mr. Chairman, I include at this point in the RECORD a summary of facts on the Point Reyes bill:

FACT SHEET—POINT REYES NATIONAL SEASHORE, S. 476

Point Reyes is a triangular-shaped peninsula which juts into the Pacific 30 miles northwest of San Francisco. The peninsula is set apart from the mainland by a forested ridge and bay.

The bill would authorize a new unit of the national park system on 53,000 of the peninsula's 64,000 acres. The bill was first introduced in July 1959, passed the Senate without opposition last September and was reported by the House Interior Committee April 19, 1962 (H. Rept. 1628).

Resources: Point Reyes is one of the finest remaining natural seashore areas in the country. The National Park Service has found that it "provides a combination of scenic, recreation, and biologic interests which can be found nowhere else in the country near a large center of population." Point Reyes has 45 miles of beaches, sand dunes, sheltered coves, wind-swept caves, coastal bluffs, fresh-water lakes and marshes. Upland, there are rolling grass-covered downs, virgin pine and fir forest. There is an extraordinary diversity of fish and wildlife, including herds of sea lions on spectacular offshore rocks; deer, shore birds and migratory waterfowl. One of the world's major earthquake faults, which has caused Point Reyes to be nearly separated from the mainland, also is a source of scientific interest.

Bipartisan support: The proposal has bipartisan support at local, State and National levels. All Members of Congress from the region support the bill. Both California Senators—Senator ENGLE and Senator KUCHEL—are the Senate sponsors. Similar legislation before the 86th Congress was endorsed by former Interior Secretary Seaton, Secretary Udall and President Kennedy have requested favorable action by this Congress. The bill is supported by the Marin County Board of Supervisors, governing body of the county in which Point Reyes is located, and by the Governor of California. House sponsors are CLEM MILLER (H.R. 2775) and JEFFERY COHELAN (H.R. 3244).

Present use and ownership: Urban development of the San Francisco Bay area has bypassed Point Reyes to a remarkable degree. Present use is largely dairy and beef cattle ranching. About 160 persons live within the proposed national seashore boundaries. Two years ago 25 parties owned 99 percent of the land within the proposed boundaries. The remaining 1 percent was held by 37 parties. But during the last 2 years, and particularly during the last year, subdividers and land speculators have been active in the area and the number of ownerships has tripled.

Proposed development and use: Basic objective is to preserve the natural scene for public inspiration and enjoyment. Park Service plans call for a marine sport fishing center, hiking and riding trails, scenic roads and overlooks, campgrounds, picnic areas, and a nature center. Nearby communities would be encouraged to provide overnight accommodations and related services.

Acres breakdown: Of the total 53,000 acres, 23,000 would be acquired and developed for recreational use as appropriations are made available. The remaining 30,000 acres could not be acquired without owners' consent so long as the present compatible uses continue. At least 26,000 acres now in ranches could not be acquired while they continue to be used for ranching purposes. This "ranching area" provision (sec. 4) means that all 18 dairy ranches on the peninsula can remain in operation as long as present or future owners desire. This provision is modeled after a similar provision in the act governing Everglades National Park. Another 4,000 acres could not be acquired so long as present uses—for oversea radio communications and for a religious retreat—continue. This 4,000 acres, like much of the ranching area, may never need to be acquired.

Residential property: Owners of residential property improved prior to September 1, 1959 (3 months after the bill was first introduced) would have rights of continued use and occupancy. This section (sec. 6) of the bill is patterned after a similar provision in the act authorizing Cape Cod National Seashore. About 20 small parcels at Point Reyes are eligible under this provision.

Costs: The bill sets a \$14-million ceiling on appropriations for land acquisition. This figure is based on a National Park Service August 1961 estimate that the total 53,000 acres is worth \$25 million. It assumes that about \$9 million worth of Point Reyes lands can be acquired by voluntary exchange for Federal lands elsewhere, and that there will be no need to acquire the communications and religious retreat properties valued at \$2 million. Land exchange negotiations are underway. About 2 years ago, the local county assessor estimated market value of lands and improvements within the proposed boundaries at \$10,300,000. But land values within the area have been increasing and must be expected to continue to increase. As in the case of Cape Cod (for which the land-acquisition ceiling was \$16 million), the appropriation request for the first year following authorization is expected to be on the order of \$1½ to \$2 million. In addition to land acquisition, appropriations would be required for development of the area; development costs are estimated at \$8½ million, spread over at least 6 years.

Outdoor Recreation Commission views: The Outdoor Recreation Resources Review Commission, created by Congress 4 years ago to study national needs and resources for outdoor recreation, reported to Congress last January. The report does not discuss specific sites, but it gives the Point Reyes proposal the strongest possible endorsement. The Commission recommended that "immediate action should be taken by Federal, State, and local governments to reserve or acquire additional water, beach and shoreline areas." Highest priority, the Commission said, "should be given to acquisition of areas located closest to major population centers * * * that are immediately threatened. The need is critical—opportunity to place these areas in public ownership is fading each year as other uses encroach." The Commission also recommended that top priority be given to "the remaining magnificent stretches of unspoiled shorelines." Point Reyes meets each of these criteria.

Nearby population: Five million persons now live within 100 miles of Point Reyes; by the year 2000 there are expected to be 12 million. More than 2 million out-of-State visitors and tourists now visit the nearby area annually. The National Park Service estimates that a national seashore park at Point Reyes would attract 2,350,000 visitors a year.

Subdivision encroachment problem: During the last 2 years subdivision maps (calling for 665 lots) have been approved within the proposed boundaries. During the same period, 135 subdivision lots have been reported sold and 10 subdivision houses have been built. In addition, a use permit was approved in May 1962 for a 24-unit apartment house on the beach at Drakes Bay, in the heart of the proposed public use area. Subdividers recently have applied to the county to build a road to open up an additional 13,000 acres of the peninsula to subdivision development. Virtually all of the 13,000 acres is within the proposed national seashore boundaries. If this road is built, costs of acquiring this area will immediately increase substantially.

Historical significance: Most historians who have studied the subject believe that Drakes Bay at Point Reyes is the site of the first English landing in what is now the United States—by Francis Drake in 1579.

Mr. SAYLOR. Mr. Chairman, I yield 5 minutes to the gentleman from Oregon [Mr. DURNO].

Mr. DURNO. Mr. Chairman, first of all I want to express my appreciation for the very hard work and the conscientious effort that the chairman of the full committee, the gentleman from Colorado [Mr. ASPINALL], the chairman of the subcommittee, the gentleman from Texas [Mr. RUTHERFORD], and the ranking minority member, the gentleman from Pennsylvania [Mr. SAYLOR] have put in on this bill.

This is one of nine proposals that the administration has made in requests for the overall acquisition of land of this character.

Last year we passed the Cape Cod National Seashore bill, which was the first bill. I opposed that bill because it did not meet the criteria which I had established in my own mind for propositions of this kind. I opposed the Cape Cod bill because I felt it invaded property rights further than this Congress had any right to go.

Second, I felt that the expected cost involved far outweighed the benefits that would be received.

This year we are going to consider perhaps a couple of other measures. One of them we are considering today, the Point Reyes seashore. I am heartily in favor of this measure. I think everything that has been humanly possible to be done has been done to treat all parties involved fairly and squarely.

I would point out to you that in contrast with the Cape Cod bill property rights in the main are not violated in this bill. Second, the cost is not prohibitive. I would certainly agree with my colleague from the State of Washington that this is going to cost much more than the \$14 million that is now considered as being the cost of acquisition. In my opinion, it is going to be two or three times that. But still I think it is a good bill, a worthwhile acquisition, and will be worth what it costs many times over, because in the final analysis it will provide entertainment and recreation for more than 5 million people. It follows the recommendations of our committee.

So I do favor it, because it does not violate property rights, and the cost I do not think will be prohibitive.

There are certain salient facts I would like to bring to your attention. Some of them, at least, have not been brought to your attention up to this time.

One concerns private inholdings. Originally this started out as a 54,000-acre tract, but 26,000 acres were permitted to be retained as inholdings.

Now, the point I want to make to you is that it is economic and it is essential if this is to be a worthwhile park that that area be retained as inholdings, because, as has been previously mentioned here, these people went out there more than 100 years ago and they pulled up, probably with their own hands, the chaparral and the weeds and the grasses, and they planted good grass, and they put dairy herds and beef cattle on that land. The end result has been that it has been kept in that condition by fertilizing and by utilizing and by cropping those acres. If that condition did not continue to exist today, we, the Congress and your Government, would be compelled to keep up that same rolling green, verdant area which makes it such an attractive place. The very people that own the inholdings are going to do that free of charge, and on top of that, they can retain those lands. They can continue to own those lands as long as they are used for dairying and cattle raising. This is rightly so.

Mr. Chairman, I have no truck for those who are exploiting or promoting or subdividing this land after this area was considered for a national park; such a position, does not violate private property rights, and if somebody gets stuck for the excessive cost of this acreage, I think they do it with their eyes open. That is one thing that I do not think this Congress should stand for.

Mr. Chairman, I cannot conclude my remarks without mentioning one other item that is going to come up. I will not be here when it does come up; the Oregon dunes. The Oregon dunes project was mysteriously left out of the nine projects as listed in the administration program last March. I want you to know just as in Indiana, the Oregon dunes is not like Point Reyes nor is it like Padre Island. No. 1: The State of Oregon owns and is one of the few States that does own all of its seashore acquired some 30 or 40 years ago. The area of the proposed Oregon dunes is owned basically by the National Forest Service and by our most handsome and most used State park, Honeymoon State Park. So, the great majority of the land which would constitute the Oregon dunes is already in Federal ownership or in State ownership. I would bring to your attention that the two candidates from the opposite side of the aisle who opposed each other in the primaries for the seat which I now hold have finally reached an agreement that my program for the development of Oregon dunes was proper and that all of the land on the west side of Highway 101, from the highway to the

seashore, and the lakes west of the highway and the State park is the area that should comprise the Oregon dunes. And, I would want my committee to know that as I go back to my State as a citizen, I shall support that concept, along with the candidates who will be seeking my seat in Congress. That is the way the Oregon dunes should be supported. That is the type of bill which should be enacted, and I hope that in following the concept as we have in this bill and as I hope we will in the Padre Island area, that the same situation will exist with respect to Oregon dunes.

Mr. RUTHERFORD. Mr. Chairman, I have no further requests for time.

Mr. SAYLOR. Mr. Chairman, I yield 5 minutes to the gentleman from Iowa [Mr. KYL].

Mr. KYL. Mr. Chairman, I would like to take just a few moments of time during this general debate to talk about a problem which is with us in this bill and which will be with us in any similar bill to come before us in the future. I would call your attention, Mr. Chairman, to this map which is labeled "A Proposed Point Reyes National Seashore Possible Development Layout, U.S. Department of the Interior, Park Service."

On this map, Mr. Chairman, you will notice a light green area which is designated on the map as "ranching area." This is the area which will not be included in this national preservation.

Now, put yourself in the position of one of the ranchers who owns a 500-acre tract in that area. You are a dairy farmer. You sell your milk to the San Francisco milkshed.

You have no guaranteed permanent market. Perhaps the day arrives when that market is taken from you. Perhaps you become ill; you can no longer operate your ranch. Perhaps this will be a matter for your heirs to worry about. At any rate, you are a landowner operating a dairy farm in this area of the park development. Under section 4 of this bill you are permitted to retain that land and use it in its present uses for an indefinite period in the future. However, if you want to sell it, to subdivide it, to build homes on it, to put a commercial development on this land, then that land immediately becomes the subject of condemnation.

Mr. Chairman, let us look at this matter in this light: I am not opposing this bill at all, or any similar bill, and I am not speaking in opposition to the general principle or the general philosophy—but I think there is involved here the matter of property rights, of individual rights, which we have to consider. Now, granted these people on the committee have worked very hard, they have compromised, they have developed additional plans, they have done a tremendous job—but it behooves us to continue to carry on to find what is right now and what will be right in the future.

Mr. Chairman, the committee wrote into this bill a proposed limitation on the Secretary. The Secretary cannot take this land so long as it is used for its

present purposes. But there is implied here a very strong restriction on the individual property owner. Referring to this in the personal sense again, suppose you want to dispose of this land or you want to sell part of it or you want to develop it? What chance do you have of doing these things when you know, and any possible purchaser or developers know, that the moment you change the character of the land it becomes subject to condemnation.

Suppose you get ready to sell it or develop it. Suppose the Government does not want to buy it? A few moments ago I referred to another seashore park area, the Cape Cod area. I have had personal correspondence with some people there who bought a piece of property hoping to develop it for residential purposes. It was a valuable piece of property, very desirable, as all property on Cape Cod is. Now, they cannot develop this land. The individual says, "I would like to build a home sooner or later. I have taken an option on another piece of property. But I will have to have my money out of my property before I can proceed with those plans. I have said to the Federal Government that I would like to sell it. The Government has said, 'If you will talk all of the other property owners into selling, we will buy it, but we are not going to buy yours alone.'" So, he continues to pay taxes without use.

In other words, Mr. Chairman, he cannot use it for any purpose and will have to sell it to the Government.

In a few minutes, when we go under the 5-minute rule, it is my purpose to introduce an amendment. I do not know that this is the best answer, but I think it is definitely worth considering.

Mr. SAYLOR. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. BECKER].

Mr. BECKER. 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 New York?

There was no objection.

BRUTAL STABBING OF ADMINISTRATIVE ASSISTANT WHILE PRAYING IN CHURCH

Mr. BECKER. Mr. Chairman, I had one of the most horrifying experiences of my life within the past hour. I have had an administrative assistant for the past 10 years, a very fine lady who has been dedicated to her service here on Capitol Hill. About 2:45 p.m. I received a call from the pastor of St. Peter's Roman Catholic Church, located Second and C Streets SE. He informed me that my administrative assistant was in the church praying when a man walked up behind her, attempted to seize her pocketbook, and unconsciously she pulled away. With this action he proceeded to stab her in the back some 10 or 11 times. I immediately went to the church and was able to talk to the detectives and then went in the ambulance to Casualty Hospital. The doctors took charge of her immediately and at this time all I can

say is that she is under examination, both physical and X-ray. No doubt it will be an hour or two before I will know just what her condition will be.

Mr. Chairman, it is a sad state of affairs, indeed, that in this great Capital City of ours, Washington, D.C., within three blocks of the Capitol itself, a citizen cannot even go into a church and pray in safety.

I am not blaming the police of this city because I firmly believe it is more the fault of the judicial system which permits and forces the release of criminal suspects so soon after they have been arrested. Even if they are convicted, the sentences are usually too lenient and many times sentence is suspended. It is my humble opinion that these criminals must be dealt with severely and make the punishment more nearly fit the crime. The time was long since past, because of the conditions in Washington that presently prevail, that we can overlook the crimes and lay the reason to other causes. Severe punishment is always a deterrent to crime.

We are all involved here, not only as citizens but as Members of the Congress, for we have our own families living in this Capital City. Conditions such as this are a disgrace to our Nation.

It is my fervent prayer that this young lady will recover. I do not know at this moment what her condition is but I am in constant touch with the hospital and will do everything humanly possible to assist her recovery. I certainly hope and pray, and I am sure the House joins me in prayer, for her recovery of this dastardly attempt on her life.

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

Mr. BALDWIN. Mr. Chairman, I rise in support of the bill S. 476, creating the Point Reyes National Seashore. It has been my privilege to represent during the past 8 years one of the congressional districts which adjoins the district in which this area is located.

This spring I sent a questionnaire to every family of registered voters in my district and asked them the question: "Would you be in favor of legislation to establish the Point Reyes National Seashore in Marin County?"

The replies to this questionnaire indicated that by a 3 to 1 margin the citizens of my district were in favor of this national seashore.

The gentleman from Iowa [Mr. KYL] has mentioned that one of the sections in the bill deals with the acquisition of property owned today by farmers, by dairymen, and that it might be unfair to them in its present form. However, basically the way the bill is worded, it is worded according to their request. One of the proposals at various times during the consideration of this bill was for the absolute acquisition of that property. These dairymen were the ones who requested that the committee give them the right to continue to utilize this property in its present form and the committee modified the bill to make it possible for

them to do this. It was the committee's effort to satisfy the request of these dairymen that resulted in the present wording of the bill dealing with their property.

Mr. Chairman, it has been mentioned that we have been rather slow to acquire national seashore areas. I think this is true. At the time the national park system was first proposed many years ago people were aware that if we did not acquire inland areas they would be prevented from seeing those areas because of fencing and cattle grazing and things of that kind. At that time they were not aware that this would be true with seashores. At that time most of the seashores were still open to the public and almost anyone could go to the seashore and explore and enjoy it and have a picnic upon it without too much interference. Today this has been changed. I think anyone who has had the privilege of going to the seashore anywhere where it is still open, and taking small children and seeing their tremendous interest and excitement in watching the waves come in and go out and finding all of those interesting things that are a part of the seashore area, will realize the great attraction this kind of area has to the people of our country and the importance of preserving a sufficient part of these areas for use by the general public so that people of all ages can continue to enjoy them in the years to come.

I am glad Congress is now realizing that legislative action will be necessary to preserve certain of these areas. I am glad we have a seashore in the San Francisco Bay area that meets the qualifications so well. I hope this House by an overwhelming majority supports and passes this bill today.

The CHAIRMAN. If there are no further requests for time, the Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That in order to save and preserve, for purposes of public recreation, benefit, and inspiration, a portion of the diminishing seashore of the United States that remains undeveloped, the Secretary of the Interior (hereinafter referred to as the "Secretary") is hereby authorized to take appropriate action in the public interest toward the establishment of the national seashore set forth in section 2 of this Act.

Mr. GEORGE P. MILLER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise in support of S. 476, a bill to create the Point Reyes National Seashore, because I feel that green spaces in or around huge metropolitan areas are essential for the future of this country.

The Department of Commerce at the request of the Army Engineers in 1959 and 1960 made a survey of the potential growth of the San Francisco Bay metropolitan area based on a projection of 60 years. Marin County, in which Point Reyes is located, is in this area. Where there are now approximately 3,700,000 people, they predict there will be 14,-

400,000 people by 2020. This is not peculiar to the bay area alone. It merely happens that this was the first metropolitan area that had such a survey made for it. However, it indicates the pressure for outdoor recreational facilities and the need for the preservation of some of the things that we in America look upon as part of our national heritage.

There have been songs written about the Vienna Woods. They have the Vienna Woods because some man with vision a couple of hundred years ago decreed that a band of green about 5 miles wide be kept around the city of Vienna, not denied to agriculture but denied for industry or for intensive homesites. These woods were established, and they are one of the things that make Vienna a great and livable city. I think any of you who have had the opportunity of going there and seeing the recreational use to which the woods are put will readily see the type of use contemplated in a park such as we are talking about. The word "metropolis" is becoming obsolescent; it is being replaced by the word "megalopolis." When you can contemplate strip cities and intensive concentrations of people, then surely we must act if we are going to provide for those who come after us the light of the open spaces that has been so good, so beneficial, to the people of this country.

I am happy to have voted for the creation of other national parks and will continue to vote for open spaces in our country in order to preserve its happy character.

Mr. DOYLE. Mr. Chairman, with pleasure I commend the gentleman from California [Mr. CLEM MILLER], the author of this important legislation. Also, I likewise commend committee members on both sides. This legislation is destinymaking in the history of this Congress on this subject. My interest in it dates back many years when I had the pleasure and benefit of being chairman of the Beach Acquisition Committee of the city of Long Beach, Calif., the program of which committee was the acquirement of ocean beach frontage, to be kept forever open and exclusively used by the public for recreation. The county of Los Angeles and city of Long Beach cooperated financially in this program, to the everlasting good health and happiness, not only to the citizens of Long Beach, but to the millions of residents coming to Long Beach expressly to use that free and open public beach, several miles in length, from areas away from this beach and from States as far away as Arizona, Colorado, Nevada, New Mexico, and even farther away.

Increasingly, the stresses and strains of modern living make it essential that humankind have adequate opportunities for participating in recreational activities. I do not mean entertainment activities, Mr. Chairman. I do not mean amusement as such. I mean creative games, hobbies, crafts, programs which call for the creative resourcefulness of participants. Participation is what is

rapidly becoming more and more essential. The bleacher population needs to become less and less. Thus will tax money spent to purchase this, or any other lands and facilities have the most beneficial and enduring results.

I cordially adopt as and for my own all the arguments heretofore made on this floor, this day, in support of this bill.

Mr. Chairman, in closing these few words may I respectfully state, very briefly so, two basic propositions, as follows:

First, that what a man does when he has nothing to do, contributes mightily to his health and happiness, or it detracts from it.

Secondly, with the assured lessening from time to time of the length of the work hours, and even days, will come more and more leisure time; time which will either become an asset or a liability to an individual and the community. Mr. Chairman, I am certain this cannot be successfully controverted.

Mr. Chairman, with the oncoming of this additional leisure time for workers, craftsmen, professional men and their families along with them, comes an increasing necessity for such open spaces and areas as this beach area in California and for other similar areas in other parts of our beloved Nation.

Mr. SHELLEY. Mr. Chairman, I cannot too strongly urge the House of Representatives to establish the Point Reyes National Seashore, not only for the enrichment of the bay area and the State of California, but for the enrichment of the entire United States.

This unbelievably beautiful area, almost redundantly endowed with natural loveliness, must be assured of protection against the sterile developments that have wasted so much of our Nation's original landscape.

I have worked for the preservation of this unspoiled area with proposed legislation of my own since 1950. But I am happy to salute the efforts of the gentleman from California, Congressman CLEM MILLER who made the project one of his own when he came to Congress in 1959 and has devoted so much time and energy to this great work since that time.

There is no doubt that the Point Reyes Seashore will enrich both the rapidly expanding bay area population and the entire State of California. But there is more meaning to this legislation than the enrichment of a single area or a single State.

The preservation of this unspoiled coastal area will be a guarantee that the encroachment of modern-day life will be halted at the boundaries of this masterpiece of nature. My children and their children will be the beneficiaries of what we do here today. And so will future generations of all America.

Americans will applaud the establishment of the Point Reyes Seashore for generations to come. From throughout this wide continent and the entire world, future generations of visitors to

the Point Reyes Seashore will know that this Congress made an invaluable contribution to recreation and conservation.

The creation of this Federal preserve will make one of America's most beautiful areas easily accessible to all, to the great and the famous, to the ordinary citizens and the men whose lives go unremarked. This beauty is yours to bequeath equally to the wealthy and to the millions who cannot afford country clubs or other expensive retreats from the growing barrenness of many cities.

The House of Representatives will do a great thing in joining the U.S. Senate in authorizing the permanent preservation of the idyllic Point Reyes Seashore.

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

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

There was no objection.

Mr. BARRY. Mr. Chairman, I would like to add my voice to those who have already spoken today in favor of the Point Reyes National Seashore in California. The increasing urbanization of our population is a well-known fact, and, in years to come, we can expect this trend to continue. What is less known to many is that very few portions of land bordering the ocean have been set aside for enjoyment by the public at large. On the west coast, for example, only one such tract—Olympic National Park in Washington—is presently in existence. In addition, it should be clear to all concerned that the longer we wait to establish additional park areas, the more difficult will be the appropriation of property, and the more severe will be the hardships worked on those from whom the land is acquired.

The selection of Point Reyes is a particularly happy one, situated as it is in scenic country just 30 miles northwest of downtown San Francisco. Nor is scenery its only advantage: excellent opportunities for boating, hiking, and camping abound. Thus, when we consider that by 1980 San Francisco alone will have a population of 7½ million people, and by the year 2000, an expected 12 million, the proximity of Point Reyes to this metropolitan area becomes an important consideration.

For city dwellers across the Nation have an urgent need to escape, from time to time, the tense, quick pace of city life and to renew their energies in the peaceful and leisurely surroundings of the sea.

Finally, on the matter of cost, may I say that the sum which we are discussing today will appear negligible to those who, a generation from now, will still be reaping the benefits of this national park. And second, the sacrifice made by the Nation's taxpayers, among whom the financial burden will be spread, is also small indeed in comparison with that made by those property holders who must relinquish their land in order that the project may go forward. Included in this group are personal friends of mine, the William Tevises, whose ranch is

located within the boundaries of the new park. They and their neighbors in particular are to be saluted for the cooperation they have given under what must be for them difficult circumstances.

Mr. Chairman, I hope the bill is passed, and I look forward to someday visiting our newest national seashore.

The Clerk read as follows:

SEC. 2. (a) The area comprising that portion of the land and waters located on Point Reyes Peninsula, Marin County, California, which shall be known as the Point Reyes National Seashore, is described as follows by reference to that certain boundary map, designated NS-PR-7001, dated June 1, 1960, on file with the Director, National Park Service, Washington, District of Columbia.

Beginning at a point, not monumented, where the boundary line common to Rancho Punta de los Reyes (Sobrante) and Rancho Las Baulines meets the average high tide line of the Pacific Ocean as shown on said boundary map;

Thence southwesterly from said point 1,320 feet offshore on a prolongation of said boundary line common to Rancho Punta de los Reyes (Sobrante) and Rancho Las Baulines;

Thence in a northerly and westerly direction paralleling the average high tide line of the shore of the Pacific Ocean; along Drakes Bay, and around Point Reyes;

Thence generally northerly and around Tomales Point, offshore a distance of 1,320 feet from average high tide line;

Thence southeasterly along a line 1,320 feet offshore and parallel to the average high tide line along the west shore of Bodega Bay and Tomales Bay to the intersection of this line with a prolongation of the most northerly tangent of the boundary of Tomales Bay State Park;

Thence south 54 degrees 32 minutes west 1,320 feet along the prolongation of said tangent of Tomales Bay State Park boundary to the average high tide line on the shore of Tomales Bay;

Thence following the boundary of Tomales Bay State Park in a southerly direction to a point lying 105.4 feet north 41 degrees east of an unimproved road heading westerly and northerly from Pierce Point Road;

Thence south 41 degrees west 105.4 feet to a point on the north right-of-way of said unimproved road;

Thence southeasterly along the north right-of-way of said unimproved road and Pierce Point Road to a point at the southwest corner of Tomales Bay State Park at the junction of the Pierce Point Road and Sir Francis Drake Boulevard;

Thence due south to a point on the south right-of-way of said Sir Francis Drake Boulevard;

Thence southeasterly along said south right-of-way approximately 3,100 feet to a point;

Thence approximately south 19 degrees west approximately 300 feet;

Thence south approximately 400 feet;

Thence southwest to the most northerly corner of the Inverness watershed area;

Thence southerly and easterly along the west property line of the Inverness watershed area approximately 9,040 feet to a point near the intersection of this property line with an unimproved road as shown on said boundary map;

Thence southerly along existing property lines that roughly follow said unimproved road to its intersection with Drakes Summit Road and to a point on the north right-of-way of Drakes Summit Road;

Thence easterly approximately 1,000 feet along the north right-of-way of said Drakes

Summit Road to a point which is a property line corner at the intersection with an unimproved road to the south;

Thence southerly and easterly and then northerly, as shown approximately on said boundary map, along existing property lines to a point on the south right-of-way of the Bear Valley Road, approximately 1,500 feet southeast of its intersection with Sir Francis Drake Boulevard;

Thence easterly and southerly along said south right-of-way of Bear Valley Road to a point on a property line approximately 1,000 feet west of the intersection of Bear Valley Road and Sir Francis Drake Boulevard in the village of Olema;

Thence south approximately 1,700 feet to the northwest corner of property now owned by Helen U. and Mary S. Shafter;

Thence southwest and southeast along the west boundary of said Shafter property to the southwest corner of said Shafter property;

Thence approximately south 30 degrees east on a course approximately 1,700 feet to a point;

Thence approximately south 10 degrees east on a course to the centerline of Olema Creek;

Thence generally southeasterly up the centerline of Olema Creek to a point on the west right-of-way line of State Route Numbered 1;

Thence southeasterly along westerly right-of-way line to State Highway Numbered 1 to a point where a prolongation of the boundary line common to Rancho Punta de los Reyes (Sobrante) and Rancho Las Baulines would intersect right-of-way line of State Highway Numbered 1;

Thence southwesterly to and along said south boundary line of Rancho Punta de los Reyes (Sobrante) approximately 2,900 feet to a property corner;

Thence approximately south 38 degrees east approximately 1,500 feet to the centerline of Pine Gulch Creek;

Thence down the centerline of Pine Gulch Creek approximately 400 feet to the intersection with a side creek flowing from the west;

Thence up said side creek to its intersection with said south boundary line of Rancho Punta de los Reyes (Sobrante);

Thence southwest along said south boundary line of Rancho Punta de los Reyes to the point of beginning, containing approximately 53,000 acres. Notwithstanding the foregoing description, the Secretary is authorized to include within the Point Reyes National Seashore the entire tract of land owned by the Vedanta Society of Northern California west of the centerline of Olema Creek, in order to avoid a severance of said tract.

(b) The area referred to in subsection (a) shall include also a right-of-way, to be selected by the Secretary, of not more than 400 feet in width to the aforesaid tract from the intersection of Sir Francis Drake Boulevard and Haggerty Gulch.

SEC. 3. (a) Except as provided in section 4, the Secretary is authorized to acquire by donation, purchase with donated or appropriated funds, condemnation, transfer from any Federal agency, exchange, or otherwise, the land, waters, and other property, and improvements thereon and any interest therein, within the areas described in section 2 of this Act or which lie within the boundaries of the seashore as established under section 5 of this Act (hereinafter referred to as "such area"). Any property, or interest therein, owned by a State or political subdivision thereof may be acquired only with the concurrence of such owner. Notwithstanding any other provision of law, any Federal property located within such area may, with the concurrence of the agency

having custody thereof, be transferred without consideration to the administrative jurisdiction of the Secretary for use by him in carrying out the provisions of this Act.

(b) The Secretary is authorized to pay for any acquisitions which he makes by purchase under this Act their fair market value, as determined by the Secretary, who may in his discretion base his determination on an independent appraisal obtained by him.

(c) In exercising his authority to acquire property by exchange, the Secretary may accept title to any non-Federal property located within such area and convey to the grantor of such property any federally owned property under the jurisdiction of the Secretary within California and adjacent States, notwithstanding any other provision of law. The properties so exchanged shall be approximately equal in fair market value, provided that the Secretary may accept cash from or pay cash to the grantor in such an exchange in order to equalize the values of the properties exchanged.

Sec. 4. Within such area the Secretary shall designate approximately twenty-six thousand acres of ranch or dairy land as a pastoral zone in which the existing open space and pastoral scene shall be preserved, the zone being generally depicted on map numbered NS-PR-7002, dated August 15, 1961, on file with the Director, National Park Service, Washington, District of Columbia. No parcel within the designated pastoral zone, exclusive of that land required to provide access for purposes of the national seashore, shall be acquired without the consent of the owner so long as it remains in its natural state or is used exclusively for ranching and dairying purposes, including housing directly incident thereto.

(a) In acquiring access roads within the pastoral zone, the Secretary shall give due consideration to existing ranching and dairying uses and shall not unnecessarily interfere with or damage such use.

(b) So long as that tract of land generally known as Duck Cove, situated on the west side of Tomales Bay and containing approximately sixteen acres, is held by Duck Cove, Incorporated, and is devoted to the sole purpose of noncommercial, residential uses, the Secretary shall not acquire said land by condemnation.

Sec. 5. (a) As soon as practicable after the date of enactment of this Act and following the acquisition by the Secretary of an acreage in the area described in section 2 of this Act, that is in the opinion of the Secretary efficiently administrable to carry out the purposes of this Act, the Secretary shall establish Point Reyes National Seashore by the publication of notice thereof in the Federal Register.

(b) Such notice referred to in subsection (a) of this section shall contain a detailed description of the boundaries of the seashore which shall encompass an area as nearly as practicable identical to the area described in section 2 of this Act. The Secretary shall forthwith after the date of publication of such notice in the Federal Register (1) send a copy of such notice, together with a map showing such boundaries, by registered or certified mail to the Governor of the State and to the governing body of each of the political subdivisions involved; (2) cause a copy of such notice and map to be published in one or more newspapers which circulate in each of the localities; and (3) cause a certified copy of such notice, a copy of such map, and a copy of this Act to be recorded at the registry of deeds for the county involved.

Sec. 6. (a) Any owner or owners (hereinafter in this subsection referred to as "owner") of improved property on the date

of its acquisition by the Secretary may, as a condition to such acquisition, retain the right of use and occupancy of the improved property for noncommercial residential purposes for a term ending at the death of such owner, the death of his spouse, or the day his last surviving child reaches the age of thirty, whichever is the latest. The Secretary shall pay to the owner the fair market value of the property on the date of such acquisition less the fair market value on such date of the right retained by the owner.

(b) As used in this Act, the term "improved property" shall mean a private noncommercial dwelling, including the land on which it is situated, whose construction was begun before September 1, 1959, and structures accessory thereto (hereinafter in this subsection referred to as "dwelling"), together with such amount and locus of the property adjoining and in the same ownership as such dwelling as the Secretary designates to be reasonably necessary for the enjoyment of such dwelling for the sole purpose of noncommercial residential use and occupancy. In making such designation the Secretary shall take into account the manner of noncommercial residential use and occupancy in which the dwelling and such adjoining property has usually been enjoyed by its owner or occupant.

Sec. 7. (a) Except as otherwise provided in this Act, the property acquired by the Secretary under this Act shall be administered by the Secretary, subject to the provisions of the Act entitled "An Act to establish a National Park Service, and for other purposes", approved August 25, 1916 (39 Stat. 535), as amended and supplemented, and in accordance with other laws of general application relating to the national park system as defined by the Act of August 8, 1953 (67 Stat. 496), except that authority otherwise available to the Secretary for the conservation and management of natural resources may be utilized to the extent he finds such authority will further the purposes of this Act.

(b) The Secretary may permit hunting and fishing on lands and waters under his jurisdiction within the seashore in such areas and under such regulations as he may prescribe during open seasons prescribed by applicable local, State, and Federal law. The Secretary shall consult with officials of the State of California and any political subdivision thereof who have jurisdiction of hunting and fishing prior to the issuance of any such regulations, and the Secretary is authorized to enter into cooperative agreements with such officials regarding such hunting and fishing as he may deem desirable.

Sec. 8. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act, except that no more than \$14,000,000 shall be appropriated for the acquisition of land and waters and improvements thereon, and interests therein, and incidental costs relating thereto, in accordance with the provisions of this Act.

Sec. 9. If any provision of this Act or the application of such provision to any person or circumstances is held invalid, the remainder of this Act or the application of such provision to person or circumstances other than those to which it is held invalid, shall not be affected thereby.

Mr. ASPINALL (during the reading of the bill). Mr. Chairman, I ask unanimous consent that the bill be considered as read and be printed in the RECORD and be open for amendment at any point.

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

There was no objection.

The CHAIRMAN. The Clerk will report the first committee amendment.

The Clerk read as follows:

Committee amendment: Page 6, strike out all of lines 16, 17, 18, and 19, and insert in lieu thereof the following:

"Sec. 3. (a) Except as provided in section 4, the Secretary is authorized to acquire, and it is the intent of Congress that he shall acquire as rapidly as appropriated funds become available for this purpose or as such acquisition can be accomplished by donation or with donated funds or by transfer, exchange, or otherwise, the lands,"

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: Page 8, line 3, strike out everything through line 15, and insert in lieu thereof the following:

"Sec. 4. No parcel of more than 500 acres within the zone of approximately 26,000 acres depicted on map number NS-PR-7002, dated August 15, 1961, on file with the Director, National Park Service, Washington, D.C., exclusive of that land required to provide access for purposes of the National Seashore, shall be acquired without the consent of the owner so long as it remains in its natural state, or is used exclusively for ranching and dairying purposes including housing directly incident thereto."

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: Page 9, line 1, strike out the subsection designation "(a)".

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: Page 9, lines 5 through 10 inclusive, strike out all of subsection (b).

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: Page 12, lines 12 through 16, strike out all of section 9.

The committee amendment was agreed to.

Mr. KYL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. KYL: Page 7, line 12, insert "In exercising his authority to acquire property in accordance with the provisions of this subsection, the Secretary may enter into contracts requiring the expenditure, when appropriated, of funds authorized by section 8 of this Act, but the liability of the United States under any such contract shall be contingent on the appropriation of funds sufficient to fulfill the obligations thereby incurred;"

Mr. KYL. Mr. Chairman, the amendment which I have offered is intended to amplify the authority of the Secretary of the Interior to acquire inholdings within the Point Reyes National Seashore and to give to owners of such inholdings all the assurance that we can give them that the Government will be ready to buy whenever they are ready to sell at a just and reasonable price.

In any situation like this one, Mr. Chairman, one of the real problems that we run into is the inability of any Government officer to commit the United States to buy in advance of appropriations. Landowners who wish to sell—perhaps because of death in the family, perhaps for business reasons, perhaps because of age, or for any number of other good reasons—can neither be assured that the Government will buy nor find other ready buyers because of the overhanging possibility of condemnation.

My amendment recognizes the necessity for appropriations—it does not in any way interfere with the usual appropriation process—but allows the Secretary of the Interior to commit the Government to buy if and when appropriations become available. It is, in short, an authorization for contracts with a “contingent on appropriations” clause in them. Such contracts are familiar and accepted practice with our construction agencies. The Bureau of Reclamation, for instance, under section 12 of the Reclamation Project Act of 1939, is authorized to enter into such contracts when it constructs dams and reservoirs.

I believe, moreover, Mr. Chairman, that my amendment will result in savings to the Government. We all know that real estate prices are advancing. If the Secretary is authorized to enter into purchase contracts in advance of appropriations, he may well be able to acquire land at a better price than if he has to wait 2, 3, or 4 years. The amendment, in other words, will be a protection both to landowners and to the Government. I urge that it be adopted.

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

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

Mr. ROOSEVELT. Mr. Chairman, I just want to make sure that we are in agreement and that the gentleman's amendment really reinforces the first committee amendment which has just been adopted, which includes therein the statement that it is the intent of the Congress that the Secretary shall acquire the lands as rapidly as appropriated funds become available.

Mr. KYL. I think that intent was explicit in each of seashore bills that we have considered in the committee, and it is certainly stated in this one.

Mr. ROOSEVELT. I thank the gentleman.

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

Mr. KYL. I yield to the gentleman.

Mr. RUTHERFORD. I can appreciate the concern of the gentleman for

the property owners who remain on the national seashore. I do not find that the amendment the gentleman proposes is in conflict with the regular procedures of appropriations. The contract authority the gentleman sets forth here is dependent upon the Congress appropriating the funds and is related thereto.

I would, therefore, say to the gentleman that on behalf of the majority side we accept the gentleman's amendment.

Mr. KYL. I thank the gentleman from Texas. I am sure he realizes that the gentleman from Iowa would never try to bypass the Appropriations Committee.

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

Mr. KYL. I yield to the gentleman from Pennsylvania.

Mr. SAYLOR. I would like to concur in the statement made by the chairman of the subcommittee. We on the minority side accept the amendment.

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

Mr. KYL. I yield to the gentleman from Minnesota.

Mr. MacGREGOR. I should like to commend my colleague from Iowa for his excellent forethought in the preparation of this amendment. It seems to me there is an analogy between the situation that he sets forth and the way we handle our foreign aid authorizations and appropriations. There we provide for a long-range program that can be implemented by the Appropriations Committee, and it seems to me this is a good idea in this case. I congratulate the gentleman.

Mr. KYL. I thank the gentleman from Minnesota.

I do not want to overlook the men who serve as counsel to these committees, and I want to pay proper tribute to the members of the staff of the Interior Committee for their diligent and helpful work to the committee.

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

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

Mr. GRIFFIN. Mr. Chairman, I wish to commend the gentleman from Iowa for his work on this bill and as a member of the committee. He has demonstrated that he is acutely aware of the difficult problems with which a property owner is confronted under this legislation if his property happens to be within the area designated for a national park. I thank the gentleman from Iowa for his diligent and devoted study of this and other related bills, and I wish to associate myself with the remarks he has made on the floor today.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa.

The amendment was agreed to.

Mr. RUTHERFORD. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RUTHERFORD: Page 8, line 25, insert “the term ‘ranching

and dairying purposes’, as used herein, means such ranching and dairying, primarily for the production of food, as is presently practiced in the area.”

Mr. RUTHERFORD. Mr. Chairman, this is an amendment that was worked out and agreed to by the subcommittee and by the full committee. The purpose of the amendment is strictly one of clarification. I move its adoption.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas.

The amendment was agreed to.

Mr. BONNER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take this time to voice my approval of this bill and to compliment the gentleman from California [Mr. CLEM MILLER] for the introduction of the bill, also compliment the committee on its farsighted view in the creation and development of these national seashore parks for the pleasure of generations yet to come.

I think passage of the Cape Cod Seashore Park bill, and evidently the passage of this park bill, is quite a compliment to my own State of North Carolina, for it was there the first national seashore park was created. Since its inception it has been extremely successful and enjoyed by people throughout the length and breadth of the States, and it has been an inspiration and an example to Members having coastlines in other States to create such parks as the Cape Hatteras Seashore Park.

So I hope that the Congress, wherever possible, will preserve for future generations, for those yet unborn, coastal areas so that the rank and file of the people will have access to the shore and not be barred by high-priced hotels and privately owned property.

I strongly support this bill and hope the membership will support this bill and similar bills of this nature.

Mr. MAILLIARD. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

On page 10 beginning on line 13 after the word “term,” strike the remainder of line 13, all of line 14, and line 15 to the end of the sentence and substitute therefor “of fifty years.”

Mr. MAILLIARD. Mr. Chairman, quite a few people have mentioned the property rights that are involved here, and while I join in the compliments that have been paid to this committee for the way they have resolved the many problems that were involved in trying to acquire this property, I still feel that we could simplify this section 6(a). I realize the language is taken from the Cape Cod bill. It seems administrators find it easier to administer a bill that copies the language that is already on the books, but I submit in trying to establish the procedures for acquisition of this property, the administration of language involving the day that a last surviving child perhaps yet unborn, acquires a certain age, makes for difficulty, particularly in view of the final language of the

paragraph that refers to the setting of a fair market value, when the owner may have a child that is not born yet, which would extend the time he would be permitted to occupy the property.

I submit it will be much easier to administer and the people involved in these properties will know what their rights are instead of this vague term. We give them the right to remain in residential occupation for a period of 50 years rather than some unknown future date.

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

Mr. MAILLIARD. I yield to the gentleman from Texas.

Mr. RUTHERFORD. I can understand the gentleman's position on this. I do not just see what the gentleman's point is. He may be reducing the ownership to 10 or 15 years, but I may say to the gentleman I understand his objective. He has a formula that I do not think is basically any different than ours. We are not wedded particularly to ours. We do not think one is any better than the other. But on behalf of the majority we accept the amendment.

Mr. MAILLIARD. I appreciate the gentleman's remarks. I think it will simplify the administration of this bill.

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

Mr. MAILLIARD. I yield to the gentleman from Pennsylvania.

Mr. SAYLOR. I want to say I am perfectly willing to accept the amendment. In some cases it will mean the property owner will have a few years longer, in some other cases it will be shorter. The only thing this will do is to give them all the same terms.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. MAILLIARD].

The amendment was agreed to.

Mr. MAILLIARD. Mr. Chairman, I offer another amendment.

The Clerk read as follows:

Amendment offered by Mr. MAILLIARD: Page 10, lines 17 and 18, strike all after the word "acquiescence" and substitute a period.

Mr. ASPINALL. Mr. Chairman, I do not find the word "acquiescence" in there.

Mr. MAILLIARD. It is supposed to be "acquisition."

Mr. Chairman, I ask unanimous consent that the word "acquiescence" in the amendment I offered to be changed to "acquisition".

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

There was no objection.

Mr. MAILLIARD. Mr. Chairman, let me say I do not expect quite as much acquiescence in this amendment as I received in the last one, but I still think the House ought to pass judgment on this.

We have heard a good bit in the discussion here that sometimes in these areas people are ready to sell their property but the Government is not ready to buy. This creates sort of an impasse.

It seems to me it would be much more equitable rather than the formula in here to have the Secretary determine at what time he has the money available to acquire the property and to pay its market value.

It seems to me when you try to assign a value to future occupation of a property you are on extremely nebulous ground. Not only that, but I do not think anyone would deny that the people who have their property acquired against their own wishes by the Government are giving up a future property right of substantial value.

The gentleman from California [Mr. GEORGE P. MILLER] spoke a moment ago saying that he anticipated the population in this area is going to go from 4 to 14 million in the matter of another 50 years. So, I think nobody can question it. Anybody that owns property in this area and has owned it has a real future appreciation almost built into his property, so it seems to me that when you take it from him willy-nilly that we ought not to completely deny his foresight in acquiring this, mind you, entirely for recreational purposes. We are not talking about commercial property; we are talking about property used for recreational purposes; that it is not at all unfair to allow him to use the property and yet to let him have what would be at least the current market price of the property, because I am sure that if you attempted to figure the occupant value of a property for 50 years hence and subtract that from the current market value of the property, the chances are the property owner would get exactly nothing for his having been willing to develop the property. His net would be nothing. All he would be acquiring would be future use; no money at all. I submit this would be very much fairer to these relatively few people who have gone in here long before there was any talk about there being a national park or seashore, to pay him a fair market value for the property and permit him tenancy for this limited period without penalty.

Mr. RUTHERFORD. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, as the gentleman has stated, we have gone as far as we possibly can in satisfying all of the requests of the landowners. I want the House to understand and the Committee to understand precisely what this amendment does. This amendment directs the Government to purchase the land of the landowners, and this is the unimproved property. They would then have 50 years of rent free, and under the laws of California, they are also tax free for 50 years. Now, the statement was made that this is fair and equitable. This is the point where I think the committee has certainly been fair and certainly has been reasonable, but I think this is a point that has not been requested by the landowners. I do not think it is fair to the Federal Government nor to the other property owners, and I must, as strongly as I possibly can, recommend

that the Committee reject this amendment.

Mr. SAYLOR. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the amendment which has been proposed and which we have before us is completely in conflict with the amendment which we just adopted. We have changed the formula to allow the property owners to have 50 years occupancy after title has passed to the Federal Government, if they so desire it. If we adopt this amendment, they will have over 50 years free of charge, and certainly this is not the intention of the members of the committee. It is inequitable and it should be defeated.

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

Mr. SAYLOR. I yield to the gentleman from Colorado.

Mr. ASPINALL. This is the area of discussion on which the committee spent a great deal of time, and this problem resolved itself to this, that we either purchase this property at the present time, when we can purchase it at a known reasonable value and we pay a reasonable price for it, or we permit the increased cost of the establishment of a national park facility in this area and then permit the owners at that time, when they wish to give it up, or at the end of 50 years, to get the increased value that goes with the area itself; is that not right?

Mr. SAYLOR. That is absolutely correct.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. MAILLIARD].

The amendment was rejected.

The CHAIRMAN. Under the rule, the Committee rises. Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. WATTS, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (S. 476) to establish the Point Reyes National Seashore in the State of California, and for other purposes, pursuant to House Resolution 732, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment?

If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The question is on the third reading of the bill.

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

CALL OF THE HOUSE

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

The SPEAKER. Evidently a quorum is not present.

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

A call of the House was ordered.

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

[Roll No. 171]

Addabbo	Gallagher	Multer
Alford	Garland	Nedzi
Andersen,	Garmatz	Nix
Minn.	Gilbert	Norblad
Anfuso	Glenn	O'Neill
Balley	Granahan	Osmers
Barrett	Gubser	Ostertag
Bass, N.H.	Halleck	Pelly
Betts	Harrison, Va.	Philbin
Blitch	Healey	Pilcher
Boggs	Hébert	Pillion
Bolling	Hemphill	Powell
Bow	Hoffman, Mich.	Furcell
Boykin	Holland	Rains
Buckley	Ichord, Mo.	Roberts, Ala.
Celler	Johnson, Calif.	Rogers, Tex.
Chamberlain	Kearns	Rosenthal
Chipperfield	Kee	Rostenkowski
Coad	Keogh	St. Germain
Cook	Kilburn	Santangelo
Cramer	King, Utah	Saund
Curtis, Mass.	Kluczynski	Scherer
Curtis, Mo.	Lane	Scranton
Daddario	Lesinski	Shriver
Daniels	Lipscomb	Slack
Davis,	Loser	Smith, Miss.
James C.	McDowell	Spence
Davis, Tenn.	McSween	Staggers
Delaney	McVey	Steed
Dent	Macdonald	Stratton
Derwinski	Martin, Mass.	Taber
Diggs	Meader	Thompson, La.
Dominick	Merrrow	Thompson, N.J.
Donohue	Miller, N.Y.	Van Zandt
Farbstein	Minshall	Vinson
Fenton	Montoya	Weis
Findley	Moorehead,	Whalley
Finnegan	Ohio	Willis
Fino	Morrison	Winstead
Flood	Morse	Yates
Fogarty	Moulder	Zelenko
Frazier		

The SPEAKER. Three hundred and thirteen Members are present, a quorum.

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

POINT REYES NATIONAL SEASHORE, CALIF.

Mr. GROSS. 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 Iowa? There was no objection.

Mr. GROSS. Mr. Speaker, I regret that I am impelled to vote against two bills that have been considered in the House today, the deficiency appropriation bill, H.R. 11038, and the Point Reyes National Seashore bill, S. 476, now under consideration.

In the first instance, Mr. Speaker, I cannot approve an increase of \$3,000 in the basic clerk hire allowance for all Members of the Senate. In this day of huge Federal deficits, and with the total Federal payroll already calling for an expenditure of more than \$1 billion per month, it seems to me that Congress ought to practice the utmost frugality in its own housekeeping.

As for the establishment of the Point Reyes National Seashore area in the State of California, I am impressed with the statement of my colleague from Iowa [Mr. KYL] that the estimated \$14 million cost for land acquisition may well be doubled or tripled before the area is acquired. In addition, it is estimated that costs of development will be at least

\$7 million in the next 5 years and thereafter \$1,500,000 per year.

Moreover, this bill, if approved, sets the stage for the passage of legislation establishing other seashore areas and this at a time when the Federal Government is borrowing billions of dollars each year. There is undoubtedly some merit in most of these projects, but the question that confronts all of us is how much deeper is it proposed to dig the grave of debt to finance projects that should be delayed?

The time is long past due when we give attention only to essentials; balance the budget and start retiring the staggering Federal debt.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND REMARKS

Mr. CLEM MILLER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks in the RECORD on the bill just passed.

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

There was no objection.

FURTHER MESSAGE FROM THE SENATE

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

H. Con. Res. 505. Concurrent resolution authorizing the Clerk of the House of Representatives to make changes in the enrollment of H.R. 11038, an engrossed House bill.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 11038) entitled "An act making supplemental appropriations for the fiscal year ending June 30, 1962, and for other purposes."

FELIPE O. PAGDILAO

Mr. ANDERSON of Illinois. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

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

There was no objection.

Mr. ANDERSON of Illinois. Mr. Speaker, I take this opportunity to advise the House that when the bill—S. 2147—for the relief of Felipe O. Pagdilao was called for immediate consideration under a unanimous-consent request made by the gentleman from Pennsylvania [Mr. WALTER] on Friday

last, I was not in the Chamber at the time. Had I been here I would have been constrained to object. I realize this is not a bill of weighty general public interest; however, it does involve the right of a Philippine citizen to remain as a permanent resident in the United States while he has a wife and six minor children living in the Philippines.

I had hoped to be advised prior to the calling up of this private bill so that I could be on the floor to state my objection to the use of unanimous-consent procedure at that time.

This bill which was introduced in the Senate by the Senator from Hawaii was first called on the Private Calendar on June 5, 1962. At that time I asked unanimous consent that it be passed over without prejudice. Thereafter I was called by Mr. Akinaka, an employee in the office of the Senate sponsor. I informed him that my objections to the bill were predicated on the fact that the report which accompanied it failed to indicate the manner in which the beneficiary of the bill was discharging his obligation to support his wife and six minor children in the Philippines.

Since the beneficiary of the bill was seeking the right to remain in Hawaii, I thought that it was of the utmost importance to know what his intentions were with respect to his family, and also what his record was with respect to their support. Thereafter, I heard nothing further from the Senate sponsor of this bill. Accordingly, on June 19, 1962, on July 2, 1962, and on July 17, 1962, I made the same unanimous-consent request; namely, that the bill be passed over without prejudice. On July 17, 1962, the gentleman from Pennsylvania [Mr. WALTER] objected. The Chair then inquired as to whether or not there were any objections to the immediate consideration of the bill. The gentleman from Iowa [Mr. GROSS] and I both entered our objections, and the bill was re-committed to the Committee on the Judiciary. Thereafter, the gentleman from Pennsylvania, at least I am so informed, went to the Committee on Rules and obtained a rule to make in order the consideration of this bill. I learned of the actions of the gentleman from Pennsylvania on the next day and then made a request that the bill be restored to the Private Calendar in order to obviate the necessity for its discussion pursuant to a rule. Pursuant to the leave granted to include extraneous material I wish to set forth at this point the letter which I then addressed to the gentleman from Pennsylvania on July 18, 1962, explaining the reason for my action.

JULY 18, 1962.

HON. FRANCIS WALTER,
House of Representatives,
Washington, D.C.

DEAR COLLEAGUE: I was apprised of the fact this afternoon that you had obtained a rule yesterday which would make an order the further consideration of S. 2147, "An act for the relief of Felipe O. Pagdilao." The minority leader and House Parliamentarian came to me and expressed grave concern over the establishment of a precedent of granting

rules for the consideration of this kind of legislation. I was, therefore, only too glad to ask for and obtain unanimous consent that this bill be restored to the Private Calendar notwithstanding the action taken in the House of Representatives, July 17, 1962.

I am writing this letter to you because I wanted to assure you that my action in asking that this bill be passed over without prejudice was not because of any personal animus toward you or the Senate sponsor, Senator LONG. As a former county prosecutor in a metropolitan area, I have long been concerned with the problem of non-support. According to the report that I received on this bill the beneficiary had a wife and five small children who were still in the Philippines, and his only income was a \$103 pension from the U.S. Government. I was afraid that he was enjoying the balmy climate of Hawaii while his wife and five children were starving in the Philippines. Therefore, I have asked Senator LONG's office to ascertain any and all further facts that can be obtained with respect to the manner in which this man is discharging his obligation to care for his family.

I am very hopeful that all of this information will arrive in time so that we can make an intelligent decision prior to the next call of the Private Calendar. It goes without saying that now that I am aware of your deep interest in this matter I shall certainly keep you advised as to any information that I receive concerning the facts in this case.

Respectfully yours,

JOHN B. ANDERSON,
Member of Congress.

On the same day, the office of the minority leader, at my request, called the office of the Senator from Hawaii and asked for the following information with respect to the beneficiary of this bill.

What are the ages of his five children? Is the wife employed and if so, what is the income?

Is this man estranged from his family or does he plan, if allowed to remain in Hawaii, to promptly petition for the admission of his wife and five children?

Any facts relative to this man's record or history of support or non-support to his family in the Philippines will be of interest.

It was then on July 20, 1962, as I previously stated, that the gentleman from Pennsylvania asked unanimous consent for the immediate consideration of the bill, S. 2147.

I regret very much that the gentleman from Pennsylvania did not notify me of his intention to bring this matter before the House on July 20, 1962. Certainly I had no reason to believe that since this matter had been restored to the Private Calendar that it would be considered in other than due course. I am also particularly sorry for the reason that since the passage of this bill the office of the Senate sponsor has furnished me with the following information:

Following information regarding Felipe Pagdilao furnished by Bernaldo Bicoy. Wife Zolla Rondan, housewife, age 33; son, Felipe R., Jr., 12; daughter, Myrna R., 10; son, Dante R., 8; daughters, Armita R., 6; Nana Merlita R., 3; Emelina R., 1. Mr. Pagdilao depends on \$111.84 monthly Army pension as World War II veteran and also partially supported by brother-in-law, Pantaleon Oasay. Occasionally sends wife \$100.

This information only serves to reinforce my fears that the beneficiary of this bill is not actually maintaining his family in an adequate manner, and therefore is scarcely entitled to the special kind of consideration afforded him by this bill. I would further point out in answer to the statement in the RECORD that this man was brought to Hawaii after the completion of his military service and discharged, that the report states otherwise. House Report No. 1734, the report accompanying this bill, discloses that the beneficiary was last admitted to the United States on March 19, 1961, as a visitor for pleasure until September 18, 1961. Deportation proceedings were to be instituted because of his violation of the terms of his visitor's visa. I would also point out that all organized forces of the Philippines were ordered into the services of the Armed Forces of the United States by an Executive order of the President dated July 26, 1941. Therefore, this man's status was no different from that of thousands of other Philippine nationals who fought in defense of their own homeland as well as on the side of the United States.

Mr. Speaker, I have taken the time to present the record in this case not because it is a matter of broad public interest, but because I feel that under the circumstances set forth this bill should have been considered at the next regular call of the Private Calendar.

FRIENDSHIP 90

Mr. ROGERS of Florida. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

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

There was no objection.

Mr. ROGERS of Florida. Mr. Speaker, a project international in scope and entirely local in origin, Friendship 90, displays such community spirit and American good will that I would like to take this opportunity to call it to the attention of the Members of Congress, and all those who read the CONGRESSIONAL RECORD.

Friendship 90 is the name given to a group of 90 young people from the Palm Beach High School Choir who will undertake a visit to South America to entertain the peoples of our sister republics. The itinerary is expected to include Venezuela, Brazil, Uruguay, Argentina, Chile, Peru, Ecuador, and Colombia.

The feature that makes this program different from many others is that it is entirely local in origin and financial support.

The trip is being sponsored by a local committee of civic leaders, who have worked long hours to raise enough money to pay the costs of the trip. The entire program will be paid for through local contributions, without any financial assistance from the Federal Government.

To understand the scope of this effort, the committee set out to achieve a goal

of \$50,000. As soon as this was reached, all efforts were halted, but money continues to come in, and at last count the community had supported this program by giving over \$56,000 to pay the way of the choir.

One of the reasons for this success is of course the efforts of the citizens who gave so freely of their time, efforts, and money. Another is certainly the high regard the community holds for the Palm Beach High School Choir.

The choir is under the able supervision of Miss Virginia Carpenter. She has built a truly outstanding choral group. Its members are boys and girls from Palm Beach High School.

The trip is scheduled in August. I know my colleagues join me in wishing these young people well. Their trip will build good will for our country and reach the young people of the lands they visit on a level of understanding difficult if not impossible at other levels. The fact that this program is being sponsored and paid for by the local community adds great merit to their efforts, and should indicate to the people they visit the real interest we have in them, and the honest desire of the citizens of the United States to better know, and better understand, all the other citizens of the Americas.

This entire undertaking is an example of the people-to-people program that our country is trying to promote. It epitomizes the willingness of our people to take part in such worthwhile work in bettering understanding between all the republics in this hemisphere.

CONSTITUTIONAL AMENDMENT REGARDING REPRESENTATION

Mr. JOHANSEN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

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

There was no objection.

Mr. JOHANSEN. Mr. Speaker, I have today introduced in the House a joint resolution calling for submission to the States of the following proposed amendment to the Constitution:

ARTICLE —

Nothing in the Constitution of the United States shall be deemed to prohibit any State from establishing, through its own constitution, representation in one house of its legislature based on factors other than population exclusively.

My action is in direct response to a 4-to-3 decision handed down last Wednesday by the Michigan Supreme Court.

This State supreme court decision holds unconstitutional an amendment to the Michigan constitution, establishing State senatorial districts, adopted in 1952 by initiatory petition and referendum of the people.

The court ruling, which holds the Michigan State Senate as presently constituted to be unconstitutional, is accompanied by a court order requiring

the Michigan Legislature to reapportion the State senatorial districts by August 20 and, failing that, to nominate the State senators at large in a special primary election September 11.

The majority members of the State supreme court based their decision on the alleged grounds that the present provision of the Michigan constitution, and the present apportionment of State senatorial districts provided therein, constitute a violation of the "equal protection" provision of the 14th amendment to the U.S. Constitution.

It seems entirely obvious to me that if this decision of the Michigan Supreme Court is permitted to stand, the only possible recourse for its correction lies in an amendment to the Constitution of the United States limiting judicial interpretation and application of this "equal protection" clause in the manner provided by my proposed amendment.

I propose to discuss the constitutional issues involved in the Michigan Supreme Court decision in greater detail at a later date. However I do wish to emphasize, at this time, what my proposed amendment to the U.S. Constitution does not undertake to do.

It does not seek to prevent or in any way modify the right of a State to establish, through its own constitution, representation in both houses of its legislature based on the factor of population exclusively.

What my proposed amendment does seek to do is to restore to the States their heretofore well-established right, through their own constitutions, to base representation in one house of the State legislatures on factors other than population exclusively.

What my proposed amendment does seek to do is to deny the judiciary—either Federal or State—the power to veto the decision and authority of the sovereign people of a State through a tortured invocation of the "equal protection" clause of the 14th amendment to the U.S. Constitution.

TO LOWER OR NOT TO LOWER TAXES

Mr. GOODLING. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include a letter.

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

There was no objection.

Mr. GOODLING. Mr. Speaker, economists appear to be wearing dark glasses when projecting their thinking into the months ahead. Economic storm clouds may be gathering. To lower or not to lower taxes to avoid a recession is today's \$64 question. Ideas and suggestions are a dime a dozen.

This speaker lays no claims to being an economist or financier. One thing, however, appears to be crystal clear. If we continue to lose contracts to foreign competition our taxing power diminishes. Legitimate competition creates a healthy

economy. What we are experiencing today is unfair competition. Labor and industry cannot compete with some of our foreign competition.

Within the last few months the turbine division of Allis-Chalmers has lost contracts totaling more than \$20 million. In one case 49 percent of labor and material was foreign. In another it is about to lose, 100 percent will be foreign labor and material. When Government contracts are involved, it would appear the logical course should be to practice rather than preach "Buy American."

What the potential take on personal and corporate taxes involving a \$20 million contract would be, I do not know. This I do know—wage checks stimulate our economy far more than unemployment compensation checks.

This letter was sent to the White House recently:

JULY 18, 1962.

THE PRESIDENT,
The White House.

MR. PRESIDENT: It would be safe to assume each of us has a sense of loyalty and a sense of responsibility toward our neighbors, whether separated by a garden fence or an ocean. Neither can be ignored, but our first duty is to those with whom we have daily contacts.

This is my introduction to a serious problem that gives me great concern.

The hydraulic turbine division of Allis-Chalmers Corp. is located in York, Pa. Just recently this division lost a contract to a competitor which specified 49 percent of the labor and material to be used in completing the contract would be foreign. This was a project amounting to approximately \$20 million.

A recent letter from the general sales manager of the hydraulic division, Allis-Chalmers Co., states the company will probably lose another contract, and this is the alarming factor—100 percent of the labor and materials will be foreign for the companies representing the first and second low bidders of the contract. This involves turbines for the Yellowtail Dam in Montana, under invitations DS-5783, under the Bureau of Reclamation, U.S. Department of the Interior. A check with the Bureau of Reclamation indicates the fears of the company are well founded. The amount involved is approximately \$1.5 million. Additional bids are pending and unless serious consideration is given to the economic impact produced by this trend, we can only look for similar results.

The people in my area want work, not doles. Taxwise I do not know what the loss of a \$20 million contract by an American firm using 100 percent American labor and material might be. In both corporate and personal taxes it would be sizable.

I pledge my assistance in every way possible to "Get America moving again." In these instances it would appear we are moving in reverse and we must become alert lest this reversal crush us economically.

Respectfully,

THE IMPACT UPON SMALL BUSINESS OF THE ACTIVITIES AND THE CONDUCT OF TAX-EXEMPT FOUNDATIONS AND CHARITABLE TRUSTS

The SPEAKER. Under previous order of the House, the gentleman from

Texas [Mr. PATMAN] is recognized for 2 hours.

Mr. PATMAN. Mr. Speaker, in connection with the remarks which I am privileged to make under special order heretofore entered, I ask unanimous consent to include any tables, explanatory information, and columns that may be necessary.

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

There was no objection.

Mr. PATMAN. Mr. Speaker, I ask unanimous consent that any questions and answers commence immediately after my prepared statement.

The SPEAKER. The gentleman has control over that.

Mr. PATMAN. I have a prepared statement, and I ask unanimous consent that questions and answers immediately follow the prepared statement.

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

There was no objection.

AN IMMEDIATE MORATORIUM ON FOUNDATION TAX EXEMPTION WOULD SERVE THE BEST INTERESTS OF THE NATION

Mr. PATMAN. Mr. Speaker, this is the first section of an interim report on the Small Business Committee's study of "the impact upon small business of the activities and conduct of tax exempt foundations and charitable trusts."

This part of our study establishes the fact that there is a pressing need for an immediate moratorium on the granting of tax exemptions to foundations, for the following reasons:

First. Laxness and irresponsibility on the part of the Internal Revenue Service.

Second. Violations of law and Treasury regulations by far too many of the foundations encompassed in our study.

Third. The withdrawal of over \$7 billion from the reach of the tax collectors for taxable years 1951 through 1960. This amount represents the total receipts of only 522 out of an estimated 45,124 tax exempt foundations.

Fourth. The rapidly increasing concentration of economic power in foundations which—in my view—is far more dangerous than anything that has happened in the past in the way of concentration of economic power.

Fifth. Foundation-controlled enterprises possess the money and competitive advantages to eliminate the small businessman.

But first, I should like to detail the background, purposes, and procedures of our study.

The rapid growth in the number and size of tax exempt foundations has been readily apparent for some years. The Internal Revenue Service reports an increase in numbers from 12,295 at the close of 1952 to a total of 45,124 at the end of 1960—nearly a fourfold increase in 9 years. These figures may be incomplete. We do not know how many hundreds—or thousands—of foundations are

in operation without the knowledge of the Treasury—but are nevertheless exempt from Federal income taxation and significant to our study.

This study is an immediate outgrowth of a special survey which I initiated as an individual Member in August 1961 when I directed an inquiry to over 500 foundations requesting certain information. Shortly before the end of the 1st session of the 87th Congress last fall, the Small Business Committee agreed to make the study a committee function, and at the first meeting of the committee this year an authorizing resolution was passed—full text of the committee resolution appears in the CONGRESSIONAL RECORD, January 22, 1962, page 612.

EARLIER STUDIES AND EFFORTS

I am sure many of you recall that when the Revenue Act of 1950 was passed there were high hopes that it would prevent foundation abuses, such as those that took place in the 1940's. The Ways and Means Committee hearings of 1948-49 revealed that educational institutions and private charitable foundations had moved into commercial and industrial fields. Some had inherited substantial interests in business, as was the case with the Ford Foundation. Others had bought control of businesses. A tax exempt cancer research organization, for example, had acquired a variety of industrial firms. Mr. Royal Little and the operations of his Textron trusts were given due attention. In fact, the record lists about 40 different types of businesses controlled by educational and charitable organizations.

President Truman's tax message to Congress on January 23, 1950, was highly critical of tax exemption for charitable foundations that are "used as a cloak for business ventures."

Many of you will also recall the courageous and successful fight waged in 1958 by Representative JOHN E. MOSS, of the Government Information Subcommittee, to open up exemption applications to the public. According to press reports, Mr. Moss asked Secretary of the Treasury Anderson to keep the subcommittee "informed, on a continuing basis, of the organizations which request that their applications for tax exemption be withheld from public inspection."

As far back as 1916 we were amply warned by the Walsh committee of the abuses which might well flow from the creation of these privileged, tax exempt entities, and the record over the years has not been such as to put the minds of responsible people to rest.

THE NATURE OF THE INVESTIGATION REQUIRED

Any adequate study of the impact of tax exempt foundations on our economy and on small business must include a study of their income, the sources of that income, and trends; it must include a record of the expenditures and the purposes for which they are made, including a record of stock manipulations and intercorporate dealings to assure the Congress and the public that the end is charitable and not mercenary; it must

include a study of the assets of these organizations both as to size and kind, including the holding or acquisition of assets for other than charitable purposes, not excluding the temptation to use foundations for purposes of corporate control, securing special favors, endowing relatives, and contriving to utilize economic power of foundations to create unfair competitive conditions; it must include a study of the extent, if any, to which large corporations are using foundations to evade taxes, however legally, to the detriment of their smaller competitors; and, in the process of securing some or all of the answers to these questions, we have and will inevitably reveal the gaps in laws and regulations or the failure to enforce the laws or regulations which have caused or may cause damage to the economy and small business.

The study revolves around the possible exploitation of the people's respect and admiration for charitable acts and gifts. Are foundations being used as a cloak and a vehicle for crippling competition and accelerating concentration of economic power? Are foundations being used to facilitate the use of economic power, disguised as charity, to attain ends never intended by the people or the Congress—ends such as taking control of commercial enterprises?

PURPOSE OF THE STUDY AND PERIOD COVERED

The purpose of our study is to determine what the facts are, and to ascertain whether new regulations, or legislation, or better enforcement are needed to protect small business and to serve the public interest.

The period covered begins with taxable year 1951 and ends with taxable year 1960—for which tax returns were filed in 1952 and 1961, respectively. However, all the foundations do not have a 10-year history, in which case the period covered will be shorter. Some foundations, even though they have a history of 10 years or longer, failed to furnish complete information for the full period.

We have attempted to put down accurately income data for the period under study. There is no thought of partisanship.

PROCEDURES

We have secured information from 522 tax-exempt foundations. Our inquiries were sent to a cross section of such organizations. They are not the 522 largest foundations. A number of smaller ones was selected for sampling purposes. Indeed, there is no way of telling which are the 500 largest foundations in the country without examining the annual tax reports of all of them.

We went directly to the foundations because that was the only way to secure information adequate for our purposes. The information available in the files of the Internal Revenue Service was inadequate.

So we directed our inquiries to the recipients of this tax-exemption privilege. We asked the foundations for copies of exemption applications, Internal Revenue

Service letters granting exemption, tax returns—form 990-A or form 1041-A, if applicable—accountants' financial statements, investment portfolios, information on directors, trustees, and officers, as well as other financial and legal information for the years 1951 through 1960. After several months, we have most of the material on 522 organizations for this 10-year period, or some portion thereof, if the foundation was created after 1951.

The income report, which I am submitting as schedule 1, contains a listing of the 522 foundations under study and their income wherever available. We have also ranked the 522 foundations based on their total receipts for the 10-year period.

The income report was compiled from documents gathered from those organizations. The material was gathered, recorded, and evaluated under the direction of Mr. H. A. Olsner, our able and tireless director of the Small Business Committee's Foundation Study. The data were recorded by professional men—attorneys and accountants—and was tabulated by the General Accounting Office.

We shall report other findings—assets, and so forth—at a later date.

RELUCTANT FOUNDATIONS

Obtaining the information from the foundations has been a struggle. In many cases, it has taken four or five letters and a reminder of the committee's subpoena power to obtain the information needed for this study. Many foundations have taken from 30 to 60 days to reply to a letter. We have been compelled to issue subpoenas to 17 of them who failed to furnish information requested—a list of the 17 appears as schedule 4 attached hereto. These 17 foundations had been given ample opportunity to furnish the information voluntarily—in many instances, several months. In the case of the five members of the Ford family of Detroit, the Pew Memorial Trust of Philadelphia, and the Allen-Bradley Foundation of Milwaukee, the committee first asked for the information in October 1961. When followup letters did not produce the documents and data, we issued subpoenas in February and March of this year.

The attitudes of far too many of the foundations under study suggest an unmatched arrogance and contempt for the Congress and the people whom we represent. They appear to have adopted the attitude that tax exemption is their birthright—rather than a privilege granted to them by the people, through the Congress, for a public purpose.

The reluctance to cooperate takes many forms. Some only furnished information under subpoena, demonstrating something less than a charitable attitude toward public knowledge and democratic processes. Others have sent us incomplete, or partially, or wholly illegible documents. Frequently, principal officers seemed to be in Europe when our letters arrived, leaving no one in the office with access to the records.

A MORATORIUM IS NEEDED

Our committee has produced the first penetrating, meaningful insight into the income of a substantial number of tax-exempt foundations—522 out of an estimated 45,124. Many of you will recall that the Reece committee found it impossible to arrive at any accurate estimate of the number of foundations, their income, expenditures, and assets. Foundations give wide publicity to their disbursements—contributions, gifts, grants, and so forth—but they seem reluctant to advertise their income.

On the basis of our discoveries thus far, and in view of the rapidly increasing number of tax-exempt foundations, I strongly urge the Secretary of the Treasury to declare an immediate moratorium on granting exemptions to foundations and charitable trusts until such time as the Congress has an opportunity to consider and develop new laws and procedures to fit present-day economic circumstances and needs.

This recommendation is not made lightly. It is not made casually. It is made in the interest of the taxpaying public, and in the interest of good administration and orderly procedures.

It is also made in the interests of equal justice.

How can the Treasury Department possibly justify continuing to wring heavy taxes out of the farmer, the worker, and the small businessman, knowing that people of large means are building one foundation after another, and—for all the Treasury knows—for the purpose of decreasing their taxes, eliminating competition and small business, subsidizing antidemocratic propaganda and otherwise working a hardship on the Nation. This "mess"—and it is a mess—cannot be cleaned up overnight, and many of the people who are now faced with the cleaning job are by no means responsible for this sorry state of affairs—but, in the interim, good faith requires that we put an end to the spiraling number of these tax-free entities until we can bring some degree of order into these matters—and assure the people that their taxes are not higher because of special privileges flowing from inadequate laws, inadequate regulations, and lax administration.

REASONS FOR THE RECOMMENDED MORATORIUM

Let me outline five of the many justifications for an immediate moratorium on the granting of exemptions:

First, there is every indication that there have been laxness and irresponsibility in the supervision of foundations by the Internal Revenue Service, with respect to taxable years 1951 through 1960. There is little doubt that the tremendous increase in the number and size of foundations has outrun the machinery for control. Moreover, a moratorium would give the Treasury Department an opportunity to tighten its exemption requirements, its supervisory procedure and control, and step up its disciplinary actions for violations of its regulations.

CVIII—909

The scarcity of information on foundations and the lack of supervision has made it impossible for the Treasury to determine the extent of loss to the Federal Treasury on foundation operations. Commissioner Mortimer M. Caplin has advised me that he recognizes that his department's "audit activity in the area of exempt organizations was inadequate in the past." Out of a total of 570,000 exempt organization tax returns of all types filed during the period of January 1, 1958, through June 30, 1960, 13,024 were classified for audit, of which only 5,300 were actually audited. Those 5,300 audits resulted "in recommended additional taxes and penalties of \$2.7 million and 203 instances in which the exempt status has been recommended for revocation."

The lack of statistics is appalling: Approximately 111,000 out of the total of 570,000 returns were filed on form 990-A during the 2½-year period. The balance were filed on other exempt organization return forms 990, 990-C, 990-P, 990-T, and 1041-A. The Internal Revenue Service has no separate figures showing the number of form 990-A returns which were classified for audit during that period; nor can it supply figures on how many of this group were actually audited.

The dearth of data without which neither the public nor the Congress, nor the executive branch can properly evaluate the impact of the rapidly growing foundation industry is partially due to the deficiencies in administrative forms and procedures.

The law requires tax-exempt foundations to make a report of their operations on a tax return known as form 990-A. This return is composed of 4 pages. It gives information concerning receipts, disbursements, and balance sheets. But form 990-A omits vitally important facts. No report is required as to the date of contributions received or as to the type of contributions received—that is, whether it is cash, securities, real estate, and so forth. No information is required as to selling dates of assets. Notes receivable and accounts receivable are not separated. Mortgage holdings—a big foundation business—are not treated separately. Although a foundation is required to report 10 percent or more stock ownership, it is not required to report the date or manner of acquisition of the stock. No detail is required as to accounts payable, such as the nature of the accounts payable, name of the creditor, and so forth. Little detail is required as to the character of the items making up miscellaneous expenses. No description of the foundation's business activities is required. Names of the officers, directors, or trustees are not required.

Certainly, the stockholders of any business corporation would wish to have such information. And, in the case of tax-exempt foundations, the taxpayers are the stockholders since they provide the subsidy.

My second justification for urging a moratorium is that there appears to have

been widespread disregard of Treasury regulations, despite penalties provided by law, including fines up to \$10,000 and jail terms. Uneducated sharecroppers are presumed to know the law, but many of the foundations under study and their well-paid, well-educated advisers are apparently exempt from this ancient presumption, in practice, if not as a matter of strict law. Singling out the shortcomings of each individual foundation would fill countless pages so I shall only recite a few:

First. The Treasury Department requires every foundation to file the following information if it owns 10 percent or more of any class of stock of any corporation at the beginning or close of each reporting period: First, name of the corporation; second, number of shares of each type of stock owned, including identification as to voting or nonvoting; and, third, the value of the stock as recorded on the foundation's books. We have already found 68 foundations, owning 10 percent or more of at least 1 class of stock in 1 or more of 170 different corporations during the years 1951 through 1960, who failed to report such information to the Internal Revenue Service for at least 1 year. The foundations that failed to file such data are listed in schedule 2 which I am submitting with this statement.

Second. The Longwood Foundation, of Wilmington, Del., had total receipts of \$32,952,885 for the years 1951 through 1960. This foundation failed to file its form 990-A tax returns for the years 1955 through 1958. Mr. Henry B. du Pont, president of the foundation, says that the failure to file was brought to light by my inquiry of last August, and that the tax returns for the 4 years were not filed until September 7-8, 1961.

Third. The Parsons Blewett Memorial Fund, of St. Louis, had total receipts of \$1,600,314 for the years 1951 through 1961. It admits that no requests had been received for submission of tax returns prior to 1961, and "consequently none were filed," despite the fact that the organization has been operating on an exempt basis for many years. In fact, this fund did not file an exemption application until October 1959, although it was organized in 1916.

Fourth. The Rutherford B. Hayes and Lucy W. Hayes Foundation, of Spiegel Grove, Ohio, had total receipts of \$336,445 for the years 1951 through 1960. Although it has been operating on a tax-exempt basis since 1926, it did not file an application for tax exemption until June 10, 1960, and filed its first form 990-A in 1961—just about 35 years after it started operations.

Fifth. The Isaac W. Bernheim Foundation, of Louisville, had total receipts of \$1,205,108 for the years 1955 through 1960. It failed to file form 990-A for all years prior to 1955, despite the fact that it has been exempt since 1930. This foundation also contends that no one had ever advised it that form 990-A was required. Mr. Robert Paul, executive director of the foundation says:

I remember making inquiries at the Federal Building, Department of Revenue, Louisville, Ky., and it was only after considerable difficulty I could find someone who could tell me in what manner this form should be made out to meet our particular situation, combining the two entities: I. W. Bernheim Trust and I. W. Bernheim Foundation.

Sixth. The Howard Heinz Endowment, of Pittsburgh, had total receipts of \$6,174,717 for the years 1951 through 1960. No tax return was filed for the year 1955 and no reason given.

Seventh. The Inland Steel-Ryerson Foundation, of Chicago, had total receipts of \$10,189,864 for the years 1951 through 1960. It is among a number of foundations that failed to file form 990-A for at least 1 year. For the years 1958 through 1960, it filed form 990 which is closed to public inspection.

Eighth. The Zachary Smith Reynolds Trust, of Winston-Salem, N.C., had total receipts of \$8,067,757 for the years 1951 through 1960. It has not filed a proper information return since it was established in 1936. It has filed a form 1041 instead of a form 990-A, the former being closed to public inspection. The Mercantile-Safe Deposit & Trust Co., of Baltimore, the trustee, says that the Internal Revenue Service has never requested that it file a form 990-A for the Zachary Smith Reynolds Trust.

Ninth. Many of the foundations we have examined omit important information required by the Treasury Department. Little or no attention is paid to filing the portions of the tax return which must be made available to the public. This is particularly true of information relating to disbursements made by the foundation such as contributions, gifts, grants, and so forth.

The Olin Mathieson Chemical Corporation Charitable Trust, of East Alton, Ill., had total receipts of \$9,615,630 for the years 1951 through 1960. It says that schedules itemizing capital gains—or losses—were not filed for any year from 1951 through 1957, despite the fact that it had gains or losses in each year.

The Donner Foundation, of Philadelphia—whose financial statements are prepared by Price Waterhouse Co.—had total receipts of \$24,760,043, including capital gains of \$12,947,827, for the years 1951 through 1960. This foundation did not file a capital gain schedule showing details of assets sold for any of those years.

The Monarch Machine Tool Company Foundation, of Sidney, Ohio, had total receipts of \$153,404 for the years 1953 through 1960. It also failed to file capital gain schedules for 1955 and 1957; nor did it file schedules for miscellaneous expenses during the years 1954 and 1959.

Any Member of this body will recognize that infractions, such as these by ordinary citizens would have the Internal Revenue Service pursuing them in force.

The third justification for urging a moratorium relates to that provision of the Revenue Act of 1950 which prohibits

unreasonable accumulations of income by foundations. The group of foundations we examined had accumulated income of \$884,841,049 at the close of the last accounting period for which they submitted data to the committee—usually 1960—as against \$262,310,396 at the close of the first accounting period—usually 1951—for which they provided information. The reasons for this huge increase in accumulated income will require further study. One of the problems is the failure of many foundations to report any information regarding their accumulated income. For example, the Lillia Babbitt Hyde Foundation, of New York City, had aggregate total receipts of \$10,295,632, including capital gains, contributions, gifts, grants, and so forth, for the years 1951 through 1960. Its accumulation of income at the end of 1960 was \$4,405,762. The foundation's tax returns for the years 1951 through 1958 offer no explanation of its accumulated income; its returns of 1959 and 1960 hint that capital gains are included in accumulations of income during the earlier years.

The fourth justification for urging a moratorium is that tax exemption for foundations needs reassessment in the light of the present times. There is every indication that many tax exempt, charitable foundations are being used for purposes not related to charity. The laws of the past are no longer effective. Congress could not envision the gigantic proportions that the foundation business would reach. During the last accounting period—usually 1960—for which the foundations submitted data to the committee, they had total receipts of \$1,011,247,936, as against total receipts of \$533,022,823 during the first accounting period—usually 1951.

In 1960 there were 7,213,000 families, including unattached individuals, in the United States who had income of less than \$2,000 before taxes. Their aggregate income was \$8,040 million. Thus, the \$1,011,247,936 received by the 522 tax exempt foundations in 1960 was about 12½ percent of the income of 7,213,000 American families. In other words, the aggregate receipts of these 522 foundations were equal to that of 907,000 American families in 1960.

Moreover, the \$1,011,247,936 received by the 522 tax exempt foundations in 1960 was substantially more—in fact, 16 percent more—than the \$864,435,000 combined net operating earnings, after taxes, of the 50 largest banks in the United States.

The following is a breakdown of the receipts of the 522 foundations from whom we gathered data for the taxable years 1951 through 1960:

Gross sales or receipts from business activities.....	\$58,318,422
Gross profit from business activities.....	19,406,469
Interest received.....	477,425,135
Dividends received.....	2,161,246,458
Rents and royalties received.....	241,268,958
Total gain from sale of assets.....	1,448,529,763
Other income.....	215,353,922

Total gross income, excluding contributions, gifts, grants, etc., received.....	\$4,563,230,705
Total contributions, gifts, grants, etc., received.....	2,451,837,219
Total receipts, including contributions, gifts, grants, etc., received.....	7,015,067,924

What is the significance of the huge amounts accruing in the form of capital gains? The \$1,448,529,763 income figure from capital gains suggests that many foundations have become a vehicle for trading in securities and dodging the capital gain tax. Foundation capital gains are not only tax exempt, but the foundations are permitted to place them in the principal account instead of the income account.

Note the following example of the capital gains of the Lillia Babbitt Hyde Foundation, of New York City, from activity in the stock market:

Year	Gross sales price of securities	Capital gains
1951.....	(¹)	\$221,800.72
1952.....	(¹)	364,697.88
1953.....	\$611,352.38	170,899.33
1954.....	7,486,033.95	479,588.40
1955.....	2,417,302.26	604,363.67
1956.....	3,161,747.67	353,536.74
1957.....	5,360,313.63	350,995.88
1958.....	824,573.29	304,852.84
1959.....	9,698,571.25	944,960.59
1960.....	12,530,931.90	1,962,581.29
Total.....	42,090,826.33	5,788,377.34

¹ No such information was filed on the tax return.

As indicated above, proceeds were not shown on the Hyde Foundation's tax returns for 1951 and 1952. Moreover, its returns for the years 1956 and 1960 do not show acquisition dates, although Treasury regulations require such information. Additionally, Treasury regulations require a description of the manner in which the securities were acquired by the foundation—by gift or purchase, and so forth. This foundation did not file any such information for the years 1951 through 1960. It did, however, furnish both dates of acquisition and dates of sale of securities for the years 1953, 1957, 1958, and 1959. Examination of these returns indicates that there was speculation in securities—with stocks and bonds being bought and sold during the same year and sometimes within a matter of a few days.

This type of activity by foundations—with huge, untaxed funds at their disposal—poses some big questions in the light of the recent sharp breaks in the market. In my view, tax exempt foundations—all of whom are supported by the taxpayers—should not be permitted to use public funds for speculation in the stock market. Their mistakes or misfortunes are too likely to have a disastrous effect on millions of our citizens.

The fifth justification for urging a moratorium is the need for achieving a more equitable distribution of the tax burden—one of the most pressing problems facing the Congress. In fairness

to all taxpayers, the Congress should explore the foundation business as a possible new source of revenue.

Today funds are being put into foundations which yield no taxable income. Since the money lost to the Public Treasury must be found somewhere, the burden is shifted to people who are obliged to work for a living—to the widow with a cottage instead of a palace, to businessmen, and to the farmer.

In my view, it is extremely unfair for the taxpayers of the First District of Texas and the rest of the country to be compelled to pay for the maintenance of tax exempt foundations. They mainly lighten the burden of wealthy people who do not require Government subsidy. This is not backed by justice, equity, or sound American principles.

These five points are merely a summary statement of the justifications for urging an immediate moratorium on the creation of any more of these tax-exempt foundations until the Congress has taken appropriate action; but let me proceed with the report in more detail on the difficulties we have encountered, the evidences of the need for changes in the law, in the regulations, and in the administration of these organizations.

PROBLEMS RESULTING FROM THE SHORTCOMINGS OF FOUNDATIONS IN ACCOUNTING

Now, I should like to tell you a little about the committee's problems resulting from the shortcomings of the foundations in their accounting.

The accounting data furnished by far too many of the foundations is defective in many ways. This has posed problems in the preparation of our report.

The lack of uniformity in accounting procedures, and the accounting practices generally in the foundation industry, should be a matter of concern to the certified public accountant profession.

There are far too many departures from recognized bookkeeping procedures. Some annual reports, for instance, identify the source of certain income as "various transactions."

The list of defects includes the following:

First. The biggest problem encountered has been the illegible copies of form 990-A furnished by certain foundations. Some copies, though adequately reproduced, are prepared with such poor penmanship that they are still unreadable. This required computation of numerous items manually.

Second. Far too many foundations failed to furnish annual reports financial statements. Many of those that were submitted leave much to be desired. They are among the poorest I have ever seen. They generally say nothing about officers, directors, or trustees. Oddly enough, a few individuals, whose names have been submitted to us as directors, subsequently denied such affiliations.

Many of the statements offer little detail about contributions received, and, when they show their portfolios, they frequently list only the security, the number of shares, and the foundation's

carrying values. Others simply list the securities and the number of shares. Market values are omitted more often than not. Some include little more than a brief income statement and balance sheet. The 1960 accountant's statement of the Richardson Foundation, of New York City and Greensboro, N.C., prepared by Price Waterhouse & Co., shows no list of securities, although the foundation held securities valued at about \$50 million.

Still other foundations failed to show schedules of capital gains.

The 1960 statement of the Buhl Foundation of Pittsburgh, prepared by Price Waterhouse & Co., failed to show individual securities held. Also, this foundation deleted certain portions of its auditor's statement for the year ending June 30, 1956. The foundation's reasons for its failure to submit the entire statement to us were as follows:

In the year ended June 30, 1956, the auditors submitted as a supplement to their audit report certain detailed statistical and financial information which they had extracted from the records of the foundation at our request. This material was not a part of the audit report. These attachments, therefore, were not included for that reason and also for the reason that substantially all of the information contained therein was submitted to you for that particular year in other documents.

The following foundations were among those submitting statements that did not show individual securities held for the year 1960:

B. F. Goodrich Fund, Inc., of Akron, statement prepared by Ernst & Ernst.

The Presser Foundation, of Philadelphia, and the Fund for the Republic, of Santa Barbara, Calif., statements prepared by Lybrand, Ross Bros. & Montgomery.

And the following foundations were among those that showed investment portfolios but failed to list market values of individual securities held at the close of the year 1960:

William Volker Fund, of Burlingame, Calif., statement prepared by Arthur Young & Co.

John Simon Guggenheim Memorial Foundation, of New York City, statement prepared by Haskins & Sells.

Third. Many of the foundations under study did not bother to use the official form 990-A. They adopted their own form and attached a schedule with their own breakdowns without regard for even the order of arrangement on form 990-A. This has made our task of compilation very difficult.

In this regard, the banks and trust companies are the worst offenders. Many prepared their own schedules, which were used in lieu of form 990-A, on a day-to-day journal basis—so much received and so much disbursed without regard to classification. Under this system of reporting, the variance is so great that little can be gleaned from the information furnished. A case in point is the First Trust Co., of St. Paul, fiscal agent for the Tozer Foundation, of Stillwater, Minn., whose total receipts were \$1,243,-

116 for the 10-year period. Our staff spent many man-hours trying to make the contents of the bank's annual reports conform with the information required in form 990-A. We found it to be an impossible task and therefore required the trust company to fill out the income and balance sheets—pages 1 and 2—of form 990-A for the period of 1951 through 1960. About 3 weeks after our request was made, the trust company advised us that they had been working on these returns for some time and found that the breaking down of their own accounting statements was taking a somewhat longer time than they expected.

Fourth. In some cases outdated forms 990-A, in use prior to 1956, were used by the foundations in subsequent years.

Fifth. Certain foundations filed their information on form 990 instead of form 990-A, despite the fact that the latter is required by law. Form 990 is not open to public inspection.

Sixth. Few of the foundations filed all the information on form 990-A in the manner prescribed by Treasury regulations. Many did not file classifications of the disbursements they made in the form of contributions, gifts, and so forth. Such information is open to public inspection.

Seventh. In some instances, current income was not separated from principal.

Eighth. At times, figures were entered in the wrong line.

Ninth. Sometimes, supporting schedules were not attached. In other cases, they were attached but did not always jibe with the parent return.

Tenth. In certain instances, photocopies failed to differentiate between red ink and black ink. This required computation of numerous items.

Eleventh. Some totals were omitted or incorrectly stated and required time-consuming calculation by us.

Twelfth. In some cases, identical items were inserted under different headings each year.

Thirteenth. Another problem was that certain foundations use a calendar year for the tax return and a fiscal year financial statement. For example, the Benwood Foundation, of Chattanooga, filed its tax return for 1960 on a calendar year basis, but its financial statement was prepared by Arthur Andersen & Co. using a fiscal year ending April 30.

Fourteenth. There is a lack of uniformity in the accounting periods—some report on a fiscal year basis, others on a calendar year.

Fifteenth. Certain foundations switch from one accounting year end to another.

Sixteenth. Information furnished on the tax returns does not always agree with the data in the foundation's financial statements.

Seventeenth. Other foundations reported capital gains on their tax returns as contributions received instead of as income earned. And, in some instances, the gain was not reported on the return

either as income earned or as a contribution because, according to the foundation, all the proceeds were reinvested.

In our computations, we have classified all capital gains—that is, all we could locate—as income earned.

Eighteenth. At times, detailed statements with respect to assets sold were not filed. Treasury regulations require that the following information be filed on form 990-A respecting assets sold: First, date and manner of acquisition; second, gross sales price; and third, cost or other basis—value at time of acquisition, if donated. However, many of the foundations under study failed to furnish all of this information on their tax returns.

Nineteenth. With respect to contributions received, instruction 3, page 4 of form 990-A, requires that, where a foundation receives money or property from a donor in the amount of \$100 or more, it must attach an itemized schedule showing the amount received and the name and address of the donor. When such information was furnished, many foundations showed only the amount received and the name of the donor; the address was omitted.

Twentieth. Incomplete data was sometimes submitted respecting accumulation of income.

Twenty-first. Sometimes items of an unusual nature were not explained or clarified.

Twenty-second. Most of the foundations maintain their financial records on the basis of the historic cost or value of securities as of date of receipt.

Twenty-third. In other instances, balance sheets on the form 990-A frequently do not reconcile the ending figures for 1 year and the opening figures for the following year. In some cases, the riders bearing balance sheet information do not agree with the balance sheet entries on the form. In still other cases, the balance sheets do not agree with the accountant's annual financial statement.

Twenty-fourth. In a number of cases, investments were not segregated in the manner required on the form—that is, investments were grouped under captions that did not correspond to the form. Some foundations failed to separate their assets of U.S. obligations from assets of non-U.S. obligations.

Twenty-fifth. In certain cases, capital assets were shown as net without indicating the cost and the amount of reserve for depreciation, and in some cases, land and depreciable assets were lumped together. Also, breakdowns in the net worth section of form 990-A were sometimes not submitted.

Twenty-sixth. Some foundations appraise valuable assets at nominal amounts, bearing no relationship to financial reality.

Twenty-seventh. In some cases, stock is valued on the basis of the foundation's equity in the net assets of the corporation, whose accounting year end may differ from the foundation's by months or as much as a year.

Twenty-eighth. Where a foundation reported ownership of 10 percent or more

stock of a corporation—beginning with the year 1956—such ownership was usually shown as of the beginning or as of the end of the year, whereas the regulations require both beginning and end of the year figures unless there was no change in such holdings.

OTHER TYPES OF ABUSES

Now, I should like to deal with some other types of abuses.

One example of practices that require close examination involves the establishment—during 1961—of so-called charitable foundations by two of the Nation's largest banks: Morgan Guaranty Trust Co., of New York, and Chemical Bank New York Trust Co. The details are as follows:

On August 31, 1961, four of the Nation's largest banks sold control—60 percent—of the Discount Corp. of New York, a primary dealer in U.S. Government securities, bankers acceptances, and negotiable time certificates of deposit. The banks disposed of their stock by private placement to institutional investors, including a number of foundations. The number of shares owned and sold by each selling stockholder was as follows:

International Banking Corp. (a wholly owned subsidiary of the First National City Bank of New York)	9,998
Bankers Trust Co.	4,999
Morgan Guaranty Trust Co. of New York Charitable Trust	9,739
The Chemical Bank New York Trust Foundation	4,998
Total	29,734

The 9,739 shares owned by the Morgan Guaranty Trust Co. Charitable Trust and the 4,998 shares owned by the Chemical Bank New York Trust Foundation had been acquired by the present Morgan Guaranty Trust Co. of New York and the present Chemical Bank New York Trust Co., respectively—through mergers and acquisitions—during the years 1918 through 1959.

The Morgan Guaranty Trust Co.'s cost basis for the 9,739 shares was \$1,548,179.12. On January 4, 1961, the market value of the 9,739 shares was \$2,493,184; so, on that date, the bank had a gain of \$945,005. Whereupon, the same date, January 4, 1961, the Morgan Guaranty Trust Co. of New York established the Morgan Guaranty Trust Co. of New York Charitable Trust and contributed the 9,739 shares of Discount Corp. to said trust. Those shares were the charitable trust's sole assets on January 4, 1961. Eight months later, on August 31, 1961, the charitable trust sold the 9,739 shares to institutional investors, including a number of foundations. The net proceeds to the charitable trust was \$2,515,735.47. On March 12, 1962, the charitable trust filed its application for Federal income tax exemption. Since an organization must be in existence for at least 12 months before applying for Federal tax exemption, the charitable trust did not become eligible for exemption until January 4, 1962. If the charitable trust is granted Federal

tax exemption, its exemption will, of course, be retroactive.

The Chemical Bank New York Trust Co.'s adjusted cost basis for its 4,998 shares of Discount Corp. was \$299,880. On August 11, 1961, the market value of the 4,998 shares was \$1,386,945. As of August 11, 1961, the bank had a gain of \$1,087,065. Whereupon, on the same date, August 11, 1961, the Chemical Bank established the Chemical Bank New York Trust Foundation and contributed its 4,998 shares of Discount Corp. to said foundation. Those shares were the foundation's sole assets on August 11, 1961. On August 31, 1961, the foundation sold the 4,998 shares to the same institutional investors who had purchased the Morgan Guaranty's shares of Discount Corp. The net price received by the Chemical Bank New York Trust Foundation was \$1,291,061.31. If the foundation is granted Federal tax exemption when it becomes eligible after August 11, 1962, its exemption will also be retroactive.

Thus, if the Morgan Guaranty Trust Co. and the Chemical Bank have sold the aforementioned securities on January 4, 1961, and August 11, 1961, instead of contributing them to their respective foundations, the two banks would have had to pay capital gains tax on gains of over \$2 million.

The Chase Manhattan Bank has engaged in similar transactions. On November 14, 1958, the bank established a trust known as the Chase Manhattan Bank Foundation. Seven months later, on May 6, 1959, the bank contributed the following securities to its foundation:

Two thousand shares Philip Morris, Inc., common \$5 par—acquired by the bank on January 10, 1955, upon liquidation of a former subsidiary.

Five thousand shares Imperial Bank of Canada capital stock—acquired by the bank in 1930.

Five thousand rights Imperial Bank of Canada.

The bank's cost basis on these securities was \$116,292. The market value on May 5, 1959, the last date of the bank's ownership, was \$542,631. As of May 5, 1959, the bank's gain on the securities was \$426,339. On May 13, 14, and 18, 1959, and June 5, 1959, shortly after the bank contributed the stock to its foundation, the latter sold the stock for a total of \$542,817.

Seven months later, in January 1960, the Chase Manhattan Bank Foundation filed an application for Federal income tax exemption. A few months thereafter, on April 12, 1960, the Internal Revenue Service granted the exemption, and such exemption was retroactive.

On March 31, 1960, the Chase Bank had contributed another 6,776 shares of Philip Morris common \$5 par stock to its foundation. These shares had also been acquired by the bank on January 10, 1955. The bank's cost basis was \$32,125. The market value on March 30, 1960, the last date of the bank's ownership, was \$417,571. As of March 30, 1960, the bank had a gain on this stock of \$385,446. On April 11, 1960, 1 day

prior to the date of the Internal Revenue Service letter granting exemption, the Chase Bank Foundation sold the stock for a total of \$403,257.

Then, on May 2, 1961, the Chase Bank contributed 207,753 shares of H. & B. American Machine Co., Inc., capital stock which it had acquired on May 2, 1954, as a workout of a bad loan. The bank's cost basis was \$348,440. The market value on May 1, 1960, the last date of the bank's ownership, was \$947,873. As of May 1, 1961, the bank had a gain on this stock of \$599,433. On May 9 and May 10, 1961, a week after the bank contributed the stock to the foundation, the latter sold the stock for a total of \$805,758.

Hence, if the Chase Manhattan Bank had sold the aforementioned securities on May 5, 1959, March 30, 1960, and May 1, 1961, instead of contributing them to its foundation, the bank would have had to pay capital gain tax on gains of about \$1,400,000.

The net result of this legalized tax dodging is that the public's Treasury suffers and the bill must be picked up by the taxpayers, including small businessmen.

FOUNDATIONS AS AGENTS OF CONCENTRATION

In the past two decades numerous business organizations have become affiliated with or merged into so-called charitable foundations. As we all know, true charity has always been most favored in this great land of ours, and has been fostered by tax exemptions freely granted by our National, State, and local governments. However, when business organizations operate in the guise or cloak of charity primarily to evade taxes and to gain advantages over other business enterprises, it is time to carefully examine this field. Each tax exemption naturally increases the tax burden of the remainder of our citizens and businesses. If the burden of small business becomes too great, small businesses will fail and disappear, and our economy and system must likewise fail.

To date, our records disclose some 106 foundations that owned 10 percent or more of at least 1 class of stock in 1 or more of 252 different corporations on December 31, 1960. They are shown on schedules 2 and 3 which are part of this statement. The companies are in a wide variety of industries: rock and gravel, lime and cement, aluminum, textiles, railroads, broadcasting, real estate, retailing, including chainstores and department stores, soft drinks, railway equipment, chemicals, paper and paper products, stoves, oil and minerals, drugs, baking, cereal and other breakfast foods, sugar, banks, theaters, utilities, film and TV production, dies, arms, explosives, chemical research, ammunition, insurance, perfumes and cosmetics, shoes, refrigerators, construction, glass, tavern leasing, parking lots, heavy machinery, brewing, lead, coal, meatpacking, dress manufacturing, drugstores, hotels and motels, shopping centers, building materials and lumber, newspaper and other publishing, trucking, and parcel delivery, wholesale plumb-

ing and heating services, gasoline engines, compressors, refrigeration systems, manufacturing furlers, fiber cord, wooden barrels, and vulcanized fiber, among others.

The stockownership of certain foundations under study ranges from 10 to 100 percent and includes the following well-known companies—among others—which are listed in my schedules 2 and 3. It should be remembered that where a foundation does not own 51 percent of a corporation's common voting stock, control may be exercised through a combination of the foundation's holdings and the holdings of the owner. Also, nonvoting stock may sometimes be converted into voting shares. For example, the class A nonvoting stock of the Ford Motor Co.—which is held by the Ford Foundation—can be converted or exchanged on a share-for-share basis under certain conditions into the company's common voting stock with the same dividend rate.

Kaiser Industries Corp.—15.4 percent of the common nonvoting stock owned by the Henry J. Kaiser Family Foundation, Oakland, Calif.

Callaway Mills Co.—100 percent of the capital common voting stock owned by the Callaway Community Foundation, La Grange, Ga.

Coca-Cola International—15.21 percent of the common voting stock owned by Emily and Ernest Woodruff Foundation, Atlanta.

George D. Roper Corp.—11.77 percent of the common voting stock owned by Sears, Roebuck Foundation, Chicago.

Midwest Oil Corp.—18.34 percent of the common voting stock owned by Standard Oil Foundation, Inc., Chicago.

Eli Lilly & Co.—45.26 percent of the common class A voting stock and 10.40 percent of the class B common nonvoting stock owned by Lilly Endowment, Inc., Indianapolis.

Kellogg Co.—58 percent of the preferred nonvoting stock owned by W. K. Kellogg Foundation and 51 percent of the common voting stock owned by W. K. Kellogg Foundation Trust, Battle Creek, Mich.

S. S. Kresge Co.—34 percent of the capital voting stock owned by Kresge Foundation, Detroit.

United States Sugar Corp.—48.2 percent of the common stock owned by Charles Stewart Mott Foundation, Flint, Mich.

B. Altman & Co., New York City—84.59 percent of the capital voting stock owned by Altman Foundation, New York City.

Connecticut Railway & Lighting Co.—99.25 percent of the 5-percent cumulative preferred voting stock and 51.07 percent of the common voting stock owned by Charles Ulrick & Josephine Bay Foundation, Inc., New York City.

Duke Power Co.—57.24 percent of the common voting stock and 82.02 percent of the 7-percent preferred voting stock owned by Duke Endowment, New York City.

Ford Motor Co.—100 percent of the class A nonvoting stock owned by the Ford Foundation, New York City.

W. T. Grant Co.—10.7 percent of the common voting stock owned by the Grant Foundation, Inc., New York City.
Great Atlantic & Pacific Tea Co., Inc.—33.98 percent of the common voting stock owned by John A. Hartford Foundation, Inc., New York City.

S. H. Kress & Co.—41.9 percent of the common voting stock owned by Samuel H. Kress Foundation, New York City.

American Chain & Cable Co., Inc.—17.8 percent of the capital voting stock owned by Wm. T. Morris Foundation, New York City.

Federal Cartridge Corp.—100 percent of the preferred nonvoting stock owned by Olin Foundation, Inc., New York City and Chicago.

Reinsurance Corp. of New York—14 percent of the common voting stock owned by Richardson Foundation, Inc., New York City and Greensboro, N.C.

Faberge, Inc.—100 percent of the common voting stock, 100 percent of the first preferred nonvoting stock, and 70 percent of the second preferred nonvoting stock owned by Samuel Rubin Foundation, New York City.

Electrolux Corp.—24.2 percent of the capital voting stock owned by Wenner-Gren Foundation for Anthropological Research, New York City.

Enna Jettick Corp.—100 percent of the capital voting stock owned by Fred L. Emerson Foundation, Inc., Auburn, N.Y.

Pittsburgh Steel Co.—10 percent of the 5-percent preferred A voting stock owned by Donner Foundation, Inc., Philadelphia.

Sun Oil Co.—21.29 percent of the common voting stock owned by the Pew Memorial Trust, Philadelphia.

National Bank of Commerce, Houston—23.4 percent of the common voting stock owned by Houston Endowment, Inc.

Allen-Bradley Co.—64.62 percent of the nonvoting participating prior preferred stock owned by Allen-Bradley Foundation, Inc., Milwaukee.

Miller Brewing Co.—29 percent of the common voting stock owned by DeRance, Inc., Milwaukee.

National Lead Co. of South America—100 percent of the 5-percent cumulative preferred nonvoting stock owned by National Lead Foundation, Inc., New York City.

James S. Kemper & Co.—34.2 percent of the 4½-percent cumulative preferred nonvoting stock owned by James S. Kemper Foundation, Chicago.

Wieboldt Stores, Inc.—90.6 percent of the 6-percent cumulative convertible preferred voting stock owned by Wieboldt Foundation, Chicago.

Sahara Coal Co., Inc.—20.7 percent of the preferred nonvoting stock owned by Woods Charitable Fund, Inc., Chicago and Lincoln, Nebr.

Tecumseh Products—23 percent of the common voting stock owned by Herrick Foundation, Detroit.

Hormel, Inc.—11.69 percent of the common voting stock owned by Hormel Foundation, Austin, Minn.

Ralston Purina Co.—23.4 percent of the common stock owned by the Danforth Foundation, St. Louis.

American National Insurance Co.—34.55 percent of the common stock owned by the Moody Foundation, Galveston.

Beaunit Mills, Inc.—24.5 percent of the common voting stock owned by Rogosin Foundation, New York City.

Jonathan Logan, Inc.—15 percent of the common class A stock owned by David Schwartz Foundation, Inc., New York City.

Patrick Cudahy, Inc.—86.66 percent of the common B nonvoting stock owned by Patrick and Anna M. Cudahy Fund, Milwaukee.

Springmaid of the West, Inc.—100 percent of the common voting stock owned by Springs Foundation, Inc., Lancaster, S.C.

UNFAIR COMPETITIVE ADVANTAGES

In recent months, my mail has brought renewed criticism of the commercial activities of tax-exempt foundations. The American Council of Independent Laboratories, composed of about 150 independent, taxpaying research and testing laboratories, states that their competitors—tax-exempt research institutes—operate multimillion-dollar commercial businesses at a profit, and that they have grown tremendously at the expense of the taxpayer. It is alleged that seven of these tax-exempt organizations did over \$100 million in research and testing business during 1959.

Mr. Raymond W. Hermanson, of Los Angeles, writes that his company has been operating under extremely difficult competition with the Research-Cottrell Co., a wholly owned subsidiary of the tax-exempt Research Corp. of New York City. Mr. Hermanson says:

The Research-Cottrell Co. is able, in many instances, to bid for business at a break-even or loss figure which its competitors cannot possibly match. Because of the ability of Research-Cottrell to price their equipment at or below cost, competition has been effectively forced into the position of operating at a loss. This is true of almost every company now engaged in this business.

Mrs. Ethel M. Clark, president, California Test Bureau, of Monterey, writes as follows:

As president of one of the oldest nationwide educational test publishers in the country, I feel compelled to advise you of an increasing problem this company is encountering and to solicit your aid in solving this problem.

In recent years there has been great growth in the number of publicly and privately supported tax-exempt organizations who have entered into direct competition with those who still survive as taxpaying members of our industry. The development and growth of a considerable number of organizations who create and publish educational materials for solicitation of and sale to the public and parochial schools of this country is increasing. * * * These organizations * * * frequently operate in direct competition with taxpaying publishers of educational books and tests.

An example of such direct competition with this company is Educational Testing Service, of Princeton, N.J., which functions as a nonprofit organization. Educational Testing Service operates a division called cooperative test service which engages in what we consider commercial activity by ac-

tive solicitation of business by use of catalogs, advertising circulars, sales representatives who contact public and parochial school systems, and the like. Their current annual report shows gross revenues in excess of \$10 million from sales.

In recent years Educational Testing Service reports gross sales or receipts from business activities (educational test activities) as follows:

1960-61	\$10,662,324
1959-60	8,380,388
1958-59	6,932,803
1957-58	5,974,127

It is my opinion that the enigma of the "nonprofit" or "tax-exempt" label, and its attendant cloak of public purpose is being violated as to original purpose and intent by these organizations which are in reality "for profit" yet at the same time, tax exempt. This problem poses a serious threat to this country's free enterprise system which provides tax support for our Government.

An additional serious problem presented by the Educational Testing Service operation, is that their nonprofit status enables them to solicit funds from tax-exempt foundations and contributions by corporations and individuals and at the same time compete with taxpaying publishers.

The taxpaying California Test Bureau had 106 employees at the end of its fiscal year 1961. Its gross income was \$2,223,602 for fiscal year ending June 30, 1961, compared with \$2,386,318 during 1960.

The tax-exempt Educational Testing Service, of Princeton, had 630 salaried employees at June 30, 1961, as against 535 employees at July 1, 1960. In addition, it employed as many as 473 hourly paid temporary workers during peak periods of fiscal year 1961.

It is hardly necessary to prove by statistical facts that business is becoming more and more concentrated—and, without a doubt, tax-exempt foundations are helping to push us in that direction.

There is every indication that foundation-controlled enterprises have unfair competitive advantages. This is so despite provisions of the present tax laws which deal with unrelated business income, sale and leaseback transactions, prohibited transactions, and so forth.

Some of these competitive advantages are as follows:

First. The owner of the foundation usually controls both the foundation and its business subsidiaries.

Second. Readily available cash. It is quite an advantage to have a ready source for cash without having to assume a responsibility to banks or stockholders. On May 12, 1954, the Sears, Roebuck Foundation made a short-term loan in the amount of \$1,200,000 at 3-percent interest to Sears, Roebuck & Co.

Third. Foundation control of businesses puts taxpaying businessmen—particularly small businessmen—at the mercy of giants with tax umbrellas. A foundation-controlled business—with no stockholders to worry about—could conceivably operate at a loss for some time in order to eliminate a competitor. It is suggested that in periods of recession destructive competition could result from foundation-controlled enterprises since making a profit, paying dividends, and

maintaining equity credit are of little concern to a privately controlled, tax-exempt foundation.

The Scholler Foundation of Philadelphia, an alleged charitable foundation, created under a deed of trust in 1939, is frequently cited as an example of a foundation being used to perpetuate control of businesses and to assure that the business managements get substantial private benefits out of the companies. Its assets consist of all or controlling shares of several businesses—including a chemical manufacturing company, and a restaurant and bar-leasing venture. The foundation is also a substantial stockholder in the Atlantic City race-track.

It is alleged that the Scholler Foundation's deed of trust, as amended, permits the foundation to make loans to the business corporations, which it controls, at such rates of interest as the trustees see fit. This permits funds earmarked for charity to be used as venture capital. The foundation's business corporations are thus given a great advantage over other private business corporations by being able to make tax-free contributions to the foundation, and thus build up a large reserve which they may tap at will. How can private business—especially small business—compete with such an arrangement?

Allegedly, the provisions of the Scholler Trust also include the right to use the foundation as a conduit for employee benefits. When a foundation-controlled company is able to use tax-free funds for the benefit of its employees, the inherent competitive advantages to the company are obvious.

Advantages accrue to both the foundation and the donor:

First. The foundation pays no Federal income tax.

Second. The donor neither pays gift tax nor estate tax on contributions to the foundation.

Third. For income tax purposes, an individual donor is granted a deduction up to 20 percent of his net income; a corporate donor is allowed to deduct up to 5 percent.

Fourth. The donor's contributions constitute capital to the foundation—not income—so they need not be distributed.

The Internal Revenue Code contains no provision to prevent large funds from being built up by foundations from contributions received by them. Since a corporation's annual contribution to its foundation is capital in the hands of the foundation and only the income from these contributions need be distributed, the Internal Revenue Service cannot prevent large funds from being built up by corporation-created foundations. And, since contributions are not subject to the provisions for distribution annually, the prohibition against unreasonable accumulations does not apply.

Apparently, private individuals may even receive annuities from a foundation's income. The position of the Internal Revenue Service is that private

individuals may not receive annuities from a foundation's income, but there are, however, court decisions which hold under the "predominant purpose" doctrine that the payment of annuities from a foundation's income does not preclude exemption—(*Francis Edward McGillick Foundation v. Commissioner*, 278 Fed. (2d) 643 affirming 30 T.C. 1130; *Commissioner of Internal Revenue v. Orton*, 173 Fed. (2d) 483, affirming 9 T.C. 533.

INQUIRY INTO THE ACQUISITION AND USE OF FOUNDATION FUNDS

The following are among the subjects that need careful examination. They relate to the acquisition and use of foundation funds.

First. Foundations' business activities.

Second. Foundations interlocked with a business through stockownership and common control by the donor.

Third. Foundations' moneylending activities. At present, the only restraint on moneylending of foundations appears to be that loans must carry a reasonable rate of interest. Commissioner Mortimer Caplin has advised me that a foundation or family trust may make a loan of corpus or income to the following persons, among others: "Its creator, (2) his family, (3) the businesses under his control, or (4) a donor who has made a substantial contribution to the foundation. Generally, such a transaction would not constitute a basis for revocation of exemption."

Indeed, one of the tax returns of the Lansing Foundation of New York City shows other income of \$3,000 which is described as the value of stock of General Appliance Corp. received by the foundation as a premium for making a loan available to that corporation. There is no indication of the amount of the loan. In another year, the same foundation's tax return shows other income of \$55,500 which is described as having been received by the foundation for the guarantee of bank loans.

The following is a partial list of notes receivable appearing on the balance sheet of the Albert A. List Foundation, Inc., of Byram, Conn., as of June 30, 1961:

The Crescent Co.....	\$167,000
Webb & Knapp, Inc.....	750,000
Webb & Knapp, Inc., Flushing Co.....	110,000
Deerfield Associates, Inc.....	100,000
15 E. 86th St. Corp.....	194,500
Total.....	1,321,500

On October 1, 1957, this foundation loaned \$300,000 at 6 percent interest to Mr. Albert A. List, chairman of its board of trustees. One-half of the loan was repaid one week later, on October 8, 1957, and the balance was repaid on December 17, 1957, together with interest of \$2,071.24.

Fourth. Instances where donors or associates obtained capital from foundations whenever needed at reasonable rates, thus eliminating the need for equity credit and concern over dividend payments.

Fifth. Instances where donors—by loans, exchanges or purchase—obtain a return of certain assets from the foundation whenever needed.

Sixth. Mortgage holdings of foundations.

Seventh. Possible conflict of interest between the duties of a foundation's directors and trustees and their interests as officers, stockholders, and employees of business corporations whose stock is controlled by the foundation.

Eighth. Extent of foundation favoritism in investments. Common action on the part of foundations and associates in the purchase and sale of securities could limit opportunities for certain companies. This could hinder stock financing of small businesses and slow-down their expansion plans.

Ninth. The use of foundation money and other assets to carry on proxy fights. There were a number of such cases during 1960 and 1961.

Tenth. Foundation transactions which channel income and corpus in a direction that may hurt competitors and their investors.

Eleventh. Availability of a foundation's services, such as research, market studies, and so forth, to businesses on a preferential basis.

Twelfth. Contributions to foundations from persons or organizations that supply goods and services to companies interlocked with the foundation.

Thirteenth. Excessive payment for assets purchased by foundations.

Fourteenth. Foundations' sale of assets for inadequate consideration.

Fifteenth. Instances where foundation moneys are being used to grant benefits to a company's employees.

LACK OF STATE AND FEDERAL SUPERVISION

I am informed that, at the present time, so-called charitable foundations in certain States are created merely by a deed of trust. There is little adequate State or Federal regulation or supervision for the creation and administration of such organizations. In some States, foundations operate in secret since they do not register as nonprofit organizations under the provisions of applicable nonprofit codes. On the one hand, State authorities rely on the Internal Revenue Service to determine who is entitled to tax-exempt status. On the other hand, when an organization receives a nonprofit charter from the State, it carries considerable weight with the Internal Revenue Service. As a result, foundations are seldom properly scrutinized by any public authority.

Our investigation should help get to the root of some enforcement problems that the Internal Revenue Service has been unable to cope with.

Already our inquiry has, to a large degree, sparked the Treasury Department's decision to make more information on foundations available to the public. Much information that was formerly classified as confidential, or was not easily obtainable, is now being made readily available.

STOCKOWNERSHIP TO BE AVAILABLE TO THE PUBLIC

Foundations owning 10 percent or more stock in a corporation are required to attach a list to page 2 of form 990-A showing, first, the name of the corporation; second, the number of shares of each type of stock owned—including information indicating whether the stock is voting or nonvoting; and, third, the value of the stock as recorded in the foundation's books. In the past, the Treasury Department has followed a policy of nondisclosure of such information. Now it is my pleasure to advise the Members that, in keeping with President Kennedy's desire for full disclosure of information, the Treasury Department has informed me that ownership of corporate stock by exempt organizations will be made available to the public on future annual returns filed by foundations.

In addition, the Treasury Department will amend its regulations to provide for the furnishing of photocopies of pages 1 and 2 of form 990-A, including attachments to those pages. Pages 1 and 2 and attachments have not previously been open to public inspection; those pages contain itemization of certain foundation disbursements and other information not shown on pages 3 and 4, such as ownership of 10 percent or more stock in a corporation. In my speech of August 7, 1961, I advised the Members that the Treasury Department had agreed to permit photocopies of pages 3 and 4 of form 990-A. Now, the Treasury has concluded that, on future returns, it will also adopt my recommendation to permit photocopies of pages 1 and 2 and attachments, in addition to pages 3 and 4. To this end, form 990-A will be redesigned in order to shed more light on foundation transactions, and thus provide a measure of supervision comparable to that which exists for stock corporations in the Securities Exchange Commission. With more information available to the Members as well as the public, a more intelligent appraisal of foundation operations will be possible.

The foundation device has been the subject of many articles, pamphlets, books, and newsletters. I should like to read part of one to you—an excerpt from an article in the *Cleveland-Marshall Law Review*—written by Berman & Berman, tax attorneys. It points up the refinements of controlling property without ownership—a rather unique economic theory. It reads and I quote:

What can be accomplished by creating a foundation?

1. Keep control of wealth.
2. Can keep for the donor many attributes of wealth by many means:
 - (a) Designating the administrative management of the foundation.
 - (b) Control over its investments.
 - (c) Appointing relatives as directors of foundation.
 - (d) Foundation's assets can be used to borrow money to buy other property that does not jeopardize its purposes. Thus, foundation funds can be enhanced from the capitalization of its tax exemption.

3. The foundation can keep income in the family.

4. Family foundations can aid employees of the donor's business.

5. Foundations may be the method of insuring that funds will be available for use in new ventures in business.

6. We can avoid income from property while it is slowly being given to a foundation by a combination of a trust and the charitable foundation.

7. We can get the 20-percent charity deduction in other ways:

(a) By giving away appreciated property to the foundation, we escape a tax on the realization of a gain.

(b) We can give funds to a foundation to get charitable deduction currently in our most advantageous tax year.

(c) Very often local, personal, and real property taxes can be avoided.

(d) We can avoid speculative profits.

(e) We can give away valuable frozen assets, white elephant estates, residences, valuable works of art, and collections of all arts.

I shall not attempt to judge the soundness of this tax advice, but, judging from the enormous increase in foundations, it has unquestionably taken hold.

Apparently, some of our wealthier families are not content with just one tax exempt foundation, and hence their foundations proliferate. So the owners have their main foundations, and then they have their subsidiary foundations.

For example, the Ford family has the Ford Foundation and then they have subsidiary foundations which include Benson and Edith Ford Fund, Eleanor Clay Ford Fund, Henry and Anne Ford Fund, Walter and Josephine Ford Fund, William and Martha Ford Fund, and the Ford Motor Co. Fund. The total receipts, including contributions received, of the seven Ford foundations were \$1,737,216,789 for the years 1951 through 1960; \$1,670,207,470 of this amount applies to the Ford Foundation.

The Mellon family has the A. W. Mellon Educational and Charitable Trust as well as a number of subsidiaries which include the Richard King Mellon Foundation, Avalon Foundation, Bollingen Foundation, and the Old Dominion Foundation. The total receipts, including contributions received, of the five Mellon foundations were \$178,584,954 for the years 1951 through 1960.

The Rockefeller family has the Rockefeller Foundation as well as a number of subsidiary foundations which include China Medical Board of New York, Council on Economic and Cultural Affairs, American International Association for Economic and Social Development, Government Affairs Foundation of Albany, New York, Rockefeller Brothers Fund, Esso Education Foundation, General Education Board, Sealantic Fund, Inc., Colonial Williamsburg, the Rockefeller Institute, and Sleepy Hollow Restorations, Inc. The total receipts, including contributions received, of the 12 Rockefeller foundations were \$660,706,900 for the years 1951 through 1960; \$238,688,318 of this amount applies to the Rockefeller Foundation.

I am attaching hereto—as schedule 5—an interesting compilation of the annual

receipts, including contributions, gifts, grants, and so forth, received, of the Rockefeller Foundation for the entire period of May 14, 1913, through December 31, 1960. This compilation includes the receipts of the Laura Spelman Rockefeller Memorial for the years 1918-29. The latter was merged with the Rockefeller Foundation on January 3, 1929. The Rockefeller Foundation's total receipts for these 48 years were \$876,243,679. The foundation's actual net expenditures after refunds, excluding appropriations in force and unpaid at December 31, 1960, were \$688,674,867 for the years 1913 through 1960—which is \$187,568,812 less than their receipts for the same years.

Also, there are a number of Carnegie foundations. They include Carnegie Corp., of New York, Carnegie Endowment for International Peace, New York City, Carnegie Foundation for the Advancement of Teaching, New York City, Carnegie Institution of Washington, and Carnegie Hero Fund Commission, Pittsburgh. The total receipts, including contributions received, of these five Carnegie foundations were \$214,577,621 for the years 1951 through 1960.

Attached hereto—as schedule 6—is a compilation of the annual receipts of the Carnegie Corp. of New York for the period of September 30, 1912, through September 30, 1960. This foundation's total receipts for these 49 years were \$400,673,832. The foundation's actual net expenditures after refunds, excluding appropriations in force and unpaid at September 30, 1960, were \$293,014,567 for the years 1912 through 1960—which is \$107,659,265 less than their receipts for the same years.

Obviously, tax exempt foundations have been and are being used, in part, to avoid Federal estate taxes. Thus huge fortunes are kept from being returned to public use for channeling into our economy without limitations.

The late Secretary of the Treasury Mellon used a charitable foundation to avoid estate taxes on a multi-million-dollar estate. Of more recent date, the Ford Foundation was used to reduce the taxable estates of Henry and Edsel Ford and to avoid having to sell Ford Motor Co. stock to the public in order to meet large estate taxes. Thus the Ford Foundation was given over 90 percent of the equity in the Ford Motor Co.

So substantial parts of the great fortunes of those who have profited by the enormous expansion of American industry have found their way into tax-exempt foundations. These foundations have already passed and will continue to pass—by right of inheritance—to the control of heirs or their trustees. This enables a few individuals to control ever-increasing tax-exempt wealth.

FOUNDATIONS VERSUS HOLDING COMPANIES

Foundations today bear a frightening resemblance to the bank holding companies that were invented by the champions of monopoly and combination in the early 1900's. They characterized

interlocking directorates and consolidations as cooperation. At that time, some of our national banks were inseparably tied together with security holding companies in both ownership and management. These holding companies had unlimited powers—just as foundations do—to buy, sell, and speculate in stocks, just as if they were private investment corporations of boundless powers, with no public duties or responsibilities and not dependent on public confidence.

Back in those days, the whole arrangement was merely a pretext behind which the bank's officers were merely shielding themselves in making money for the bank's stockholders through the prestige, resources, and organization of the bank—and by means that were forbidden to the bank.

The holding companies were so organized that their stock was always owned by the same persons who owned the stock of the bank—and in the same proportions—while no person who was not a director of the bank could be a director of the holding company and, finally, the stock of the holding company had to be held by the officers of the bank as trustees. The bank and the holding company were thus one with the same association of persons—just as foundations and their "owners" and managers are one and inseparable.

Are we, in fact, witnessing today developments as destructive of genuine, healthy private enterprise as our predecessors were then?

It is evident that control of our industrial and commercial enterprises is to an ever-increasing degree passing into the hands of tax-exempt foundations through stockownership. In my view, this is a dangerous situation with its boundless temptations and opportunities. I do not agree with the cheerful philosophy that the situation will right itself. The law must properly safeguard the community against possible abuses of the tax exemption privilege by the owners of foundations or their successors.

Subpenas were issued to the following foundations:

SCHEDULE 4

ALABAMA

S. H. Black, secretary, David Warner Foundation, Post Office Box 3199, Tuscaloosa, Ala.

MICHIGAN

J. H. Besser, president, Besser Foundation, care of Besser Co., Alpena, Mich.

Benson Ford, president, Benson and Edith Ford Fund, 2600 Buhl Building, Detroit, Mich.

Eleanor Clay Ford, president, Eleanor Clay Ford Fund, 2600 Buhl Building, Detroit, Mich.

George C. Gibbs, president, Henry and Anne Ford Fund, 2600 Buhl Building, Detroit, Mich.

Josephine Ford, president, Walter and Josephine Ford Fund, 2600 Buhl Building, Detroit, Mich.

William Clay Ford, president, William and Martha Ford Fund, 2600 Buhl Building, Detroit, Mich.

Donald S. Castle, executive director, Hudson-Webber Foundation, 1206 Woodward Avenue, Detroit, Mich.

NEBRASKA

Elton C. Loucks, president, Eugene C. Eppley Foundation, Inc., Kiewit Plaza, Omaha, Nebr.

NEW JERSEY

Theodore D. Carlson, vice president, Helene Fuld Health Foundation, 93 Fuld Street, Trenton, N.J.

NEW YORK

Chauncy Belknap, secretary and treasurer, John B. Pierce Foundation, 50 West 44th Street, New York, N.Y.

Helen A. Benedict, president, Surdna Foundation, Inc., care of Kelley, Drye, Newhall, Maginnes & Warren, 350 Park Avenue, New York, N.Y.

PENNSYLVANIA

Charlotte G. Kisseleff, secretary, Addison H. Gibson Foundation, 1702 Commonwealth Building, Pittsburgh, Pa.

A. R. Bell, Jr., president, the Glenmede Trust Co., trustee for the Pew Memorial Trust (formerly the Pew Memorial Foundation), 1608 Walnut Street, Philadelphia, Pa.

SOUTH CAROLINA

Andrew J. Cothran, secretary, Gregg Foundation and Gregg-Graniteville Foundation, Inc., Graniteville, S.C.

WISCONSIN

Harry L. Bradley, chairman, Allen-Bradley Foundation, Inc., 136 West Greenfield Avenue, Milwaukee, Wis.

M. F. Cudahy, president, Patrick and Anna M. Cudahy Foundation, 920 East Mason Street, Milwaukee, Wis.

Schedule 5: Annual receipts of Rockefeller Foundation for May 14, 1913, through Dec. 31, 1960, including receipts of the Laura Spelman Rockefeller Memorial for the years 1918-29

Year	Annual income excluding contributions received, capital gains and losses	Annual net capital gains or (losses)	Annual contributions, gifts, grants, etc., received	Total annual receipts	Year	Annual income excluding contributions received, capital gains and losses	Annual net capital gains or (losses)	Annual contributions, gifts, grants, etc., received	Total annual receipts
1913	\$14, 47, 243	\$148, 920	\$34, 430, 431	\$36, 026, 594	1939	\$6, 627, 433	\$13, 573		\$6, 641, 006
1914	5, 568, 653	171, 160	65, 569, 919	71, 309, 732	1940	7, 605, 328	(604, 903)		7, 000, 425
1915	4, 183, 084	1, 004, 497		5, 187, 581	1941	8, 734, 992	70, 599		8, 805, 591
1916	6, 226, 710	432, 970		6, 659, 680	1942	8, 271, 037	(518, 761)		7, 752, 276
1917	7, 153, 852	(554, 502)	31, 265, 506	37, 864, 856	1943	8, 079, 164	(1, 140, 149)		6, 939, 015
1918	7, 617, 151	42, 123	7, 713, 067	15, 372, 341	1944	8, 209, 807	(4, 749, 826)		3, 459, 981
1919	8, 737, 812	1, 457, 005	106, 571, 159	116, 765, 976	1945	7, 700, 530	(1, 374, 927)		6, 325, 603
1920	12, 480, 258	454, 566	11, 030, 000	23, 964, 824	1946	8, 529, 497	(279, 521)	\$184, 980	8, 734, 956
1921	12, 895, 482	261, 194		13, 156, 676	1947	10, 011, 756	(8, 852, 514)	12, 189	1, 171, 431
1922	12, 841, 768	6, 935, 749		19, 777, 517	1948	8, 861, 149	1, 541, 067	17, 913	10, 420, 129
1923	12, 962, 047	1, 988, 063		14, 950, 110	1949	10, 984, 524	772, 688	423	11, 757, 635
1924	12, 359, 130	1, 712, 522		14, 071, 652	1950	12, 822, 195	3, 046, 723		15, 868, 918
1925	12, 333, 743	(848, 315)		11, 485, 428	1951	16, 972, 414	9, 582, 187	12, 500	26, 557, 101
1926	13, 390, 071	1, 589, 558	37, 000	15, 016, 629	1952	16, 893, 520	(2, 000, 916)	12, 520	14, 905, 124
1927	13, 898, 938	2, 368, 621	159, 856	16, 427, 415	1953	17, 586, 117	(1, 329, 478)	12, 018	16, 268, 657
1928	13, 868, 619	5, 154, 937		19, 023, 556	1954	17, 820, 373	14, 317, 944	24, 500	32, 162, 817
1929	15, 012, 875	1, 359, 406		16, 372, 281	1955	19, 633, 245	6, 463, 672	19, 957	26, 116, 874
1930	12, 432, 779	2, 027, 288		14, 460, 067	1956	22, 330, 261	2, 302, 552	1, 323, 308	26, 016, 121
1931	11, 072, 772	295, 769		11, 369, 541	1957	23, 318, 626	(39, 808)	15, 000	23, 203, 818
1932	10, 323, 979	78, 209		10, 402, 188	1958	22, 705, 246	167, 518	25, 712	22, 898, 476
1933	8, 248, 674	(22, 618)		8, 226, 056	1959	23, 143, 630	859, 207	15, 000	24, 017, 837
1934	8, 111, 972	187, 015		8, 298, 987	1960	23, 778, 369	600, 774	2, 062, 350	26, 441, 493
1935	7, 895, 855	375, 072		8, 270, 927	Miscellaneous	36, 696			36, 696
1936	9, 497, 683	430, 222		9, 927, 905	Total	568, 288, 832	47, 139, 539	260, 815, 308	876, 243, 679
1937	9, 923, 666	874, 274		10, 797, 940					
1938	7, 087, 107	367, 133		7, 454, 240					

Schedule 6: Annual receipts of Carnegie Corporation of New York for year ended Sept. 30, 1912, through Sept. 30, 1960

Year	Annual income excluding contributions received, capital gains and losses	Annual net capital gains or (losses)	Annual contributions, gifts, grants, etc., received	Total annual receipts	Year	Annual income excluding contributions received, capital gains and losses	Annual net capital gains or (losses)	Annual contributions, gifts, grants, etc., received	Total annual receipts
1912	\$2, 253, 000			\$2, 253, 000	1938	\$5, 200, 000	\$523, 000		\$5, 723, 000
1913	6, 018, 000			6, 018, 000	1939	4, 900, 000	2, 014, 000		6, 914, 000
1914	6, 152, 000	\$2, 080		6, 154, 080	1940	5, 488, 000	446, 000		5, 934, 000
1915	6, 195, 000	730		6, 195, 730	1941	4, 814, 000	53, 000		4, 867, 000
1916	6, 253, 000	27, 514		6, 280, 514	1942	4, 623, 000	(1, 107, 000)		3, 516, 000
1917	6, 357, 000	570		6, 357, 570	1943	4, 655, 000	353, 789		5, 008, 789
1918	6, 418, 000	383		6, 418, 383	1944	7, 488, 000	883, 809		8, 371, 809
1919	6, 302, 000	(7, 286)		6, 294, 714	1945	2, 847, 000	1, 347, 093		4, 194, 093
1920	6, 296, 000	2, 258		6, 298, 258	1946	3, 433, 000	2, 469, 924	\$1	5, 902, 925
1921	6, 373, 000	(77, 810)		6, 295, 190	1947	5, 232, 000	791, 482		6, 023, 482
1922	6, 466, 000	2, 437		6, 468, 437	1948	5, 700, 190	386, 320		6, 086, 510
1923	6, 934, 000	(14, 600)		6, 919, 400	1949	7, 681, 252	176, 640		7, 857, 892
1924	7, 353, 000	5, 105	\$10, 336, 868	17, 694, 973	1950	6, 594, 846	1, 287, 059		7, 881, 905
1925	6, 769, 000	(27, 040)		6, 741, 960	1951	7, 244, 514	(349, 824)		6, 894, 690
1926	6, 744, 000	10, 951		6, 754, 951	1952	7, 210, 715	678, 578		7, 889, 293
1927	6, 771, 000	(8, 080)		6, 762, 920	1953	7, 572, 173	756, 042		8, 328, 215
1928	6, 776, 000	1, 613, 365		8, 389, 365	1954	7, 826, 486	876, 099		8, 702, 585
1929	7, 201, 000	13, 664, 942		20, 865, 942	1955	8, 319, 929	3, 799, 236		12, 119, 165
1930	7, 317, 000	757, 805		8, 074, 805	1956	9, 389, 221	7, 569, 249		16, 948, 470
1931	7, 326, 000	58, 184		7, 384, 184	1957	9, 729, 888	7, 962, 886		17, 692, 774
1932	7, 373, 000	(690, 188)		6, 682, 812	1958	9, 603, 628	3, 636, 788		13, 240, 416
1933	7, 105, 000	(4, 468, 000)		2, 637, 000	1959	9, 849, 808	4, 601, 784		14, 451, 592
1934	7, 043, 000	(2, 335, 000)		4, 708, 000	1960	10, 646, 490	11, 451, 049		22, 097, 539
1935	6, 674, 000	(612, 000)		6, 062, 000	Total	324, 965, 640	65, 341, 323	10, 336, 869	400, 673, 832
1936	6, 117, 000	529, 000		6, 646, 000					
1937	6, 400, 000	6, 303, 000		12, 703, 000					

SCHEDULE 1.—Gross receipts: 522 foundations

[Source: Documents submitted to the Select Committee on Small Business]

Foundation	(1) Gross sales or receipts from business activities	(2) Gross profit from business activities	(3) Interest received	(4) Dividends received	(5) Rents and royalties received	(6) Total gain (or loss) from sale of assets
ALABAMA						
Avondale Educational & Charitable Foundation, Inc. Care of Avondale Mills, Sylacauga, Ala.			\$220,575	\$614,593	\$2,387	\$396,939
Ingalls Foundation, Inc. Exchange Security Bank Bldg., Birmingham 3, Ala.			136,706	338,838	110,714	63,779
Robert I. Ingalls, Jr., Foundation. Post Office Box 1004, Birmingham, Ala.			34,595	255,172		85,593
Meyer, Robert R., Foundation. Care of First National Bank of Birmingham, Birmingham 2, Ala.			691,322	1,259,401	117	177,822
Warner, David, Foundation. Post Office Box 933, Tuscaloosa, Ala.			207,135	157,316	18,312	61,602
CALIFORNIA						
Bank of America-Giannini Foundation. 300 Montgomery St., San Francisco 4, Calif.	\$4	\$4	28,818	812,644		96,846
Bechtel Foundation. 220 Bush St., San Francisco 4, Calif.			63,157			
Bing Fund, Inc. 9700 West Pico Blvd., Los Angeles 35, Calif.			291,913	1,301,575		31,356
Boswell, James G., Foundation. 510 South Spring St., Los Angeles 13, Calif.				3,002,949		5,600
Carnation Foundation. 5045 Wilshire Blvd., Los Angeles 36, Calif.			19,388	257,438		31,384
Connell, Michael J., Charities, Ltd. 3350 Wilshire Blvd., Los Angeles 5, Calif.			451,721	869,594	2,206,960	1,592,876
Cowell, S. H., Foundation. 111 Suter St., San Francisco 4, Calif.			458,148	155,734	2,914,319	2,762,004
Crown Zellerbach Foundation. 343 Sansome St., San Francisco 19, Calif.			222,669	954,550	431,846	134,922
Fund for the Republic, Inc. Post Office Box 4068, Santa Barbara, Calif.			1,299,315	55,380	66,450	23,037
Goldwyn, Samuel, Foundation. 1041 North Formosa Ave., Los Angeles 46, Calif.			131,371	514,062	49,497	672,141
Haynes, John Randolph and Dora, Foundation. 916 Consolidated Bldg., 607 South Hill St., Los Angeles 14, Calif.			242,563	663,721	2,214,892	243,291
Hilton, Conrad N., Foundation. 9990 Santa Monica Blvd., Beverly Hills, Calif.			125,895	567,540		881,507
Hunt Foods Charitable Foundation. 3440 Wilshire Blvd., suite 1201, Los Angeles 5, Calif.			9,996	39,463	172,018	(152,035)
Hunt Foods & Industries Foundation. 3440 Wilshire Blvd., suite 1201, Los Angeles 5, Calif.			31,210	125,654	32,110	(56,416)
Henry J. Kaiser Family Foundation. Kaiser Bldg., Oakland 12, Calif.			9,797	573,553		2,547,516
Lakeside Foundation. 155 Sansome St., San Francisco 4, Calif.			518	69,575		(5,119)
Lockheed Leadership Fund. 2555 North Hollywood Way, Burbank, Calif.			186,841			1,661
Mayer, Louis B., Foundation. 197 North Canon Dr., Beverly Hills, Calif.			87,500	7,983	167,960	118,976
Mayr, George Henry, Trust. Care of Beverly Hills National Bank & Trust Co., Post Office Box 711, Beverly Hills, Calif.			18,325	112	2,019,841	(184,677)
Ohio Match Charitable Foundation. 3440 Wilshire Blvd., suite 1201, Los Angeles 5, Calif.			12,848	45,584	10,613	(96,468)
Rosenberg Foundation. 210 Post St., San Francisco 8, Calif.			1,201,989	2,170,450		1,445,324
Simon, Norton, Foundation. 3440 Wilshire Blvd., suite 1201, Los Angeles 5, Calif.			1,661	67,869		(18,985)
Smith, Ralph L. and Harriet T., Foundation. Care of Ralph L. Smith Lumber Co., Anderson, Calif.				158,657		
Steln & Golden Foundation. Care of John M. Segal & Co., 5455 Wilshire Blvd., Los Angeles 36, Calif.			7,294	5,164		(5,515)
United Can & Glass Co. Charitable Foundation. 3440 Wilshire Blvd., suite 1201, Los Angeles 5, Calif.			3,096	106,569		(6,095)
Volker, William, Fund. Post Office Box 113, Burlingame, Calif.			3,037,966	4,293,007	402,216	2,544,444
COLORADO						
Boettcher Foundation. 818 17th St., Denver 2, Colo.			142,347	4,269,273	7,036,551	662,681
El Pomar Foundation. Broadmoor Hotel, Colorado Springs, Colo.			552,460	9,988,785	5,905	183,137
CONNECTICUT						
Dana, Charles A., Foundation, Inc. Smith Bldg., Greenwich, Conn.			77,118	5,639,858		21,412
Albert A. List Foundation. Byram Shore Rd., Byram, Conn.			612,177	344,952	441,982	266,468
Noble, Edward John, Foundation. Round Hill Rd., Greenwich, Conn.			232,863	2,937,774		397,579
DELAWARE						
Longwood Foundation, Inc. 2024 Dupont Bldg., Wilmington 98, Del.			2,057,136	22,412,041	36,693	
Public Welfare Foundation, Inc. 100 West 10th St., Wilmington, Del. See District of Columbia listing for data.						
Raskob Foundation for Catholic Activities. 1205 Hotel DuPont, Wilmington 98, Del.			2,199,716	4,762,565		1,388,161
Winterthur Corp. 1070 Dupont Bldg., Wilmington 98, Del.			438,495	4,612,364	330,535	(97,681)

SCHEDULE 1.—Gross receipts: 522 foundations—Continued

[Source: Documents submitted to the Select Committee on Small Business]

Foundation	(7) Other income	(8) Total gross income exclud- ing contribu- tions, gifts, grants, etc., received	(9) Total contribu- tions, gifts, grants, etc., received	(10) Total receipts including contribu- tions, gifts, grants, etc., received	(11) Income rank based on total receipts (col. 10) contributions, gifts, grants, etc., received	(12) Period
ALABAMA						
Avondale Educational & Charitable Foundation, Inc. Care of Avondale Mills, Sylacauga, Ala.	\$3,784	\$1,238,278	\$433,000	\$1,671,278	369	1951 through 1960
Ingalls Foundation, Inc. Exchange Security Bank Bldg., Birmingham 3, Ala.		650,037		650,037	467	1951 through 1960
Robert I. Ingalls, Jr., Foundation Post Office Box 1004, Birmingham, Ala.		375,360	1,072,538	1,447,898	379	1954 through 1960
Meyer, Robert R., Foundation Care of First National Bank of Birmingham, Birming- ham 2, Ala.	625,697	2,754,359	2,983,900	5,738,259	189	1951 through 1960
Warner, David, Foundation Post Office Box 933, Tuscaloosa, Ala.		444,365	625,793	1,070,158	419	1952 through 1961
CALIFORNIA						
Bank of America-Giannini Foundation 300 Montgomery St., San Francisco 4, Calif.	5,378	943,690	155,451	1,099,141	418	1951 through 1960
Bechtel Foundation 220 Bush St., San Francisco 4, Calif.		63,157	1,260,000	1,323,157	395	1954 through 1960
Bing Fund, Inc. 9700 West Pico Blvd., Los Angeles 35, Calif.	50	1,624,894	733,751	2,358,645	312	1951 through 1960
Boswell, James G., Foundation 510 South Spring St., Los Angeles 13, Calif.	541	3,009,090	25,000	3,034,090	279	1951 through 1960
Carnation Foundation 5945 Wilshire Blvd., Los Angeles 36, Calif.	5,900	314,110	806,100	1,120,210	413	1953 through 1960
Connell, Michael J., Charities, Ltd. 3350 Wilshire Blvd., Los Angeles 5, Calif.	217	5,121,368		5,121,368	202	1951 through 1960
Cowell, S. H., Foundation 111 Suter St., San Francisco 4, Calif.	18,840	6,309,045		6,309,045	179	1958 through 1961
Crown Zellerbach Foundation 343 Sansome St., San Francisco 19, Calif.		1,743,987	13,716,171	15,460,158	83	1953 through 1960
Fund for the Republic, Inc. Post Office Box 4068, Santa Barbara, Calif.	19,942	1,464,124	12,101,519	13,565,643	89	1954 through 1960
Goldwyn, Samuel, Foundation 1041 North Formosa Ave., Los Angeles 46, Calif.	100	1,367,171	1,712,050	3,079,221	276	1951 through 1960
Haynes, John Randolph and Dora, Foundation 916 Consolidated Bldg., 607 South Hill St., Los Angeles 14, Calif.		3,364,467	21,010	3,385,477	258	1951 through 1960
Hilton, Conrad N., Foundation 9990 Santa Monica Blvd., Beverly Hills, Calif.	126,500	1,701,442	418,161	2,119,603	321	1952 through 1960
Hunt Foods Charitable Foundation 3440 Wilshire Blvd., suite 1201, Los Angeles 5, Calif.	1,367	70,809	1,263,571	1,334,380	392	1954 through 1960
Hunt Foods & Industries Foundation 3440 Wilshire Blvd., suite 1201, Los Angeles 5, Calif.	147	132,705		132,705	510	1959 through 1960
Henry J. Kaiser Family Foundation Kaiser Bldg., Oakland 12, Calif.		3,130,866	17,123,587	20,254,453	64	1951 through 1960
Lakeside Foundation 155 Sansome St., San Francisco 4, Calif.		64,974	646,152	711,126	456	1954 through 1960
Lockheed Leadership Fund 2555 North Hollywood Way, Burbank, Calif.		188,502	1,217,500	1,406,002	383	1954 through 1960
Mayer, Louis B., Foundation 197 North Canon Dr., Beverly Hills, Calif.		382,419	350,479	732,898	454	1951 through 1960
Mayr, George Henry, Trust Care of Beverly Hills National Bank & Trust Co., Post Office Box 711, Beverly Hills, Calif.	1,064	1,854,665	169,625	2,024,290	331	1951 through 1960
Ohio Match Charitable Foundation 3440 Wilshire Blvd., Suite 1201, Los Angeles 5, Calif.	45	(27,378)	585,548	558,170	478	1954 through 1960
Rosenberg Foundation 210 Post St., San Francisco 8, Calif.	86,664	4,904,427		4,904,427	215	1951 through 1960
Simon, Norton, Foundation 3440 Wilshire Blvd., Suite 1201, Los Angeles 5, Calif.		50,545	827,262	877,807	441	1953 through 1960
Smith, Ralph L. and Harriet T., Foundation Care of Ralph L. Smith Lumber Co., Anderson, Calif.		158,657	723,966	882,623	440	1952 through 1960
Stein & Golden Foundation Care of John M. Segal & Co., 4555 Wilshire Blvd., Los Angeles 36, Calif.		6,943	145,029	151,972	509	1956 through 1960
United Can & Glass Co., Charitable Foundation 3440 Wilshire Blvd., Suite 1201, Los Angeles 5, Calif.		103,570	459,000	562,570	475	1955 through 1960
Volker, William, Fund Post Office Box 113, Burlingame, Calif.	52,556	10,330,189	20,000	10,350,189	116	1951 through 1960
COLORADO						
Boettcher Foundation 818 17th St., Denver 2, Colo.	494,105	12,604,957	6,325,543	18,930,500	69	1951 through 1960
El Pomar Foundation Broadmoor Hotel, Colorado Springs, Colo.	18,929	10,749,216	8,693,911	19,443,127	66	1951 through 1960
CONNECTICUT						
Dana, Charles A., Foundation, Inc. Smith Bldg., Greenwich, Conn.	101,530	5,839,918	11,136,125	16,976,043	78	1951 through 1960
Albert A. List Foundation Byram Shore Rd., Byram, Conn.	3,954	1,669,533	5,078,371	6,747,904	172	1954 through 1960
Noble, Edward John, Foundation Round Hill Rd., Greenwich, Conn.	18,135	3,586,351	8,033,839	11,620,190	103	1951 through 1960
DELAWARE						
Longwood Foundation, Inc. 2024 Dupont Bldg., Wilmington 98, Del.	1,823,971	26,329,841	6,623,044	32,952,855	31	1951 through 1960
Public Welfare Foundation, Inc. 100 West 10th St., Wilmington, Del. See District of Columbia listing for data.						
Raskob Foundation for Catholic Activities 1205 Hotel DuPont, Wilmington 98, Del.		8,350,442	157,363,828	165,714,270	5	1951 through 1960
Winterthur Corp. 1070 Dupont Bldg., Wilmington 98, Del.	3,072,003	8,355,716	12,341,319	20,697,035	60	1951 through 1960

SCHEDULE 1.—Gross receipts: 522 foundations—Continued

[Source: Documents submitted to the Select Committee on Small Business]

Foundation	(1) Gross sales or receipts from business activities	(2) Gross profit from business activities	(3) Interest received	(4) Dividends received	(5) Rents and royalties received	(6) Total gain (or loss) from sale of assets
DISTRICT OF COLUMBIA						
Brookings Institution 1775 Massachusetts Ave. N.W., Washington, D.C.	\$747,338	(\$486,289)	\$1,192,024	\$2,190,548	\$778,223	\$4,505,824
Carnegie Institution of Washington 1530 P St. N.W., Washington, D.C.			8,814,828	13,766,504	38,655	18,700,492
Public Welfare Foundation, Inc. 3242 Woodland Dr. N.W., Washington 8, D.C.			246,454	370,592	6,883,026	159,840
Resources for the Future, Inc. 1775 Massachusetts Ave. N.W., Washington, D.C.			183,418			
Stewart, Alexander and Margaret, Trust Care of Union Trust Co. of the District of Columbia, Washington 5, D.C.	20	20	711,157	2,182,922	12	
FLORIDA						
Crane, Raymond E. and Ellen F., Foundation 1205 First National Bank Bldg., Miami, Fla.			308,413	602,308	19,212	2,620,001
Public Health Foundation for Cancer and Blood Pressure Research, Inc. 308 Cardinal Way, R. R. 1, Box 170-A, Stuart, Fla.			69,957	1,091,964	320,507	8,407,062
Winn-Dixie Stores Foundation Box B, West Bay Station, Jacksonville, Fla.			192,286	14,235	875	67,243
GEORGIA						
Callaway Community Foundation 209 Broome St., La Grange, Ga.			246,748	3,256,551	17,391,703	407,273
Callaway, Fuller E., Foundation Post Office Box 477, La Grange, Ga.			941,111	109,273	381,597	388,392
Callaway, Ida Cason, Foundation Pine Mountain, Ga.		14,492	383,074	482,855	439,382	1,642,996
Campbell, John Bulow, Foundation 315 Trust Co. of Georgia Bldg., Atlanta 3, Ga.			1,051,613	3,389,975	641,388	2,140,815
Colonial Stores Foundation Post Office Box 4358, Atlanta 2, Ga.			824	66,269		(157)
Evans, Lettie Pate, Foundation, Inc. 205 Whitehead Bldg., Atlanta 3, Ga.			225,703	3,997,910	924	(9,620)
Reynolds, Z. Smith, Foundation, Inc. Sapelo Island, Ga. See North Carolina listing for data.						
Joseph B. Whitehead Foundation Whitehead Bldg., Atlanta 3, Ga.			62,500	3,837,395	6,821	
Woodruff, Emily and Ernest, Foundation Care of Trust Co. of Georgia, Atlanta 2, Ga.			296,393	10,607,804		408,984
HAWAII						
Castle, Samuel N. and Nellie, Foundation Care of Hawaiian Trust Co., Ltd., Post Office Box 3170, Honolulu 2, Hawaii.			221,563	1,573,035		136,920
Wilcox, G. N., Trust Care of Bishop Trust Co., Ltd., Post Office Box 2390, Honolulu 4, Hawaii.			123,477	716,000		302,862
ILLINOIS						
Abbott Laboratories Fund 1400 Sheridan Rd., North Chicago, Ill.			4,713	9,168		
The Allstate Foundation 7447 Skokie Blvd., Skokie, Ill.			8,799	381,798		55,587
Amsted Industries Foundation Prudential Plaza, Chicago 1, Ill.			49,747	18,900		(639)
Baumgarten, Joseph and Gertrude, Foundation In care of Katz, Wagner & Co., 105 West Adams St., Chicago 3, Ill.			20,296	64,366	67,116	187,326
Beidler, Francis, Charitable Trust 140 South Dearborn St., Chicago 3, Ill.			157,018	318,137	687,182	91,638
Bell & Howell Foundation 7100 McCormick Rd., Chicago 45, Ill.			11,474			
Borg-Warner Foundation, Inc. 200 South Michigan Ave., Chicago 4, Ill.			155,291			
Burroughs Foundation Care of Northern Trust Co., 50 South LaSalle St., Chi- cago 90, Ill.			91,872	45,162		41,490
Caterpillar Foundation 600 West Washington St., East Peoria, Ill.			100,445			490
Concora Foundation 38 South Dearborn St., Chicago 3, Ill.			160,636	332,408		29,463
Cummings Foundation 135 South LaSalle St., room 1625, Chicago 3, Ill.			2,234	164,606		159,113
D & R Fund 77 West Washington St., 19th floor, Chicago 2, Ill.			61,888	284,903		389,100
Deere, John, Foundation 1323 3d Ave., Moline, Ill.			136,211	167,978		22,579
Diek, A. B., Foundation 5700 West Touhy Ave., Chicago 31, Ill.			33,441	21,861		1,887
Dickinson, Theodore G., Foundation Care of Frank Mofie, Marquette Cement Manufacturing Co., Oglesby, Ill.	52,271	52,971				
Dillon Foundation Avenue B and Wallace St., Sterling, Ill.			1,633	98,293		
Ehleco Foundation 200 South Michigan Ave., Chicago 4, Ill.			17,664		609	(50,903)

SCHEDULE 1.—Gross receipts: 522 foundations—Continued

[Source: Documents submitted to the Select Committee on Small Business]

Foundation	(7) Other income	(8) Total gross income excluding contributions, gifts, grants, etc., received	(9) Total contributions, gifts, grants, etc., received	(10) Total receipts including contributions, gifts, grants, etc., received	(11) Income rank based on total receipts (column 10) contributions, gifts, grants, etc., received	(12) Period
DISTRICT OF COLUMBIA						
Brookings Institution 1775 Massachusetts Ave. N.W., Washington, D.C.	\$5,705,299	\$13,885,629	\$2,667,628	\$16,553,257	81	1951 through 1960
Carnegie Institution of Washington 1530 P St. N.W., Washington, D.C.	1,703,434	43,024,003	701,602	43,725,605	22	1951 through 1960
Public Welfare Foundation, Inc. 3242 Woodland Dr. N.W., Washington 8, D.C.	609	7,660,521	2,014,298	9,674,819	128	1951 through 1960
Resources for the Future, Inc. 1775 Massachusetts Ave. N.W., Washington, D.C.		183,418	6,926,040	7,109,458	168	1953 through 1960
Stewart, Alexander and Margaret, Trust Care of Union Trust Co. of the District of Columbia, Washington 5, D.C.	1,242	2,895,353		2,895,353	287	1951 through 1960
FLORIDA						
Crane, Raymond E. and Ellen F., Foundation 1205 First National Bank Bldg., in Miami, Fla.	242	3,610,176	1,085,012	4,695,188	223	1951 through 1960
Public Health Foundation for Cancer and Blood Pressure Research, Inc. 308 Cardinal Way, R. R. 1, Box 170-A, Stuart, Fla.	1,156,312	11,045,802	317,541	11,363,343	107	1951 through 1960
Winn-Dixie Stores Foundation Box B, West Bay Station, Jacksonville, Fla.	541,540	816,179	981,500	1,797,679	353	1951 through 1960
GEORGIA						
Callaway Community Foundation 209 Broome St., La Grange, Ga.	6,046	21,308,321	71,850	21,380,171	57	1951 through 1960
Callaway, Fuller E., Foundation Post Office Box 477, La Grange, Ga.	1,323	1,821,696	202,516	2,024,212	332	1951 through 1960
Callaway, Ida Cason, Foundation Pine Mountain, Ga.	236,774	3,199,573	5,398,542	8,598,115	145	1951 through 1960
Campbell, John Bulow, Foundation 315 Trust Co. of Georgia Bldg., Atlanta 3, Ga.	46,396	7,270,187	10,282	7,280,469	162	1951 through 1960
Colonial Stores Foundation Post Office Box 4358, Atlanta 2, Ga.	505	67,441	817,862	885,303	439	1954 through 1960
Evans, Lettie Pate, Foundation, Inc. 205 Whitehead Bldg., Atlanta 3, Ga.		4,214,917	1,803,615	6,018,532	184	1951 through 1960
Reynolds, Z. Smith, Foundation, Inc. Sapelo Island, Ga. See North Carolina listing for data.						
Joseph B. Whitehead Foundation Whitehead Bldg., Atlanta 3, Ga.	374,181	4,280,897		4,280,897	233	1951 through 1960
Woodruff, Emily and Ernest, Foundation Care of Trust Co. of Georgia, Atlanta 2, Ga.	60,070	11,373,251	19,917	11,393,168	106	1951 through 1960
HAWAII						
Castle, Samuel N. and Nellie, Foundation Care of Hawaiian Trust Co., Ltd., Post Office Box 3170, Honolulu 2, Hawaii.	1,234	1,932,752	113,000	2,045,752	329	1951 through 1960
Wilcox, G. N., Trust Care of Bishop Trust Co., Ltd., Post Office Box 2390, Honolulu 4, Hawaii.	264,477	1,406,816	43	1,406,859	382	1951 through 1960
ILLINOIS						
Abbott Laboratories Fund 1400 Sheridan Rd., North Chicago, Ill.		13,881	449,577	463,458	482	1952 through 1960
The Allstate Foundation 7447 Skokie Blvd., Skokie, Ill.	549,111	995,295	4,080,666	5,075,961	204	1953 through 1960
Armsted Industries Foundation Prudential Plaza, Chicago 1, Ill.		68,008	826,400	894,408	438	1954 through 1960
Baumgarten, Joseph and Gertrude, Foundation In care of Katz, Wagner & Co., 105 West Adams St., Chicago 3, Ill.	787	339,891	1,176,882	1,516,773	375	1953 through 1960
Beidler, Francis, Charitable Trust 140 South Dearborn St., Chicago 3, Ill.	260	1,254,235		1,254,235	400	1951 through 1960
Bell & Howell Foundation 7100 McCormick Rd., Chicago 45, Ill.		11,474	249,431	260,905	500	1952 through 1960
Borg-Warner Foundation, Inc. 200 South Michigan Ave., Chicago 4, Ill.		155,291	2,780,935	2,936,226	285	1954 through 19 0
Burroughs Foundation Care of Northern Trust Co., 50 South LaSalle St., Chi- cago 90, Ill.		178,524	488,100	666,624	463	1952 through 1960
Caterpillar Foundation 600 West Washington St., East Peoria, Ill.		100,935	2,900,000	3,000,935	282	1953 through 1960
Concora Foundation 38 South Dearborn St., Chicago 3, Ill.		522,507	3,195,020	3,717,527	248	1953 through 1960
Cummings Foundation 135 South LaSalle St., room 1625, Chicago 3, Ill.	1,500	327,453	872,074	1,199,527	404	1951 through 1960
D & R Fund 77 West Washington St., 19th floor, Chicago 2, Ill.	86,389	822,280	1,249,401	2,071,681	326	1951 through 1960
Deere, John, Foundation 1323 3d Ave., Moline, Ill.	196	326,964	4,331,104	4,658,068	225	1951 through 1960
Dick, A. B., Foundation 5700 West Touhy Ave., Chicago 31, Ill.	110,000	167,189	658,800	825,989	447	1951 through 1960
Dickinson, Theodore G., Foundation Care of Frank Moyle, Marquette Cement Manufactur- ing Co., Oglesby, Ill.		52,971	240,607	293,578	497	1952 through 1960
Dillon Foundation Avenue B and Wallace St., Sterling, Ill.		99,926	664,274	764,200	452	1954 through 1960
Ehlico Foundation 200 South Michigan Ave., Chicago 4, Ill.	159	(32,471)	670,000	637,529	470	1952 through 1960

SCHEDULE 1.—Gross receipts: 522 foundations—Continued

[Source: Documents submitted to the Select Committee on Small Business]

Foundation	(1) Gross sales or receipts from business activities	(2) Gross profit from business activities	(3) Interest received	(4) Dividends received	(5) Rents and royalties received	(6) Total gain (or loss) from sale of assets
ILLINOIS—continued						
Ekco Foundation, Inc. 1949 North Cicero Ave., Chicago 39, Ill.			\$56,642	\$195,850	\$352,618	\$103,033
Field, Marshall & Co. Foundation 24 East Washington St., Chicago 2, Ill.			56,206	24,342		(547)
The Forest Fund 135 South La Salle St., room 3400, Chicago 3, Ill.			413	144,482		1,613
Gardner-Denver Foundation South Front St., Quincy, Ill.			41,744	204,557		24,632
Illinois Health Foundation, Inc. 6 North Michigan Ave., room 1315, Chicago 2, Ill.			188,254	931,005		255,360
Illinois Philanthropic and Educational Foundation Elsah, Ill.			133,887	468,958	7,125	183,746
Illinois Tool Works Foundation 2501 North Keeler Ave., Chicago 39, Ill.			23,945			
Ingersoll Foundation 707 Fulton Ave., Rockford, Ill.			40,291	67,139	3,518	26,368
Inland Steel-Ryerson Foundation, Inc. 30 West Monroe St., Chicago 3, Ill.			445,118	23,065		79,659
International Harvester Foundation 180 North Michigan Ave., Chicago 1, Ill.			510,836			11,118
Jewel T. Foundation 1955 West North Ave., Melrose Park, Ill.			67,118		100	(22,740)
W. K. Kellogg Foundation Trust. In care of Harris Trust & Savings Bank, 111 West Monroe St., Chicago 90, Ill. See Michigan listing for data.						
Kemper, James S., Foundation Mutual Insurance Bldg., Chicago 40, Ill.			325,764	285,331		267,798
Kettering, Charles F., Foundation 40 South Clay St., Hinsdale, Ill.			617,547	15,228,860	4,102	3,350,647
McGraw Foundation 1200 St. Charles Rd., Elgin, Ill.			157,213	467,019		515,977
Mayer, Oscar, Foundation 1241 North Sedgwick St., Chicago 10, Ill.			78,834	25,796	293,297	77,632
Meyer-Ceco Foundation 5601 West 26th St., Cicero 50, Ill.			98,510	299,249		5,158
The William H. Miner Foundation 667 the Rookery, Chicago 4, Ill.			934,607	7,144,300	1,755,592	5,573,848
The Morton Fund 110 North Wacker Dr., room 510, Chicago 6, Ill.			50,889	123,382	14,088	93,679
Morton, Mark, Foundation 110 North Wacker Dr., Chicago, Ill.			482,445	2,542,798		531,641
National Merit Scholarship Corp. 1580 Sherman Ave., Evanston, Ill.			916,514			
Olin Foundation, Inc. 333 North Michigan Ave., Chicago 1, Ill. (See New York City listing for data.)						
Olin Matheson Chemical Corp. Charitable Trust East Alton, Ill.			618,148	392,037		(304,645)
Pullman, George M., Educational Foundation 108 North Michigan Ave., Chicago 1, Ill.			570,549	2,012,250		1,180,952
Pullman, Inc., Foundation 200 South Michigan Ave., Chicago 4, Ill.			115,071	175,024		77,967
Pure Oil Foundation, Inc. 35 East Wacker Dr., Chicago 1, Ill.			59,124	6,311		(1,331)
Quaker Oats Foundation Merchandise Mart Plaza, Chicago 54, Ill.			157,241			125
Regenstein, Joseph and Helen, Foundation 330 East Grand Ave., Chicago 11, Ill.				987,324		
The Seabury Foundation Care of Northern Trust Co., 50 South LaSalle St. Chicago 90, Ill.			19,597	619,722		1,255,250
Sears-Roebuck Foundation 3333 Arthington St., Chicago 7, Ill.			135,309	6,230,367		1,875,183
Staley, A. E., Jr., Foundation Care of Citizens National Bank of Decatur, Decatur, Ill.				49,431		(270)
Standard Oil Foundation, Inc. 910 South Michigan Ave., Chicago 80, Ill.			10,365	5,551,397		1,013,606
Swift & Co. Foundation 4114 South Packers Ave., Chicago 9, Ill.			269,886			2,619
Wieboldt Foundation 1580 Sherman Ave., Evanston, Ill.			495,136	1,562,747	2,797,173	591,879
Wilkie Foundation 254 North Laurel Ave., Des Plaines, Ill.			85,899	210,597		153,095
Woods Charitable Fund, Inc. 59 East Van Buren St., Chicago 5, Ill.			127,299	2,738,179		120,779
INDIANA						
The EPH Foundation. 1601 Wall St., Fort Wayne, Ind. See Michigan listing for data.						
Honeywell Foundation, Inc. 119 West Canal St., Wabash, Ind.			577,620	595,266	208,117	633,086
Jordan, Arthur, Foundation 1204 North Delaware St., Indianapolis 2, Ind.			1,058,744	224,805	1,347,156	570,146
Lilly Endowment, Inc. 914 Merchants Bank Bldg., Indianapolis 4, Ind.			71,951	29,675,524		
KENTUCKY						
Bernheim, Isaac W., Foundation 517 Starks Bldg., Louisville, Ky.			572,545	629,003	2,792	
MAINE						
Bath Iron Works Charitable Trust 700 Washington St., Bath, Maine.			38,185	75		
Davenport, George P., Trust Fund Post Office Box 284, Bath, Maine.			162,528	189,959		561,677

SCHEDULE 1.—Gross receipts: 522 foundations—Continued

[Source: Documents submitted to the Select Committee on Small Business]

Foundation	(7) Other income	(8) Total gross income exclud- ing contribu- tions, gifts, grants, etc., received	(9) Total contribu- tions, gifts, grants, etc., received	(10) Total receipts including contribu- tions, gifts, grants, etc., received	(11) Income rank based on total receipts (column 10), contributions, gifts, grants, etc., received	(12) Period	
ILLINOIS—continued							
Ekco Foundation, Inc. 1949 North Cicero Ave., Chicago 39, Ill.		\$708,143	\$1,274,614	\$1,982,757	337	1951 through 1960	
Field, Marshall & Co. Foundation 25 East Washington St., Chicago 2, Ill.		80,001	716,722	796,723	450	1956 through 1960	
The Forest Fund 135 South La Salle St., room 3400, Chicago 3, Ill.		146,508	1,541,088	1,687,596	358	1956 through 1960	
Gardner-Denver Foundation South Front St., Quincy, Ill.	\$914	271,847	830,000	1,101,847	417	1952 through 1960	
Illinois Health Foundation, Inc. 6 North Michigan Ave., room 1315, Chicago 2, Ill.	7,590	1,382,209	514,547	1,896,756	345	1951 through 1960	
Illinois Philanthropic and Educational Foundation Elsah, Ill.	6,237	790,953	2,222,793	3,022,746	281	1961 through 1960	
Illinois Tool Works Foundation 2501 North Keeler Ave., Chicago 39, Ill.		23,945	400,000	423,945	485	1955 through 1960	
Ingersoll Foundation 707 Fulton Ave., Rockford, Ill.	15	137,331	1,495,112	1,632,443	363	1951 through 1960	
Inland Steel-Ryerson Foundation, Inc. 30 West Monroe St., Chicago 3, Ill.	862,337	1,410,179	8,779,685	10,189,864	120	1951 through 1960	
International Harvester Foundation 180 North Michigan Ave., Chicago 1, Ill.		521,954	10,000,000	10,521,954	115	1951 through 1960	
Jewel T Foundation 1955 West North Ave., Melrose Park, Ill.	13,000	57,478	932,309	989,787	426	1953 through 1960	
W. K. Kellogg Foundation Trust In care of Harris Trust & Savings Bank, 111 West Mon- roe St., Chicago 90, Ill. See Michigan listing for data.		878,893	1,376,309	2,255,202	314	1951 through 1960	
Kemper, James S., Foundation Mutual Insurance Bldg., Chicago 40, Ill.		19,207,065	1,407,771	20,614,836	62	1951 through 1960	
Kettinger, Charles F., Foundation 40 South Clay St., Hinsdale, Ill.	5,909	1,140,209	1,992,712	3,132,921	273	1951 through 1960	
McGraw Foundation 1200 St. Charles Rd., Elgin, Ill.		475,559	3,066,670	3,542,229	252	1951 through 1960	
Mayer, Oscar, Foundation 1241 North Sedgwick St., Chicago 10, Ill.		402,917	1,244,191	1,647,108	361	1951 through 1960	
Meyer-Ceco Foundation 5601 West 26th St., Cicero 50, Ill.		6,404	15,414,751	1,324,655	16,739,406	80	1951 through 1960
The William H. Miner Foundation 667 the Rookery, Chicago 4, Ill.	6,404	15,414,751	1,324,655	16,739,406	80	1951 through 1960	
The Morton Fund 110 North Wacker Dr., room 510, Chicago 6, Ill.		282,008	1,832,997	2,115,005	323	1951 through 1960	
Morton, Mark, Foundation 110 North Wacker Dr., Chicago, Ill.		3,526,884	4,363,579	7,890,463	151	1951 through 1960	
National Merit Scholarship Corp. 1580 Sherman Ave., Evanston, Ill.	12,406	928,920	19,479,241	20,408,161	63	1956 through 1960	
Olin Foundation, Inc. 333 North Michigan Ave., Chicago 1, Ill. (See New York City listing for data.)		47,447	752,987	8,862,643	9,615,630	130	1951 through 1960
Olin Mathieson Chemical Corp. Charitable Trust East Alton, Ill.	47,447	752,987	8,862,643	9,615,630	130	1951 through 1960	
Pullman, George M., Educational Foundation 168 North Michigan Ave., Chicago 1, Ill.	16,581	3,780,332		3,780,332	245	1951 through 1960	
Pullman, Inc., Foundation 200 South Michigan Ave., Chicago 4, Ill.		368,062	2,053,397	2,421,459	310	1953 through 1960	
Pure Oil Foundation, Inc. 35 East Wacker Dr., Chicago 1, Ill.	4,411	68,515	1,071,138	1,139,653	411	1953 through 1960	
Quaker Oats Foundation Merchandise Mart Plaza, Chicago 54, Ill.		157,366	1,750,000	1,907,366	343	1951 through 1960	
Regenstein, Joseph and Helen, Foundation 320 East Grand Ave., Chicago 11, Ill.		987,324	2,209,045	3,196,369	270	1951 through 1960	
The Seabury Foundation Care of Northern Trust Co., 50 South La Salle St., Chicago 90, Ill.	929	1,895,498	175,012	2,070,510	327	1951 through 1960	
Sears-Roebuck Foundation 3333 Arthington St., Chicago 7, Ill.	301,125	8,541,984	13,006,630	21,548,614	55	1951 through 1960	
Staley, A. E., Jr., Foundation Care of Citizens National Bank of Decatur, Decatur, Ill.	10,755	59,916	258,562	318,478	495	1956 through 1960	
Standard Oil Foundation, Inc. 910 South Michigan Ave., Chicago 80, Ill.	5,999	6,581,367	22,730,914	29,312,281	37	1952 through 1960	
Swift & Co. Foundation 4114 South Packers Ave., Chicago 9, Ill.		272,505	2,500,000	2,772,505	291	1953 through 1960	
Wieboldt Foundation 1580 Sherman Ave., Evanston, Ill.	37,985	5,484,920		5,484,920	193	1951 through 1960	
Wilkie Foundation 254 North Laurel Ave., Des Plaines, Ill.	1,132	450,723	1,622,066	2,072,789	325	1951 through 1960	
Woods Charitable Fund, Inc. 59 East Van Buren St., Chicago 5, Ill.	254	2,986,511	2,906,739	5,893,250	188	1951 through 1960	
INDIANA							
The EPH Foundation 1601 Wall St., Fort Wayne, Ind. See Michigan listing for data.		55,327	2,069,416	165,065	2,234,481	315	1953 through 1960
Honeywell Foundation, Inc. 119 West Canal St., Wabash, Ind.		3,912	3,204,763	3,204,763	269	1952 through 1960	
Jordan, Arthur, Foundation 1204 North Delaware St., Indianapolis 2, Ind.		1,147	29,748,622	3,723,434	33,472,056	29	1951 through 1960
Lilly Endowment, Inc. 914 Merchants Bank Bldg., Indianapolis 4, Ind.							
KENTUCKY							
Bernheim, Isaac W., Foundation 517 Starks Bldg., Louisville, Ky.	768	1,205,108		1,205,108	403	1955 through 1960	
MAINE							
Bath Iron Works Charitable Trust 700 Washington St., Bath, Maine.		\$8,260	476,573	514,833	479	1954 through 1960	
Davenport, George P., Trust Fund Post Office Box 284, Bath, Maine.		914,164		914,164	436	1957 through 1960	

SCHEDULE 1.—Gross receipts: 522 foundations—Continued

[Source: Documents submitted to the Select Committee on Small Business]

Foundation	(1) Gross sales or receipts from business activities	(2) Gross profit from business activities	(3) Interest received	(4) Dividends received	(5) Rents and royalties received	(6) Total gain (or loss) from sale of assets
MARYLAND						
Reynolds, Zachary Smith, Trust. Care of Mercantile Safe Deposit & Trust Co., 13 South St., Baltimore 2, Md. See North Carolina listing for data.						
Straus, Aaron and Lillie, Foundation, Inc. 1 South Howard St., Baltimore 1, Md.			\$344,628	\$1,243,702	\$1,041,392	\$102,726
MASSACHUSETTS						
Boston Foundation 400 Commonwealth Ave., Boston, Mass.			1,191,182	5,647	3,971,409	\$54,088
Hyams, Godfrey M., Trust 294 Washington St., room 1105, Boston 8, Mass.			1,161,875	6,555,835	1,370	3,802,176
Hyams, Sarah A., Fund, Inc. 294 Washington St., room 1105, Boston 8, Mass.			217,519	397,741		1,143,065
Spaulding-Potter Charitable Trusts. Spaulding, Huntley N., Charitable Trust. Spaulding, Harriet M., Charitable Trust. Care of Fiduciary Trust Co., 10 Post Office Square, Bos- ton 5, Mass. See New Hampshire listing for data.						
MICHIGAN						
American Box Board Co. Foundation Old Kent Bank & Trust Co., Grand Rapids 2, Mich.			5,562		398,946	
Besser Foundation Care of Besser Co., Alpena, Mich.			52,983	82,082	235,390	(4,501)
Breech, Ernest & Thelma, Foundation The American Rd., Dearborn, Mich.			5,484	43,269		25,966
Burroughs Foundation, 6071 2d Ave., Detroit 32, Mich. See Illinois listing for data.						
Chrysler Fund 341 Massachusetts Ave., Detroit 31, Mich.			529,620			975
The Cranbrook Foundation Lone Pine Rd., Bloomfield Hills, Mich.	\$546,138	\$21,546	259,907	3,992,352	243,726	(6,485)
Cunningham Drug Co. Foundation 1927 12th St., Detroit 16, Mich.			43,795	56,395		11,441
Detroit Steel Corp. Charitable Trust Care of National Bank of Detroit, 660 Woodward Ave., Detroit 26, Mich.			11,189	7,327		41,536
Dow, Herbert H. and Grace A., Foundation 315 Post St., Midland, Mich.				5,401,773		520
The EPH Foundation 6233 Concord Ave., Detroit, Mich.			323,297	119,842		681,627
Earhart Foundation 902 First National Bldg., Ann Arbor, Mich.			33,955	1,611,355		
Federal-Mogul-Bower Bearings, Inc., Charitable Trust Fund Care of National Bank of Detroit, Detroit 32, Mich.			33,441			(427)
Ferry, D. M., Jr., Trustee Corp. 2124 Guardian Bldg., Detroit 26, Mich.			297,895	1,042,737		780,738
Fink, George R. and Elise M., Foundation 3945 Penobscot Bldg., Detroit 26, Mich.			4,022	150,349		13,297
Ford Motor Co. Fund The American Rd., Dearborn, Mich.			3,135,762	36,450	1,320	138,595
Ford, Benson and Edith, Fund 1400 Buhl Bldg., Detroit 26, Mich.			95,860	249,002	136	688,042
Ford, Eleanor Clay, Fund 1400 Buhl Bldg., Detroit, Mich.			130,125	720,968	136	2,814,161
Ford, Henry and Anne, Fund 1400 Buhl Bldg., Detroit 26, Mich.			13,622	149,169	136	26,045
Ford, Walter and Josephine, Fund 1400 Buhl Bldg., Detroit 26, Mich.			72,133	182,521		474,633
Ford, William and Martha, Fund 1400 Buhl Bldg., Detroit 26, Mich.			23,720	75,500		60,621
Fruehauf, Roy, Foundation, Inc. 10940 Harper Ave., Detroit 32, Mich.			46,072	319,231	548	836,438
Gerber Baby Foods Fund 405 State St., Fremont, Mich.			15,077	354,762		91
Gordon, Josephine E., Foundation 154 Taylor Ave., Detroit 2, Mich.				695,090		
Herrick Foundation 3456 Penobscot Bldg., Detroit 26, Mich.			1,947	3,338,600		
Hudson-Webber Foundation 1206 Woodward Ave., Detroit 26, Mich.			147,534	1,040,693		751,441
Joy, Helen Newberry, Fund 2506 Penobscot Bldg., Detroit 26, Mich.			10,994	546,529		105,973
The Kanzler Fund 1700 United Artists Bldg., Detroit 26, Mich.				144,506		125,545
Kellogg, W. K., Foundation 250 Champion St., Battle Creek, Mich.			6,217,164	7,938,183	536,293	9,391,944
W. K. Kellogg Foundation Trust 250 Champion St., Battle Creek, Mich.			328	41,676,033		
The Kresge Foundation 2727 2d Ave., Detroit 32, Mich.			3,286,386	35,24,566	8,943,917	2,682,692
McCarthy, Jerry, Foundation 6250 Woodward Ave., Detroit 2, Mich.	90,657	51,718	325,456	208,438	444,204	226,342
McGregor Fund 2486 National Bank Bldg., Detroit 26, Mich.			1,973,748	3,607,652	70	3,289,218
Mott, Charles Stewart, Foundation 1401 East Court St., Flint 2, Mich.		949,083	245,800	14,429,972	1,215,720	941,785
Mueller Brass Foundation 1925 Lapeer Ave., Port Huron, Mich.			43,821	30,368		12,739
National Foundation of Rochester, Mich. Care of National Twist Drill & Tool Co., Administration Bldg., Rochester, Mich.			53,068	2,001		318

SCHEDULE 1.—Gross receipts: 522 foundations—Continued

[Source: Documents submitted to the Select Committee on Small Business]

Foundation	(7) Other income	(8) Total gross income excluding contributions, gifts, grants, etc., received	(9) Total contributions, gifts, grants, etc., received	(10) Total receipts including contributions, gifts, grants, etc., received	(11) Income rank based on total receipts (column 10), contributions, gifts, grants, etc., received	(12) Period
MARYLAND						
Reynolds, Zachary Smith, Trust. Care of Mercantile Safe Deposit & Trust Co., 13 South St., Baltimore 2, Md. See North Carolina listing for data.						
Straus, Aaron and Lillie, Foundation, Inc. 1 South Howard St., Baltimore 1, Md.	\$8,628	\$2,741,076	\$4,974,296	\$7,715,372	155	1951 through 1960
MASSACHUSETTS						
Boston Foundation 400 Commonwealth Ave., Boston, Mass.	\$3,987	6,106,313		6,106,313	183	1951 through 1960
Hyams, Godfrey M., Trust 294 Washington St., room 1105, Boston 8, Mass.	507,579	12,028,835		12,028,835	97	1951 through 1960
Hyams, Sarah A., Fund, Inc. 294 Washington St., room 1105, Boston 8, Mass.	58,866	1,817,191		1,817,191	352	1951 through 1960
Spaulding-Potter Charitable Trusts. Spaulding, Huntley N., Charitable Trust. Spaulding, Harriet M., Charitable Trust. Care of Fiduciary Trust Co., 10 Post Office Square, Boston 5, Mass. See New Hampshire listing for data.						
MICHIGAN						
American Box Board Co. Foundation Old Kent Bank & Trust Co., Grand Rapids 2, Mich.		404,508	512,500	917,008	434	1952 through 1960
Besser Foundation Care of Besser Co., Alpena, Mich.	3,081,657	3,447,611	200,200	3,647,811	251	1951 through 1960
Breech, Ernest & Thelma Foundation The American Rd., Dearborn, Mich.		74,719	585,903	660,622	464	1951 through 1960
Burroughs Foundation. 6071 2d Ave., Detroit 32, Mich. See Illinois listing for data.						
Chrysler Fund. 341 Massachusetts Ave., Detroit 31, Mich.		530,595	9,750,000	10,280,595	119	1953 through 1960
The Cranbrook Foundation. Lone Pine Rd., Bloomfield Hills, Mich.	496,355	5,007,491		5,007,491	207	1951 through 1960
Cunningham Drug Co., Foundation 1927 12th St., Detroit 16, Mich.		111,631	757,322	868,953	442	1952 through 1960
Detroit Steel Corp., Charitable Trust. Care of National Bank of Detroit, 660 Woodward Ave., Detroit 26, Mich.		150,052	459,014	609,066	471	1954 through 1960
Dow, Herbert H. and Grace A., Foundation 315 Post St., Midland, Mich.	627,956	6,030,249	5,619,113	11,649,362	102	1951 through 1960
The EPH Foundation 6233 Concord Ave., Detroit, Mich.		1,124,766	3,822,060	4,946,826	211	1952 through 1960
Earhart Foundation 902 First National Bldg., Ann Arbor, Mich.	950	1,646,260	201,926	1,848,186	350	1951 through 1960
Federal-Mogul-Bower Bearings, Inc., Charitable Trust Fund. Care of National Bank of Detroit, Detroit 32, Mich.	642,074	675,088		675,088	462	1953 through 1960
Ferry, D. M., Jr., Trustee Corp. 2124 Guardian Bldg., Detroit 26, Mich.		2,121,370	425,000	2,546,370	305	1951 through 1960
Fink, George R. and Elise M., Foundation 3945 Penobscot Bldg., Detroit 26, Mich.	78	167,746	659,942	827,688	446	1955 through 1960
Ford Motor Co. Fund. The American Rd., Dearborn, Mich.	5,336	3,317,463	49,325,431	52,642,894	16	1951 through 1960
Ford, Benson and Edith, Fund. 1400 Buhl Bldg., Detroit 26, Mich.	1,077,541	2,110,581	1,428,651	3,539,232	253	1951 through 1960
Ford, Eleanor Clay, Fund. 1400 Buhl Bldg., Detroit, Mich.	1,511,068	5,176,458	255,118	5,431,576	194	1951 through 1960
Ford, Henry and Anne, Fund. 1400 Buhl Bldg., Detroit 26, Mich.	1,429,383	1,615,355	781,777	2,400,132	311	1953 through 1960
Ford, Walter and Josephine, Fund. 1400 Buhl Bldg., Detroit 26, Mich.	152,122	881,409	1,212,912	2,094,321	324	1951 through 1960
Ford, William and Martha, Fund. 1400 Buhl Bldg., Detroit 26, Mich.	121,655	281,496	619,668	901,164	437	1953 through 1960
Fruehauf, Roy, Foundation, Inc. 10940 Harper Ave., Detroit 32, Mich.	2,118	1,204,407	379,930	1,584,337	366	1951 through 1960
Gerber Baby Foods Fund. 405 State St., Fremont, Mich.	9,744	379,664	966,200	1,345,864	391	1953 through 1960
Gordon, Josephine E., Foundation 154 Taylor Ave., Detroit 2, Mich.		695,090		695,090	459	1951 through 1960
Herrick Foundation 3456 Penobscot Bldg., Detroit 26, Mich.		3,340,547	13,410,350	16,750,897	79	1951 through 1960
Hudson-Webber Foundation 1206 Woodward Ave., Detroit 26, Mich.	44,442	1,984,110	1,324,448	3,308,558	264	1951 through 1960
Joy, Helen Newberry, Fund. 2056 Penobscot Bldg., Detroit 26, Mich.		663,496	734,476	1,397,972	385	1951 through 1960
The Kanzler Fund 1700 United Artists Bldg., Detroit 26, Mich.	233,000	503,051	283,179	786,230	451	1951 through 1960
Kellogg, W. K., Foundation 250 Chamption St., Battle Creek, Mich.	36,532,236	60,615,820	22,096,399	82,712,219	9	1951 through 1960
W. K. Kellogg Foundation Trust. 250 Chamption St., Battle Creek, Mich.	250,300	41,926,661	7,502,947	49,429,608	18	1951 through 1960
The Kresge Foundation 2727 2d Ave., Detroit 32, Mich.	68	49,937,629	110,048	50,047,677	17	1951 through 1960
McCarthy, Jerry, Foundation 6250 Woodward Ave., Detroit 2, Mich.	3,287,858	4,544,016		4,544,016	230	1951 through 1960
McGregor Fund. 2486 National Bank Bldg., Detroit 26, Mich.	227,240	9,097,928	2,667,881	11,765,809	100	1951 through 1960
Mott, Charles Stewart, Foundation 1401 East Court St., Flint 2, Mich.	29,115	17,811,475	14,468,789	32,280,264	33	1951 through 1960
Mueller Brass Foundation 1925 Lapeer Ave., Port Huron, Mich.	351	87,269	395,100	482,369	480	1954 through 1960
National Foundation of Rochester, Mich. Care of National Twist Drill & Tool Co., Administration Bldg., Rochester, Mich.	1	55,388	119,000	174,388	506	1951 through 1960

SCHEDULE 1.—Gross receipts: 522 foundations—Continued

[Source: Documents submitted to the Select Committee on Small Business]

Foundation	(1) Gross sales or receipts from business activities	(2) Gross profit from business activities	(3) Interest received	(4) Dividends received	(5) Rents and royalties received	(6) Total gain (or loss) from sale of assets
MICHIGAN—continued						
Pardee, Elsa U., Foundation 923 West Park Dr., Midland, Mich.			\$7,132	\$1,289,654		\$53,469
Reim Foundation 902 First National Bldg., Ann Arbor, Mich.			301,435	972,235		270,039
Sackner, Wade E. and Viola, Foundation Care of Warner-Norcross & Judd, 300 Michigan Trust Bldg., Grand Rapids 2, Mich.	\$16,714	\$11,773	82,754	482,511	\$145,736	809
Upjohn, W. E., Unemployment Trustee Corp. 301 Henrietta St., Kalamazoo, Mich.		98,274	397,408	1,079,055	44,741	5,540,618
Webber, Eloise and Richard, Foundation 1206 Woodward Ave., 11th floor, Detroit 26, Mich.			15,349	2,256,686		29,898
Whirlpool Foundation St. Joseph, Mich.			61,224	131,373		22,301
The Whiting Foundation 906 Citizens Bank Bldg., Flint 2, Mich.			25,595	164,497	26,875	5,424
MINNESOTA						
Hill, Louis W. and Maud, Family Foundation West 500 First National Bank Bldg., St. Paul 1, Minn.			1,408,498	6,243,585	350,710	1,128,478
Hormel Foundation Austin, Minn.			22,454	1,047,504	76,875	2,204
Ordean, Albert and Louise, Charity 312 West Superior St., Duluth 2, Minn.			1,089,537	900,542	71,106	1,050,700
Tozer Foundation Care of First Trust Co. of St. Paul, St. Paul 1, Minn.			298,617	819,537	103,155	609
Walker, T. B., Foundation, Inc. 1121 Hennepin Ave., Minneapolis 3, Minn.			984,168	1,708,294	201,191	4,378,396
Weyerhaeuser Foundation, Inc. W-2191, First National Bank Bldg., St. Paul 1, Minn.			58,520	129,362		(23,312)
Wildor, Amherst H., Foundation 355 Washington St., St. Paul 2, Minn.		832,179	494,276	5,811,255		14,897
MISSOURI						
Anheuser-Busch Charitable Trust Care of St. Louis Union Trust Co., 510 Locust St., St. Louis 1, Mo.			393,635	304,717		81,683
Blewett, Parsons, Memorial Fund 911 Locust St., St. Louis 1, Mo.			256,294	1,022,882		320,644
Brown Shoe Co., Charitable Trust Care of St. Louis Union Trust Co., 510 Locust St., St. Louis 1, Mo.			167,864	17,010		(5,037)
Danforth Foundation 835 South 8th St., St. Louis 2, Mo.			2,209,731	17,102,098	281,027	10,185,718
Falstaff Foundation 3030 Oakland Ave., St. Louis 10, Mo.			26,970		332,250	8,793
Gaylord, Clifford Willard, Foundation 111 North 4th St., St. Louis 2, Mo.				1,500,782		
Hallmark Educational Foundation 25th and McGee Trafficway, Kansas City 8, Mo.			305,629	436,945		31,735
Loose, Carrie J., Fund 1002 Insurance Exchange Bldg., Kansas City 5, Mo.			774,899	393,225		(4,461)
Loose, Ella C., Fund 1002 Insurance Exchange Bldg., Kansas City 5, Mo.			228,377	1,178,386		283,488
Loose, Jacob L., Million Dollar Charity Fund Trust 1002 Insurance Exchange Bldg., Kansas City 5, Mo.			214,965	117,977		798
May Stores Foundation, Inc. 601 Olive St., St. Louis 1, Mo.			112,267	551,967		204,557
McDonnell Aircraft Corp., Foundation Care of St. Louis Union Trust Co., 510 Locust St., St. Louis 1, Mo.			260,527	158,417		125,375
McDonnell Foundation, Inc. Post Office Box 516, St. Louis 3, Mo.			10,502	648,614		108,175
Monsanto Charitable Trust Care of Monsanto Chemical Co., 800 North Lindbergh Blvd., St. Louis 66, Mo.			224,432	35,122		(9,514)
William Rockhill Nelson Trust 1114 Bryant Bldg., Kansas City, Mo.			2,480,348	7,287	2,738,101	489,556
Olin, John M., Trust Care of St. Louis Union Trust Co., 510 Locust St., St. Louis 1, Mo.			30,052	252,420		789,400
Olin, Spencer T., Trust Care of St. Louis Union Trust Co., 510 Locust St., St. Louis 1, Mo.			28,700	181,668		705,304
Ralston Purina Charitable Fund Care of St. Louis Union Trust Co., 510 Locust St., St. Louis 1, Mo.			157,681	117,630		2,840
Speas, John W. and Effie, Memorial Fund Trust Care of First National Bank of Kansas City, Mo., 14 West 10th St., Kansas City 6, Mo.			149,999	9,180		(5,551)
Speas, Victor E., Foundation Trust Care of First National Bank of Kansas City, Mo., 14 West 10th St., Kansas City 6, Mo.			34,640	53,658		(1,239)
Swinney, Edward F., Fund 1002 Insurance Exchange Bldg., Kansas City 5, Mo.			260,924	568,361		176,281
Wohl Foundation 1601 Washington Ave., St. Louis 3, Mo.			74,583	947,740		1,658,193
NEBRASKA						
Cooper Foundation 325 Stuart Bldg., Lincoln 8, Nebr.			93,523	484,123	4,643,949	12,025
Eppley, Eugene C., Foundation, Inc. 2635 West 2d St., Hastings, Nebr.			4,536,247	56,607		143,617
J. M. McDonald Foundation, Inc. 2635 West 2d St., Post Office Box 722, Hastings, Nebr.			3,816	1,026,519		274,813

SCHEDULE 1.—Gross receipts 522 foundations—Continued

[Source: Documents submitted to the Select Committee on Small Business]

Foundation	(7) Other income	(8) Total gross income exclud- ing contribu- tions, gifts, grants, etc., received	(9) Total contribu- tions, gifts, grants, etc., received	(10) Total receipts including contribu- tions, gifts, grants, etc., received	(11) Income rank based on total receipts (column 10) contributions, gifts, grants, etc., received	(12) Period
MICHIGAN—continued						
Pardee, Elsa U., Foundation 923 West Park Dr., Midland, Mich.	\$18,492	\$1,368,747		\$1,368,747	386	1951 through 1960
Relm Foundation 902 First National Bldg., Ann Arbor, Mich.		1,543,709	\$5,895,016	7,438,725	159	1951 through 1960
Sackner, Wade E. and Viola, Foundation Care of Warner-Norcross & Judd, 300 Michigan Trust Bldg., Grand Rapids 2, Mich.	275	723,858	1,465,269	189,127	317	1953 through 1960
Upjohn, W. E., Unemployment Trustee Corp. 301 Henrietta St., Kalamazoo, Mich.	85,503	7,245,599		7,245,599	163	1951 through 1960
Webber, Eloise and Richard, Foundation 1206 Woodward Ave., 11th floor, Detroit 26, Mich.	483,530	2,785,463	63,701	2,849,164	288	1951 through 1960
Whirlpool Foundation St. Joseph, Mich.	336,953	551,851	2,709,251	3,261,102	265	1953 through 1960
The Whiting Foundation 906 Citizens Bank Bldg., Flint 2, Mich.	4,906	227,297	1,500,852	1,728,149	355	1952 through 1960
MINNESOTA						
Hill, Louis W. and Maud, Family Foundation West 500 First National Bank Bldg., St. Paul 1, Minn.	642,679	9,773,950	11,227,429	21,001,379	58	1952 through 1960
Hornel Foundation Austin, Minn.	779,020	1,928,057	1,123,007	3,051,064	277	1951 through 1960
Ordean, Albert and Louise, Charity 312 West Superior St., Duluth 2, Minn.	13,296	3,125,181	113,906	3,239,087	267	1951 through 1960
Tozer Foundation Care of First Trust Co. of St. Paul, St. Paul 1, Minn.	21,198	1,243,116		1,243,116	401	1951 through 1960
Walker, T. B., Foundation, Inc. 1121 Hennepin Ave., Minneapolis 3, Minn.	286,449	7,658,498	72,017	7,730,515	154	1951 through 1960
Weyerhaeuser Foundation, Inc. W-2191, First National Bank Bldg., St. Paul 1, Minn.	201	164,771	1,677,828	1,842,599	351	1951 through 1960
Wilder, Amherst H., Foundation 355 Washington St., St. Paul 2, Minn.	8,258	7,160,865		7,160,865	166	1951 through 1960
MISSOURI						
Anheuser-Busch Charitable Trust Care of St. Louis Union Trust Co., 510 Locust St., St. Louis 1, Mo.	2,523	782,558	4,216,529	4,999,087	208	1953 through 1960
Blewett, Parsons, Memorial Fund 911 Locust St., St. Louis 1, Mo.	3	1,599,823	491	1,600,314	365	1951 through 1961
Brown Shoe Co., Charitable Trust Care of St. Louis Union Trust Co., 510 Locust St., St. Louis 1, Mo.	18,902	198,739	1,675,000	1,873,739	349	1953 through 1960
Danforth Foundation 835 South Eighth St., St. Louis 2, Mo.	182,496	29,961,070	8,327,086	38,288,156	27	1951 through 1960
Falstaff Foundation 5050 Oakland Ave., St. Louis 10, Mo.		368,013	1,166,455	1,534,468	373	1954 through 1960
Gaylord, Clifford Willard, Foundation 111 North Fourth St., St. Louis 2, Mo.	23,070	1,523,852	2,208,736	3,732,588	246	1951 through 1960
Hallmark Educational Foundation 25th and McGee Trafficway, Kansas City 8, Mo.		774,309	4,490,200	5,264,509	199	1951 through 1960
Loose, Carrie J., Fund 1002 Insurance Exchange Bldg., Kansas City 5, Mo.	164,994	1,328,657		1,328,657	393	1951 through 1960
Loose, Ella C., Fund 1002 Insurance Exchange Bldg., Kansas City 5, Mo.	830	1,691,081	3,265	1,694,346	357	1951 through 1960
Loose, Jacob L., Million Dollar Charity Fund Trust 1002 Insurance Exchange Bldg., Kansas City 5, Mo.		333,740		333,740	492	1951 through 1960
May Stores Foundation, Inc. 601 Olive St., St. Louis 1, Mo.		868,791	1,827,366	2,696,157	297	1951 through 1960
McDonnell Aircraft Corp., Foundation Care of St. Louis Union Trust Co., 510 Locust St., St. Louis 1, Mo.	42,070	586,389	2,868,000	3,454,389	256	1951 through 1960
McDonnell Foundation, Inc. Post Office Box 516, St. Louis 3, Mo.		767,291	760,675	1,527,966	374	1951 through 1960
Monsanto Charitable Trust Care of Monsanto Chemical Co., 800 North Lindbergh Blvd., St. Louis 66, Mo.	28,638	278,678	4,364,865	4,643,543	228	1951 through 1960
William Rockhill Nelson Trust 1114 Bryant Bldg., Kansas City, Mo.	173,369	5,888,661	46,736	5,935,397	186	1951 through 1960
Olin, John M., Trust Care of St. Louis Union Trust Co., 510 Locust St., St. Louis 1, Mo.		1,071,872	113,339	1,185,211	406	1951 through 1960
Olin, Spencer T., Trust Care of St. Louis Union Trust Co., 510 Locust St., St. Louis 1, Mo.		915,672	66,878	982,550	427	1951 through 1960
Ralston Purina Charitable Fund Care of St. Louis Union Trust Co., 510 Locust St., St. Louis 1, Mo.	36,217	314,368	1,801,800	2,116,168	322	1953 through 1960
Speas, John W. and Effie, Memorial Fund Trust Care of First National Bank of Kansas City, Mo., 14 West 10th St., Kansas City 6, Mo.	2,533	156,161	575,055	731,216	455	1951 through 1960
Speas, Victor E., Foundation Trust Care of First National Bank of Kansas City, Mo., 14 West 10th St., Kansas City 6, Mo.	269	87,328	235,500	322,828	494	1952 through 1960
Swinney, Edward F., Fund 1002 Insurance Exchange Bldg., Kansas City 5, Mo.		1,005,566		1,005,566	422	1951 through 1960
Wohl Foundation 1601 Washington Ave., St. Louis 3, Mo.		2,680,516		2,680,516	298	1951 through 1960
NEBRASKA						
Cooper Foundation 325 Stuart Bldg., Lincoln 8, Nebr.	41,604	5,275,224		5,275,224	197	1952 through 1960
Eppley, Eugene C., Foundation, Inc. 2635 West 2d St., Hastings, Nebr.	7,583	4,744,054	5,601,456	10,345,510	117	1951 through 1960
J. M. McDonald Foundation, Inc. 2635 West 2d St., Post Office Box 722, Hastings, Nebr.	302,300	1,607,538	4,074,833	5,682,731	190	1952 through 1960

SCHEDULE 1.—Gross receipts: 522 foundations—Continued

[Source: Documents submitted to the Select Committee on Small Business]

Foundation	(1) Gross sales or receipts from business activities	(2) Gross profit from business activities	(3) Interest received	(4) Dividends received	(5) Rents and royalties received	(6) Total gain (or loss) from sale of assets
NEBRASKA—continued						
Swanson, Carl and Caroline, Foundation, Inc. 1201 Douglas St., Omaha 8, Nebr.			\$139,655	\$156,917	\$184,244	\$392,838
Woods Charitable Fund, Inc. Telephone Bldg., Lincoln 1, Nebr. See Illinois listing for data.						
NEVADA						
Fleischmann, Max C., Foundation of Nevada 15 East 1st St., Reno, Nev.			3,415,969	7,583,292		806,754
NEW HAMPSHIRE						
Spaulding, Potter, Charitable Trusts 95 North Main St., Concord, N.H.			59,068	399,844		
Spaulding, Huntley N., Charitable Trust Concord, N.H., and Boston, Mass.			55,475	457,933		(2,422)
Spaulding, Harriet M., Charitable Trust Concord, N.H., and Boston, Mass.			76,115	351,500	100	547
NEW JERSEY						
Borden, Mary Owen, Memorial Foundation Rumson, N.J.			177,535	757,656		762,954
Fuld, Helene, Health Foundation 93 Fuld St., Trenton, N.J.			50,408	2,586,120		3,810,056
Ladd, Kate Macy, Fund 744 Broad St., room 901, Newark 2, N.J.	\$38,128	(\$30,745)	2,515,949	3,954,922	200	16,273
Ripple, Fannie E., Foundation 744 Broad St., Newark 2, N.J.			1,579,755	2,939,905	17,073	1,468,307
Turrell Fund 100 North Arlington Ave., East Orange, N.J.			1,049,775	3,855,556	582	3,771,854
Victoria Foundation, Inc. 253 Ridgewood Ave., Glen Ridge, N.J.			114,802	2,200,898		(390)
NEW YORK CITY						
Allen, Vivian B., Foundation, Inc. 650 Madison Ave., New York 21, N.Y.			3,119	1,284,030		17,085
Altman Foundation 361 5th Ave., New York 16, N.Y.			192,985	3,464,420	958	164,737
American International Association for Economic & Social Development 30 Rockefeller Plaza, New York 20, N.Y.			149,617			22,334
Astor, Vincent, Foundation 405 Park Ave., New York 22, N.Y.	70,222	32,868	269,451	1,668,020	571,241	(1,086,928)
Avalon Foundation 713 Park Ave., New York 21, N.Y.			2,814,379	11,210,758	38,853	1,854,395
Baird, David, Josephine, and Winfield, Foundation, Inc. 65 Broadway, New York 6, N.Y.			1,012,595	761,411	150,159	1,124,582
Baird, Winfield, Foundation 65 Broadway, New York 6, N.Y.			2,995,189	2,179,029	281,178	15,659,092
Baker, George F., Trust 2 Wall St., New York 5, N.Y.			1,509,490	3,534,097		842
Bay, Charles, Ulrich, and Josephine, Foundation, Inc. 1 Wall St., New York 5, N.Y.			71,595	2,245,385		711,090
Benenson, Robert and Nettie, Foundation 11 West 42d St., New York 36, N.Y.						
The Bodman Foundation In care of Morris & McVeigh, 60 Wall St., New York 5, N.Y.			632,016	1,247,670		556,450
Bollingen Foundation, Inc. 140 East 52d St., New York 21, N.Y.			316,359	665,073	33,236	488,827
Booth Ferris Foundation 149 Broadway, New York 6, N.Y.			206,204	1,159,682		4,252,259
Borden Co. Foundation, Inc. 350 Madison Ave., New York 17, N.Y.			163,188			(691)
Brez Foundation 488 Madison Ave., New York 22, N.Y.			225,561	464,869		300,848
Bronfman, Samuel, Foundation, Inc. 375 Park Ave., New York 22, N.Y.			23,207	550,413		496,176
The Brookdale Foundation 30 East 40th St., 12th floor, New York 16, N.Y.			31,622	148,026	1,950,514	122,618
Calder, Louis, Foundation 589 5th Ave., New York 17, N.Y.			1,102,857	2,012,794	368,708	2,266,317
Carnegie Corp. of New York 589 5th Ave., New York 17, N.Y.			35,897,188	50,508,811		40,977,887
Carnegie Endowment for International Peace United Nations Plaza and 49th St., New York 17, N.Y.	23,715			6,209,710	3,167,446	3,867,597
Carnegie Foundation for the Advancement of Teaching 589 5th Ave., New York 17, N.Y.			2,055,145	3,653,722		4,862,986
The Chase Manhattan Bank Foundation 1 Chase Manhattan Plaza, New York 15, N.Y.			18,913			(14,127)
Cheatham, Owen, Foundation 375 Park Ave., New York 22, N.Y.			2,799	12,780		40,888
China Medical Board of New York, Inc. 30 East 60th St., New York 22, N.Y.			4,776,771	7,891,880		3,550,040
Clark Foundation 149 Broadway, New York 6, N.Y.			1,203,887	2,412,186	12,221	1,466,812
Commonwealth Fund 1 East 75th St., New York 21, N.Y.			11,275,669	27,958,296		8,946,450
Council on Economic & Cultural Affairs, Inc. 659 5th Ave., New York 20, N.Y.			153,474	318,930		226,656
Dodge, Cleveland H., Foundation, Inc. 300 Park Ave., New York 22, N.Y.			397,270	3,903,328		684,084
The Duke Endowment 30 Rockefeller Plaza, New York 20, N.Y.			7,620,623	79,950,413		(12,277)

SCHEDULE 1.—Gross receipts: 522 foundations—Continued

[Source: Documents submitted to the Select Committee on Small Business]

Foundation	(7) Other income	(8) Total gross income exclud- ing contribu- tions, gifts, grants, etc., received	(9) Total contribu- tions, gifts, grants, etc., received	(10) Total receipts including contri- butions, gifts, grants, etc., received	(11) Income rank based on total receipts (column 10) contributions, gifts, grants, etc., received	(12) Period
NEBRASKA—continued						
Swanson, Carland Caroline, Foundation, Inc. 1201 Douglas St., Omaha 8, Nebr. Woods Charitable Fund, Inc. Telephone Bldg, Lincoln 1, Nebr. See Illinois listing for data.		\$873,654	\$1,768,829	\$2,642,483	299	1953 through 1960
NEVADA						
Fleischmann, Max C., Foundation of Nevada 15 East 1st St., Reno, Nev.	\$5,617,927	17,423,942	9,820,999	27,244,941	40	1951 through 1960
NEW HAMPSHIRE						
Spaulding, Potter, Charitable Trusts 95 North Main St., Concord, N.H.	101,676	560,588		560,588	477	1958 through 1960
Spaulding, Huntley N., Charitable Trust Concord, N.H., and Boston, Mass.	335,345	846,331	1,105,254	1,951,585	339	1956 through 1960
Spaulding, Harriet M., Charitable Trust Concord, N.H., and Boston, Mass.	188,828	617,090	30,979	648,069	468	1955 through 1960
NEW JERSEY						
Borden, Mary Owen, Memorial Foundation Rumson, N.J.	218,574	1,916,719	10,000	1,926,719	341	1951 through 1960
Fuld, Helene, Health Foundation 93 Fuld St., Trenton, N.J.	7,822	6,454,406	4,384,831	10,839,237	112	1951 through 1960
Ladd, Kate Macy, Fund 744 Broad St., room 901, Newark 2, N.J.	6,208	6,462,807	22,652	6,485,459	175	1951 through 1960
Ripple, Fannie E., Foundation 744 Broad St., Newark 2, N.J.	75	6,005,115	20,077,963	26,083,078	41	1954 through 1960
Turrell Fund 100 North Arlington Ave., East Orange, N.J.	14,088	8,691,855		8,691,855	144	1951 through 1960
Victoria Foundation, Inc. 253 Ridgewood Ave., Glen Ridge, N.J.	293	2,315,603	9,698,120	12,013,723	98	1951 through 1960
NEW YORK CITY						
Allen, Vivian B., Foundation, Inc. 680 Madison Ave., New York 21, N.Y.		1,304,234	334,188	1,638,422	362	1951 through 1960
Altman Foundation 361 5th Ave., New York 16, N.Y.		3,823,100		3,823,100	243	1951 through 1960
American International Association for Economic & Social Development 30 Rockefeller Plaza, New York 20, N.Y.	15,347	187,298	6,988,284	7,175,582	165	1951 through 1960
Astor, Vincent, Foundation 405 Park Ave., New York 22, N.Y.	3,450,270	4,904,922	38,106,808	43,011,730	23	1951 through 1960
Avalon Foundation 713 Park Ave., New York 21, N.Y.	481,259	16,399,644	30,364,308	46,763,952	21	1951 through 1960
Baird, David, Josephine, and Winfield, Foundation, Inc. 65 Broadway, New York 6, N.Y.	6,193	3,054,940	6,973,301	10,028,241	124	1951 through 1960
Baird, Winfield, Foundation 65 Broadway, New York 6, N.Y.	312,837	21,427,325	4,100,346	25,527,671	43	1951 through 1960
Baker, George F., Trust 2 Wall St., New York 5, N.Y.	2,095	5,046,524		5,046,524	206	1951 through 1960
Bay, Charles, Ulrick, and Josephine, Foundation, Inc. 1 Wall St., New York 5, N.Y.		3,028,070	7,725,799	10,753,869	113	1951 through 1960
Benenson, Robert and Nettie, Foundation 11 West 42d St., New York 36, N.Y.			120,250	120,250	511	1956 through 1960
The Bodman Foundation In care of Morris & McVeigh, 60 Wall St., New York 5, N.Y.	1,255,646	3,691,782	7,588,199	11,279,981	108	1951 through 1960
Bollings Foundation, Inc. 140 East 52d St., New York 21, N.Y.	920,132	2,423,627	9,878,529	12,302,156	95	1951 through 1960
Booth Ferris Foundation 149 Broadway, New York 6, N.Y.	125,493	5,743,638	5,212,500	10,956,138	111	1957 through 1960
Borden Co. Foundation, Inc. 350 Madison Ave., New York 17, N.Y.	400	162,897	764,000	926,897	433	1951 through 1960
Brez Foundation 488 Madison Ave., New York 22, N.Y.		991,278		991,278	425	1951 through 1960
Bronfman, Samuel, Foundation, Inc. 375 Park Ave., New York 22, N.Y.	5	1,069,801	1,000,000	2,069,801	328	1951 through 1960
The Brookdale Foundation 30 East 40th St., 12th floor, New York 16, N.Y.	29,887	2,282,667	2,328,400	4,611,067	229	1951 through 1960
Calder, Louis, Foundation 589 5th Ave., New York 17, N.Y.		5,750,676	26,658,993	32,409,669	32	1952 through 1960
Carnegie Corp. of New York 589 5th Ave., New York 17, N.Y.	977,353	128,361,239		128,361,239	7	1951 through 1960
Carnegie Endowment for International Peace United Nations Plaza and 49th St., New York 17, N.Y.	1,137,556	14,382,309	4,391,209	18,773,518	70	1951 through 1960
Carnegie Foundation for the Advancement of Teaching 589 5th Ave., New York 17, N.Y.	10,201,622	20,773,475		20,773,475	59	1951 through 1960
The Chase Manhattan Bank Foundation 1 Chase Manhattan Plaza, New York 15, N.Y.		4,786	1,359,966	1,364,752	387	1959 through 1960
Cheatham, Owen, Foundation 375 Park Ave., New York 22, N.Y.	14,178	70,645	207,246	277,891	498	1958 through 1960
China Medical Board of New York, Inc. 30 East 60th St., New York 22, N.Y.	2,469	16,221,160	33	16,221,193	82	1951 through 1960
Clark Foundation 149 Broadway, New York 6, N.Y.	12,772	5,107,878	1,966,709	7,074,587	169	1951 through 1960
Commonwealth Fund 1 East 75th St., New York 21, N.Y.	849,446	49,029,861	22,578,328	71,608,189	10	1951 through 1960
Council on Economic & Cultural Affairs, Inc. 630 5th Ave., New York 20, N.Y.		699,060	5,575,445	6,274,505	180	1954 through 1960
Dodge, Cleveland H., Foundation, Inc. 300 Park Ave., New York 22, N.Y.	194,753	5,179,435	2,025	5,181,460	201	1951 through 1960
The Duke Endowment 30 Rockefeller Plaza, New York 20, N.Y.		87,558,759	554,636	88,113,395	8	1951 through 1960

SCHEDULE 1.—Gross receipts: 522 foundations—Continued

[Source: Documents submitted to the Select Committee on Small Business]

Foundation	(1) Gross sales or receipts from business activities	(2) Gross profit from business activities	(3) Interest received	(4) Dividends received	(5) Rents and royalties received	(6) Total gain (or loss) from sale of assets
NEW YORK CITY—continued						
Educational Facilities Laboratories, Inc. 477 Madison Ave., New York 22, N.Y.			\$184,984			
Esso Education Foundation 30 Rockefeller Plaza, New York 20, N.Y.			378,156	\$57,070		\$23,444
Field Foundation 250 Park Ave., New York 17, N.Y.			2,368,726	504,577	\$50,546,128	(5,769)
The Ford Foundation 477 Madison Ave., New York 22, N.Y.			88,633,063	748,646,156	36	829,566,118
Frueauff, Charles A., Foundation, Inc. 70 Pine St., New York 5, N.Y.			329,484	3,516,567	1,502,241	2,691,317
Fund for the Advancement of Education 477 Madison Ave., New York 22, N.Y.			1,107,714			(30,223)
General Education Board 111 West 50th St., New York 20, N.Y.			2,951,802	282,713	15	741,967
General Foods Fund, Inc. 250 Park Ave., New York 17, N.Y.			156,679			3,172
General Telephone & Electronics Foundation 730 3d Ave., New York 17, N.Y.			71,412		267,132	
The Grant Foundation, Inc. 130 East 59th St., New York 22, N.Y.			415,010	4,822,429		1,696
Guggenheim, Daniel and Florence, Foundation 120 Broadway, New York 5, N.Y.			776,248	1,536,614		842,781
Guggenheim, Murry and Leonie, Foundation 161 East 42d St., New York 17, N.Y.			772,112	2,839,131		5,331
Guggenheim, John Simon, Memorial Foundation 551 5th Ave., New York 17, N.Y.			5,733,257	9,389,240		6,782,200
Guggenheim, Solomon R., Foundation 120 Broadway, New York 5, N.Y.		\$162,502	1,246,550	4,534,351		742,043
Haggin, Margaret Voorhies, Trust Care of Bank of New York, 48 Wall St., New York 17, N.Y.			802,104	1,342,594		558,437
Hartford, John A., Foundation, Inc. 420 Lexington Ave., New York 17, N.Y.			3,224,250	19,002,499		3,609,722
Hayden, Charles, Foundation 25 Broad St., New York 4, N.Y.			12,060,581	10,957,161		8,609,587
Heyden Newport Chemical Corp. Foundation, Inc. 342 Madison Ave., New York 17, N.Y.				60,750		
Hyde, Lilla Babbitt, Foundation 535 5th Ave., New York 17, N.Y.			1,413,106	2,809,443	5,691	5,788,377
Ingersoll-Rand Fund Care of Morgan Guaranty Trust Co. of New York, 140 Broadway, New York 15, N.Y.			142,324	195,895		91,909
International Paper Co. Foundation 220 East 42d St., New York 17, N.Y.			495,572	1,113,549		298,152
Ittleson Family Foundation 654 Madison Ave., New York 21, N.Y.			488,482	2,530,506		4,483,663
James Foundation of New York, Inc. 375 Park Ave., New York 22, N.Y.			4,644,100	17,376,337	219,994	24,208,418
Jones, W. Alton, Foundation, Inc. 70 Pine St., New York 5, N.Y.			389,105	4,961,306		5,008,592
Kaplan, J. M., Fund, Inc. 55 5th Ave., New York 3, N.Y.			1,234,266	1,383,774	953,804	11,894,146
Kaufmann, Henry, Foundation 300 Park Ave., New York 22, N.Y.			473,195	1,564,895	34,485	2,514,215
Kress, Samuel H., Foundation 221 West 57th St., New York 19, N.Y.			75,915	25,156,560	232,500	(82,423)
The Lansing Foundation, Inc. 65 Broadway, New York City.			492,181	391,588	1,186,368	4,269,802
Levy, Adele R., Fund, Inc. 100 Park Ave., New York 17, N.Y.			206,108	476,711		1,385,369
Macy, Josiah, Jr., Foundation 16 West 46th St., New York 36, N.Y.			4,827,908	4,522,656		7,996,357
Markie, John and Mary R., Foundation 511 5th Ave., New York 17, N.Y.			3,695,684	6,615,637		7,508,354
Merrill, Charles E., Trust 70 Pine St., New York 5, N.Y.			413,892	337,370		(33,295)
Merrill Foundation for Advancement of Financial Knowledge, Inc. 70 Pine St., room 3700, New York 6, N.Y.			157,201	3,212		(61,366)
Partners of Merrill, Lynch, Pierce, Fenner & Smith Foundation, Inc. 70 Pine St., New York 5, N.Y.			244,828		641	(97,070)
Milbank, Dunlevy, Foundation, Inc. 41 East 42d St., New York 17, N.Y.			42,347	1,062,599		(24,952)
Milbank Memorial Fund 41 Wall St., New York 5, N.Y.			2,235,717	5,278,360	8,088	6,948,021
Morehead, John Motley, Foundation 270 Park Ave., New York City.			45,884	1,262,640		14,508
Morgan Guaranty Trust Co. of New York Foundation 140 Broadway, New York 15, N.Y.			17,226	662,244		1,312,794
Morris, William T., Foundation, Inc. 230 Park Ave., room 620, New York 17, N.Y.			99,245	2,795,287		210,007
National Biscuit Co. Foundation 425 Park Ave., New York 22, N.Y.			156,468	155,314		4,967
National Lead Foundation, Inc. 111 Broadway, New York 6, N.Y.			52,814	1,510,517		2,660
New World Foundation 475 Riverside Dr., New York 27, N.Y.			840,381	448,275		129,060
New York Foundation 61 Broadway, New York 6, N.Y.			1,909,374	4,582,932		3,227,534
Nias, Henry, Foundation, Inc. 122 East 42d St., New York 17, N.Y.			8,231	324,001	49,253	
1907 Foundation, Inc. 331 East 38th St., room 400, New York 16, N.Y.			172,823	174,541	232,500	350,802
Noble, Edward John, Foundation 680 5th Ave., New York 19, N.Y. (See Connecticut listing for data).						

SCHEDULE 1.—Gross receipts: 522 foundations—Continued

[Source: Documents submitted to the Select Committee on Small Business]

Foundation	(7) Other income	(8) Total gross income excluding contributions, gifts, grants, etc., received	(9) Total contributions, gifts, grants, etc., received	(10) Total receipts including contributions, gifts, grants, etc., received	(11) Income rank based on total receipts (column 10) contributions, gifts, grants, etc., received	(12) Period
NEW YORK CITY—continued						
Educational Facilities Laboratories, Inc. 477 Madison Ave., New York 22, N.Y.		\$184,984	\$4,500,100	\$4,685,084	224	1958 through 1960
Esso Education Foundation 30 Rockefeller Plaza, New York 20, N.Y.		458,670	10,717,320	11,175,990	109	1955 through 1960
Field Foundation 250 Park Ave., New York 17, N.Y.	\$190,660	53,604,322	14,582,986	68,187,308	11	1951 through 1960
The Ford Foundation 477 Madison Ave., New York 22, N.Y.	577,814	1,667,423,187	2,784,283	1,670,207,470	1	1951 through 1960
Frueauff, Charles A., Foundation, Inc. 70 Pine St., New York 5, N.Y.	(1,267)	8,038,342	4,339,221	12,377,563	94	1951 through 1960
Fund for the Advancement of Education 477 Madison Ave., New York 22, N.Y.		1,077,491	57,847,266	58,924,757	13	1951 through 1960
General Education Board 111 West 50th St., New York 20, N.Y.	17,356	3,993,853	9,503,850	13,497,703	91	1951 through 1960
General Foods Fund, Inc. 250 Park Ave., New York 17, N.Y.		159,851	4,565,000	4,724,851	222	1953 through 1960
General Telephone & Electronics Foundation 730 3d Ave., New York 17, N.Y.	37,127	375,671	2,134,000	2,509,671	308	1953 through 1960
The Grant Foundation, Inc. 130 East 59th St., New York 22, N.Y.	5,394,779	10,633,914	1,037,919	11,671,833	101	1951 through 1960
Guggenheim, Daniel and Florence, Foundation 120 Broadway, New York 5, N.Y.	55	3,155,698		3,155,698	271	1952 through 1960
Guggenheim, Murry and Leonie, Foundation 161 East 42d St., New York 17, N.Y.	4,110,842	7,727,416	1,903,024	9,630,440	129	1951 through 1960
Guggenheim, John Simon, Memorial Foundation 551 5th Ave., New York 17, N.Y.	13,940	21,918,637	200,490	22,119,127	53	1951 through 1960
Guggenheim, Solomon R., Foundation 120 Broadway, New York 5, N.Y.	308,690	6,994,136	439,354	7,433,490	160	1951 through 1960
Haggin, Margaret Voorhies, Trust Care of Bank of New York, 48 Wall St., New York 17, N.Y.		2,703,135		2,703,135	296	1951 through 1960
Hartford, John A., Foundation, Inc. 420 Lexington Ave., New York 17, N.Y.	15,900,683	41,737,154	160,679,050	202,416,204	3	1951 through 1960
Hayden, Charles, Foundation 25 Broad St., New York 4, N.Y.	10,506	31,667,835	1,671,898	33,339,733	30	1951 through 1960
Heyden Newport Chemical Corp. Foundation, Inc. 342 Madison Ave., New York 17, N.Y.		60,750		60,750	517	1952 through 1960
Hyde, Lillia Babbitt, Foundation 535 5th Ave., New York 17, N.Y.	2,942	10,019,559	276,073	10,295,632	118	1951 through 1960
Ingersoll-Rand Fund Care of Morgan Guaranty Trust Co. of New York, 140 Broadway, New York 15, N.Y.		394,128	800,000	1,194,128	405	1954 through 1960
International Paper Co. Foundation 220 East 42d St., New York 17, N.Y.	659	1,907,932	7,429,029	9,336,961	135	1952 through 1960
Ittleson Family Foundation 654 Madison Ave., New York 21, N.Y.		7,457,651	352,139	7,809,790	152	1951 through 1960
James Foundation of New York, Inc. 375 Park Ave., New York 22, N.Y.	817,083	47,265,932	20,684,135	67,950,067	12	1951 through 1960
Jones, W. Alton, Foundation, Inc. 70 Pine St., New York 5, N.Y.		10,359,003	3,550,211	13,909,214	88	1951 through 1960
Kaplan, J. M., Fund, Inc. 55 5th Ave., New York 3, N.Y.	7,163	15,473,153	1,626,986	17,100,139	76	1951 through 1960
Kaufmann, Henry, Foundation 300 Park Ave., New York 22, N.Y.	67,870	4,654,660	6,452,536	11,107,196	110	1951 through 1960
Kress, Samuel H., Foundation 221 West 57th St., New York 19, N.Y.	13,784	25,396,336	16,459,793	41,856,129	24	1951 through 1960
The Lansing Foundation, Inc. 65 Broadway, New York City	969,029	7,308,968	1,089,863	8,398,831	147	1951 through 1960
Levy, Adele R., Fund, Inc. 100 Park Ave., New York 17, N.Y.	116,423	2,184,611	3,723,190	5,907,801	187	1951 through 1960
Macy, Josiah, Jr., Foundation 16 West 46th St., New York 36, N.Y.	483,340	17,830,261	15,031	17,845,292	73	1951 through 1960
Markle, John and Mary R., Foundation 511 5th Ave., New York 17, N.Y.	64,361	17,884,036	183,248	18,067,284	72	1951 through 1960
Merrill, Charles E., Trust 70 Pine St., New York 5, N.Y.	7,164,589	7,882,556	13,822,894	21,705,450	54	1959 through 1960
Merrill Foundation for Advancement of Financial Knowledge, Inc. 70 Pine St., room 3700, New York 5, N.Y.		99,047	966,644	1,065,691	420	1951 through 1960
Partners of Merrill, Lynch, Pierce, Fenner & Smith Foundation, Inc. 70 Pine St., New York 5, N.Y.		148,399	7,050,182	7,198,581	164	1951 through 1960
Milbank, Dunlevy, Foundation, Inc. 41 East 42d St., New York 17, N.Y.	183	1,080,177	496,580	1,576,757	367	1951 through 1960
Milbank Memorial Fund 41 Wall St., New York 5, N.Y.	230,562	14,700,748	627,861	15,328,609	84	1951 through 1960
Morehead, John Motley, Foundation 270 Park Ave., New York City	569,991	1,893,023	2,600,897	4,493,920	231	1951 through 1960
Morgan Guaranty Trust Co. of New York Foundation 140 Broadway, New York 15, N.Y.		1,992,264		1,992,264	336	1954 through 1960
Morris, William T., Foundation, Inc. 230 Park Ave., room 620, New York 17, N.Y.	521,873	3,626,412	13,567,209	17,193,621	75	1951 through 1960
National Biscuit Co. Foundation 425 Park Ave., New York 22, N.Y.	1,466	318,215	360,000	678,215	461	1954 through 1960
National Lead Foundation, Inc. 111 Broadway, New York 6, N.Y.		1,565,991	4,451,700	6,017,691	185	1953 through 1960
New World Foundation 475 Riverside Dr., New York 27, N.Y.	1,080	1,418,796	8,714,996	10,133,792	121	1955 through 1960
New York Foundation 61 Broadway, New York 6, N.Y.	1,666	9,271,506	380,858	10,102,364	122	1951 through 1960
Nias, Henry, Foundation, Inc. 122 East 42d St., New York 17, N.Y.	301,399	682,884	2,531,387	3,214,271	268	1956 through 1960
1907 Foundation, Inc. 331 East 38th St., room 400, New York 16, N.Y.		930,666	2,416,076	3,346,742	260	1952 through 1960
Noble, Edward John, Foundation 680 5th Ave., New York 19, N.Y. (See Connecticut listing for data.)						

SCHEDULE 1.—Gross receipts: 522 foundations—Continued

[Source: Documents submitted to the Select Committee on Small Business]

Foundation	(1) Gross sales or receipts from business activities	(2) Gross profit from business activities	(3) Interest received	(4) Dividends received	(5) Rents and royalties received	(6) Total gain (or loss) from sale of assets
NEW YORK CITY—continued						
Norman Aaron E., Fund, Inc. 380 Madison Ave., New York 17, N.Y.	\$17,000	\$95,745	\$200,120	\$1,268,798	\$45,548	\$1,784,480
Noyes, Jessie Smith, Foundation, Inc. 16 East 34th St., New York 16, N.Y.			723,305	1,818,199		(544,697)
Nutrition Foundation, Inc. 60 Park Ave., New York 16, N.Y.			191,748	31,363		13,010
Old Dominion Foundation. 140 East 62d St., New York 21, N.Y.			1,203,603	8,345,756		(1,502,252)
Olin Foundation, Inc. 1 East 44th St., New York 17, N.Y.			6,299,463	14,964,106	838	5,244,419
Penney, James C., Foundation. 330 West 34th St., New York 1, N.Y.				81,768		2,267
Pfeiffer, Gustavus and Louise, Research Foundation. 20 Broad St., New York 5, N.Y.			1,067,810	1,662,209		19,463
The Pfizer Foundation, Inc. Care of Charles Pfizer Co., 11 Bartlett St., Brooklyn 6, N.Y.			15,744	80,198	302,629	309,863
Pforzheimer, Carl and Lilly, Foundation, Inc. 25 Broad St., New York 4, N.Y.			101,133	372,249	1,400	445,603
Phelps Dodge Foundation. 300 Park Ave., New York 22, N.Y.			523,710	551,107		144,085
Trustees of the Phelps-Stokes Fund. 297 Park Ave. South, New York 10, N.Y.			307,917	491,982		913,025
Pierce, John B., Foundation. 60 West 44th St., New York 36, N.Y.			493,099	2,303,602	102,109	(180,997)
Plant, Henry B., Memorial Fund, Inc. Care of United States Trust Co. of New York, 45 Wall St., New York 5, N.Y.			57,867	96,985		87,893
The Population Council, Inc. 230 Park Ave., New York 17, N.Y.			137,203	235,521		145,236
The Rayonier Foundation. 161 East 42d St., New York 17, N.Y.			107,394	147,961		207,860
Reeves Bros. Foundation, Inc. 54 Worth St., New York 13, N.Y.			25,088	485,453		3,661
Research Corp. 405 Lexington Ave., New York 17, N.Y.	39,446,976	10,309,457	1,037,284	443,043	10,325,841	413,837
Richardson Foundation, Inc. 122 East 42d St., New York 17, N.Y.		(8,224)	201,329	5,176,083		2,325,797
Rockefeller Bros. Fund. 30 Rockefeller Plaza, New York 20, N.Y.			1,556,619	5,727,019		3,273,610
Rockefeller Foundation. 111 West 50th St., New York 20, N.Y.			20,142,240	183,930,405		30,923,652
The Rogosin Foundation. 261 5th Ave., New York 16, N.Y.			8,673	3,788,102		(129,869)
Rosenstiel, Dorothy H. and Lewis, Foundation. 350 5th Ave., room 1820, New York 1, N.Y.			15,216	4,715,068		62,853
Rosenthal, Benjamin, Foundation, Inc. 350 5th Ave., New York 1, N.Y.				3,154		4,030
Rubicon Foundation, Inc. 740 Park Ave., New York 21, N.Y.			128,345	1,069,227		(193,667)
Rubin, Samuel, Foundation, Inc. 5 West 54th St., New York 19, N.Y.			84,029	1,859,612	6,935	40,667
Sage, Russell, Foundation. 505 Park Ave., New York 22, N.Y.	439,977	(207,871)	2,482,958	4,676,356	80,614	1,839,675
Sams, Earl C., Foundation, Inc. 666 5th Avenue, 23d floor, New York 19, N.Y.			155,196	3,345,368		57,593
Schepp, Leopold, Foundation. 551 5th Ave., New York 17, N.Y.			693,349	847,790	107,152	268,215
Scheuer, S. H. and Helen R., Family Foundation, Inc. 39 Broadway, room 2210 New York 6, N.Y.			117,935	307,387		896,340
Schwartz David, Foundation, Inc. 1407 Broadway, New York 18, N.Y.			66,966	40,930	165,847	20,898
Schwarzhaup, Emil, Foundation, Inc. 350 5th Ave., New York 1, N.Y.		13,280	97,199	232,123	585	858,150
Scriven, Foundation, Inc. 149 Broadway, New York 6, N.Y.			517,726	2,447,173	49,607	886,460
Sealantic Fund, Inc. 60 West 50th St., New York 20, N.Y.			2,490,838	739,328	(362)	(638,968)
Shell Companies Foundation, Inc. 50 West 50th St., New York 20, N.Y.			540,637	55,007		10,092
Shubert, Sam S., Foundation, Inc. 234 West 44th St., New York 36, N.Y.			286,948	75,553		162,044
Sloan, Alfred P., Foundation. 630 5th Ave., New York 20, N.Y.			8,024,200	34,551,472		33,422,374
Smithers, Christopher D., Foundation, Inc. 60 East 42d St., room 1202, New York 17, N.Y.			548,787	247,038		1,273,186
Sprague, Seth, Educational & Charitable Foundation. Care of United States Trust Co. of New York, 45 Wall St., New York 15, N.Y.			699,201	4,176,757		7,184,523
Standard Brands Charitable, Scientific & Educational Foundation. Care of the Hanover Bank, 70 Broadway, New York 15, N.Y.			35,462	302,482		(1,019)
Statler Foundation. 230 Park Ave., New York 17, N.Y.			1,027,715	2,782,060		9,364,416
Summerfield, Solon E., Foundation, Inc. 270 Madison Ave., New York 16, N.Y.			64,190	2,027,034	136	203,725
Surdna Foundation, Inc. Care of Mr. Albert B. Maginnes, secretary, 350 Park Ave., New York 22, N.Y. See New York State listing for data.						
Teagle Foundation, Inc. 30 Rockefeller Plaza, room 1539, New York 20, N.Y.			197,687	1,129,299		2,258,311
Twentieth Century Fund, Inc. 41 East 70th St., New York 21, N.Y.				5,972,065		
Union Bag Charitable Trust. Care of Morgan Guaranty Trust Co. of New York, 140 Broadway, New York 7, N.Y.			72,625	243,082		17,298

SCHEDULE 1.—Gross receipts: 522 foundations—Continued

[Source: Documents submitted to the Select Committee on Small Business]

Foundation	(7) Other income	(8) Total gross income excluding contributions, gifts, grants, etc., received	(9) Total contributions, gifts, grants, etc., received	(10) Total receipts including contributions, gifts, grants, etc., received	(11) Income rank based on total receipts (column 10) (contributions, gifts, grants, etc., received)	(12) Period
NEW YORK CITY—continued						
Norman, Aaron E., Fund, Inc. 380 Madison Ave., New York 17, N.Y.	\$1,251,546	\$4,646,237		\$4,646,237	227	1951 through 1960
Noyes, Jessie Smith, Foundation, Inc. 16 East 34th St., New York 16, N.Y.	71,347	2,068,154	\$1,245,224	3,313,378	262	1951 through 1960
Nutrition Foundation, Inc. 99 Park Ave., New York 16, N.Y.	19	236,140	4,524,404	4,760,544	221	1951 through 1960
Old Dominion Foundation 140 East 62d St., New York 21, N.Y.	484,010	8,531,117	40,633,468	49,164,585	19	1951 through 1960
Olin Foundation, Inc. 1 East 44th St., New York 17, N.Y.	7,803	26,516,629	5,146,795	31,663,424	35	1951 through 1960
Penney, James C., Foundation 330 West 34th St., New York 1, N.Y.		84,035	748,038	832,073	445	1955 through 1960
Pfeiffer, Gustavus and Louise, Research Foundation 20 Broad St., New York 5, N.Y.	770,070	3,519,552	9,675,614	13,195,166	92	1951 through 1960
The Pfizer Foundation, Inc. Care of Charles Pfizer Co., 11 Bartlett St., Brooklyn 6, N.Y.	491	798,925	1,228,893	2,027,818	330	1955 through 1960
Pforzheimer, Carl and Lilly, Foundation, Inc. 25 Broad St., New York 4, N.Y.	(185,754)	734,631	3,135,236	3,869,867	240	1951 through 1960
Phelps Dodge Foundation 300 Park Ave., New York 22, N.Y.		1,218,902	2,775,000	3,993,902	238	1954 through 1960
Trustees of the Phelps-Stokes Fund 297 Park Ave. South, New York 10, N.Y.	32,033	1,744,957		1,744,957	354	1951 through 1960
Pierce, John B., Foundation 50 West 44th St., New York 36, N.Y.	310,398	3,028,211		3,028,211	280	1951 through 1960
Plant, Henry B., Memorial Fund, Inc. Care of United States Trust Co. of New York, 45 Wall St., New York 5, N.Y.		242,745	1,114,177	1,356,922	389	1951 through 1960
The Population Council, Inc. 230 Park Ave., New York 17, N.Y.		517,960	7,174,678	7,692,638	156	1953 through 1960
The Rayonier Foundation 161 East 42d St., New York 17, N.Y.		463,215	1,084,000	1,547,215	372	1953 through 1960
Reeves Bros. Foundation, Inc. 54 Worth St., New York 13, N.Y.		514,202	632,050	1,146,252	410	1951 through 1960
Research Corp. 405 Lexington Ave., New York 17, N.Y.	224,368	22,753,830	397,921	23,151,751	49	1951 through 1960
Richardson Foundation, Inc. 122 East 42d St., New York 17, N.Y.	51,633	7,836,618	1,937,420	9,774,038	126	1951 through 1960
Rockefeller Bros. Fund 50 Rockefeller Plaza, New York 20, N.Y.		10,557,248	129,993,224	140,550,472	6	1951 through 1960
Rockefeller Foundation 111 West 50th St., New York 20, N.Y.	169,156	235,165,453	3,522,865	238,688,318	2	1951 through 1960
The Rogosin Foundation 261 5th Ave., New York 16, N.Y.		3,666,906	5,862,465	9,529,371	132	1951 through 1960
Rosenstiel, Dorothy H. and Lewis, Foundation 350 5th Ave., room 1820, New York 1, N.Y.	100	4,793,837	115,472	4,909,309	214	1951 through 1960
Rosenthal, Benjamin, Foundation, Inc. 350 5th Ave., New York 1, N.Y.		7,184	2,008,083	2,015,267	333	1951 through 1960
Rubicon Foundation, Inc. 740 Park Ave., New York 21, N.Y.	90	1,003,995	870,723	1,874,718	348	1951 through 1960
Rubin, Samuel, Foundation, Inc. 5 West 54th St., New York 19, N.Y.		1,991,243	9,450,202	11,441,445	105	1951 through 1960
Sage, Russell, Foundation 505 Park Ave., New York 22, N.Y.	1,057,417	9,929,149	10,000	9,939,149	125	1951 through 1960
Sams, Earl C., Foundation, Inc. 666 5th Ave., 23d floor, New York 19, N.Y.	428,840	3,986,997	4,818,989	8,805,986	142	1951 through 1960
Schepp, Leopold, Foundation 551 5th Ave., New York 17, N.Y.		1,918,506	1,005	1,919,511	342	1951 through 1960
Scheuer, S. H. and Helen R., Family Foundation, Inc. 39 Broadway, room 2210, New York 6, N.Y.	2,952	1,324,614	1,210,194	2,534,808	307	1951 through 1960
Schwartz, David, Foundation, Inc. 1407 Broadway, New York 18, N.Y.	30,101	324,742	2,754,806	3,079,548	275	1951 through 1960
Schwarzhaupt, Emil, Foundation, Inc. 350 5th Ave., New York 1, N.Y.	2,269,767	3,471,104		3,471,104	254	1951 through 1960
Scriven, Foundation, Inc. 149 Broadway, New York 6, N.Y.	176,782	4,077,748	5,000	4,082,748	237	1951 through 1960
Sealantic Fund, Inc. 50 West 50th St., New York 20, N.Y.	7,787	2,598,623	31,473,050	34,071,673	28	1951 through 1960
Shell Companies Foundation, Inc. 50 West 50th St., New York 20, N.Y.		605,646	8,500,000	9,105,646	139	1951 through 1960
Shubert, Sam S., Foundation, Inc. 234 West 44th St., New York 36, N.Y.		524,545	2,072,459	2,597,004	301	1951 through 1960
Sloan, Alfred B., Foundation 630 5th Ave., New York 20, N.Y.	926,289	76,924,335	110,777,810	187,702,145	4	1951 through 1960
Smithers, Christopher D., Foundation, Inc. 60 East 42d St., room 1202, New York 17, N.Y.	16	2,069,027	4,380,387	6,449,414	176	1953 through 1960
Sprague, Seth, Educational & Charitable Foundation Care of United States Trust Co. of New York, 45 Wall St., New York 15, N.Y.	6,131	12,066,612	165	12,066,777	96	1951 through 1960
Standard Brands Charitable, Scientific & Educational Foundation Care of the Hanover Bank, 70 Broadway, New York 15, N.Y.		336,925		336,925	490	1951 through 1960
Statler Foundation 230 Park Ave., New York 17, N.Y.		13,174,191		13,174,191	93	1951 through 1960
Summerfield, Solon E., Foundation, Inc. 270 Madison Ave., New York 16, N.Y.	75,000	2,370,085	6,085,111	8,455,196	146	1951 through 1960
Surdna Foundation, Inc. Care of Mr. Albert B. Maginnes, secretary, 350 Park Ave., New York 22, N.Y. See New York State listing for data.						
Teagle Foundation, Inc. 30 Rockefeller Plaza, room 1539, New York 20, N.Y.		3,585,297	1,211,837	4,797,134	219	1951 through 1960
Twentieth Century Fund, Inc. 41 East 70th St., New York 21, N.Y.	583,185	6,555,250		6,555,250	174	1951 through 1960
Union Bag Charitable Trust Care of Morgan Guaranty Trust Co. of New York, 140 Broadway, New York 7, N.Y.		333,005	1,380,269	1,713,274	356	1953 through 1960

SCHEDULE 1.—Gross receipts: 522 foundations—Continued

[Source: Documents submitted to the Select Committee on Small Business]

Foundation	(1) Gross sales or receipts from business activities	(2) Gross profit from business activities	(3) Interest received	(4) Dividends received	(5) Rents and royalties received	(6) Total gain (or loss) from sale of assets
NEW YORK CITY—continued						
Union Carbide Educational Foundation 30 East 42d St., New York 17, N.Y.			\$328,615			(\$4,735)
United States Steel Foundation, Inc. 71 Broadway, New York 6, N.Y.			3,189,855			
Victoria Foundation, Inc. 90 John St., New York 38, N.Y. See New Jersey listing for data.						
Warburg, Felix and Frieda A. Schiff, Foundation 30 Wall St., New York 5, N.Y.			95,667	\$340,807	(\$706)	324,282
Watson, John Jay and Eliza Jane, Foundation Bankers Trust Co., 16 Wall St., New York 5, N.Y.			101,755	587,231		649,531
Wenner-Gren Foundation for Anthropological Research, Inc. 14 East 71st St., New York 21, N.Y.			119,297	3,647,587		(71,427)
West Virginia Pulp & Paper Foundation Care of Irving Trust Co., 1 Wall St., New York 15, N.Y.			75,427	16,012		(14,676)
Western Electric Fund 195 Broadway, New York 7, N.Y.			403,302			15,549
Whitehall Foundation 20 Exchange Pl., New York 5, N.Y.			298,622	1,900,760		(266,692)
Whitney, Helen Hay, Foundation 525 East 68th St., New York 21, N.Y.			823,780	1,952,110		1,796,868
Woodward Foundation 30 Broad St., New York 4, N.Y.			341	457,137	9,430	288,263
Wurzweller, Gustav, Foundation, Inc. 1239 Broadway, New York 1, N.Y.			454,061	990,554		462,980
NEW YORK STATE						
Winifred Masterson Burke Relief White Plains, N.Y.			777,127	2,733,192	130	2,613,152
Burroughs Wellcome Fund 1 Scarsdale Rd., Tuckahoe, N.Y.			53,192	4,320		4,500
Carrier Foundation, Inc. Carrier Pkwy., Syracuse 1, N.Y.			145,040	190,217	450	48,663
Corning Glass Works Foundation Corning, N.Y.			523,240	310,812		1,217
Dent, Harry, Family Foundation, Inc. 906 Genesee Bldg., Buffalo 2, N.Y.			90	92,630		
Emerson, Fred L., Foundation, Inc. 96 Genesee St., Auburn, N.Y.			1,608,264	1,952,504	558	9,182,808
Fund for Adult Education 200 Bloomingdale Rd., White Plains, N.Y.			1,172,483		7,744	
General Electric Foundation Crotonville, Post Office Box 791, Ossining, N.Y.			2,742,770	2,772,477		(401,157)
Gifford, Rosamond, Charitable Corp. 532 Onondaga County Savings Bank Bldg., Syracuse 2, N.Y.			307,886	1,020,739		614,688
Government Affairs Foundation, Inc. 75 State St., Albany, N.Y.						(14,004)
Knox, Seymour H., Foundation, Inc. 1608 Marine Trust Bldg., Buffalo 3, N.Y.			49,688	900,652	36,075	1,075,438
Merrill, Charles E., Trust Post Office Box 392, Ithaca, N.Y. (See New York City listing for data.)						
Ogden, Ralph E., Foundation, Inc. Post Office Box 108, Mountainville, N.Y.			119,466	385,413	107,281	(724)
Surdna Foundation, Inc. 1156 North Broadway, Yonkers, N.Y.			1,495,609	14,474,577		1,054,598
NORTH CAROLINA						
Babeck, Mary Reynolds, Foundation, Inc. Post Office Box 199, Reynolds Station, Winston-Salem, N.C.			697,235	3,566,288	114,044	2,042,270
Burlington Industries Foundation 301 North Eugene St., Greensboro, N.C.			315,472	1,966,290	271,965	237,188
Cannon Foundation, Inc. Post Office Box 1192, Concord, N.C.			1,514,563	3,761,060	1,506,229	374,342
Cannon, Martin, Family Foundation, Inc. 220 West 4th St., Charlotte, N.C.			11,399	164,568		343,161
Hanes, John Wesley and Anna Hodgkin, Foundation Care of Wachovia Bank & Trust Co., Post Office Box 3099, Winston-Salem, N.C.			15,512	463,282		159,790
Morehead, John Motley, Foundation Post Office Box 1027, Charlotte, N.C. (See New York City listing for data.)						
Reynolds, Kate B., Charitable Trust Care of Wachovia Bank & Trust Co., Post Office Box 3099, Winston-Salem, N.C.			263,202	3,044,922	834	94
Reynolds, Z. Smith, Foundation, Inc. 1206 Reynolds Bldg., Winston-Salem, N.C.			301,513			36,788
Reynolds, Zachary Smith, Trust Winston-Salem, N.C.			2,075,349	5,992,408		
Reynolds, W. N., Trust Care of Wachovia Bank & Trust Co., Winston-Salem, N.C.		\$31,846	1,122,106	5,246,670	681,092	728,786
Richardson Foundation, Inc. Greensboro, N.C. (See New York City listing for data.)						
OHIO						
Allyn Foundation Main and K Sts., Dayton 9, Ohio.			10,279	27,286		131,190
Alms, Eleanor C. U., Trust Care of the 5th Third Union Trust Co., 4th and Walnut Sts., Cincinnati, Ohio.			189,245	145,746	14,732	43,747
The American Foundation 1164 Union Commerce Bldg., Cleveland 14, Ohio.			15,900	738,395		922,101

SCHEDULE 1.—Gross receipts: 522 foundations—Continued

[Source: Documents submitted to the Select Committee on Small Business]

Foundation	(7) Other income	(8) Total gross income excluding contributions, gifts, grants, etc., received	(9) Total contributions, gifts, grants, etc., received	(10) Total receipts including contributions, gifts, grants, etc., received	(11) Income rank based on total receipts (column 10) contributions, gifts, grants, etc., received	(12) Period
NEW YORK CITY—continued						
Union Carbide Educational Foundation 30 East 42d St., New York 17, N.Y.		\$323,880	\$4,487,222	\$4,811,102	218	1952 through 1960
United States Steel Foundation, Inc. 71 Broadway, New York 6, N.Y.		3,180,855	38,000,000	41,189,855	26	1954 through 1960
Victoria Foundation, Inc. 90 John St., New York 38, N.Y. See New Jersey listing for data.						
Warburg, Felix and Frieda A. Schiff, Foundation 30 Wall St., New York 5, N.Y.	\$99,241	850,291	2,926,800	3,786,091	244	1952 through 1960
Watson, John Jay and Eliza Jane, Foundation Bankers Trust Co., 16 Wall St., New York 5, N.Y.	323	1,338,840	6,461,172	7,800,012	153	1951 through 1960
Wenner-Gren Foundation for Anthropological Research, Inc. 14 East 71st St., New York 21, N.Y.	500	3,695,957	35,963	3,731,920	247	1951 through 1960
West Virginia Pulp & Paper Foundation Care of Irving Trust Co., 1 Wall St., New York 15, N.Y.	9,451	86,214	873,180	959,394	429	1952 through 1960
Western Electric Fund 195 Broadway, New York 7, N.Y.		418,851	5,900,000	6,318,851	178	1954 through 1960
Whitehall Foundation 20 Exchange Pl., New York 6, N.Y.	1,088,824	3,021,514	16,502,718	19,524,232	65	1951 through 1960
Whitney, Helen Hay, Foundation 625 East 68th St., New York 21, N.Y.		4,572,758	7,041,053	11,613,811	104	1952 through 1960
Woodward Foundation 30 Broad St., New York 4, N.Y.	1,363	756,534	246,125	1,002,659	423	1954 through 1960
Wurzweiler, Gustav, Foundation, Inc. 1239 Broadway, New York 1, N.Y.	212,061	2,119,656	4,028,029	6,147,685	182	1951 through 1960
NEW YORK STATE						
Winifred Masterson Burke Relief White Plains, N.Y.	3,384,236	9,507,837		9,507,837	133	1951 through 1960
Burroughs Wellcome Fund 1 Scarsdale Rd., Tuckahoe, N.Y.		62,012	870,000	932,012	431	1956 through 1960
Carrier Foundation, Inc. Carrier Pkwy., Syracuse 1, N.Y.	17,945	402,315	2,551,939	2,954,254	283	1953 through 1960
Corning Glass Works Foundation Corning, N.Y.		835,269	8,481,781	9,317,050	137	1953 through 1960
Dent, Harry, Family Foundation, Inc. 906 Genesee Bldg., Buffalo 2, N.Y.		92,720	1,081,803	1,174,523	407	1955 through 1960
Emerson, Fred L., Foundation, Inc. 96 Genesee St., Auburn, N.Y.		12,744,134	4,314,061	17,058,195	77	1951 through 1960
Fund for Adult Education 200 Bloomingdale Rd., White Plains, N.Y.	8,882	1,189,109	47,400,573	48,589,682	20	1954 through 1960
General Electric Foundation Crotonville, Post Office Box 791, Ossining, N.Y.	7,621	5,121,711	18,094,040	23,215,751	48	1953 through 1960
Gifford, Rosamond, Charitable Corp. 532 Onondaga County Savings Bank Bldg., Syracuse 2, N.Y.	826,926	2,770,239	6,910,187	9,680,426	127	1955 through 1960
Government Affairs Foundation, Inc. 75 State St., Albany, N.Y.		(14,004)	818,872	804,868	449	1954 through 1960
Knox, Seymour H., Foundation, Inc. 1608 Marine Trust Bldg., Buffalo 3, N.Y.		2,061,853	2,847,771	4,909,624	213	1951 through 1960
Merrill, Charles E., Trust Post Office Box 392, Ithaca, N.Y. (See New York City listing for data.)						
Ogden, Ralph E., Foundation, Inc. Post Office Box 108, Mountainville, N.Y.	31,570	643,006	2,758,683	3,401,689	257	1951 through 1960
Surdna Foundation, Inc. 1156 North Broadway, Yonkers, N.Y.	877	17,025,661	11,325,967	28,351,628	39	1951 through 1960
NORTH CAROLINA						
Babeock, Mary Reynolds, Foundation, Inc. Post Office Box 199, Reynolds Station, Winston-Salem, N.C.	884	6,420,721	14,241,126	20,661,847	61	1954 through 1960
Burlington Industries Foundation 301 North Eugene St., Greensboro, N.C.	234,178	3,025,093	3,899,205	6,924,298	170	1951 through 1960
Cannon Foundation, Inc. Post Office Box 1192, Concord, N.C.	66,471	7,222,665	7,025,428	14,248,093	86	1951 through 1960
Cannon, Martin, Family Foundation, Inc. 220 West 4th St., Charlotte, N.C.	(22,088)	497,040	677,466	1,174,506	408	1951 through 1960
Hanes, John Wesley and Anna Hodgkin, Foundation Care of Wachovia Bank & Trust Co., Post Office Box 3099, Winston-Salem, N.C.	4,282	642,866	2,182,767	2,825,633	289	1951 through 1960
Morehead, John Motley, Foundation Post Office Box 1027, Charlotte, N.C. (See New York City listing for data.)						
Reynolds, Kate B., Charitable Trust Care of Wachovia Bank & Trust Co., Post Office Box 3099, Winston-Salem, N.C.		3,309,052		3,309,052	263	1951 through 1960
Reynolds, Z. Smith, Foundation, Inc. 1206 Reynolds Bldg., Winston-Salem, N.C.	13,175,039	13,513,340		13,513,340	90	1951 through 1960
Reynolds, Zachary Smith, Trust Winston-Salem, N.C.		8,067,757		8,067,757	148	1951 through 1960
Reynolds, W. N., Trust Care of Wachovia Bank & Trust Co., Winston-Salem, N.C.	1,228,529	9,039,029		9,039,029	140	1951 through 1960
Richardson Foundation, Inc. Greensboro, N.C. (See New York City listing for data.)						
OHIO						
Allyn Foundation Main and K Sts., Dayton 9, Ohio.		168,755	431,505	600,260	472	1955 through 1960
Alms, Eleanora C. U., Trust Care of the 5th Third Union Trust Co., 4th and Walnut Sts., Cincinnati, Ohio.	97	393,567		393,567	496	1951 through 1960
The American Foundation 1164 Union Commerce Bldg., Cleveland 14, Ohio.	242	1,676,538	2,183,704	3,860,242	241	1951 through 1960

SCHEDULE 1.—Gross receipts: 522 foundations—Continued

[Source: Documents submitted to the Select Committee on Small Business]

Foundation	(1) Gross sales or receipts from business activities	(2) Gross profit from business activities	(3) Interest received	(4) Dividends received	(5) Rents and royalties received	(6) Total gain (or loss) from sale of assets
OHIO—continued						
Armeo Foundation 703 Curtis St., Middletown, Ohio.			\$569,921	\$513,548	\$37,748	\$132,019
Austin Co. Foundation 16112 Euclid Ave., Cleveland 2, Ohio.			181,277	24,113		78,829
Beaumont, Louis D., Foundation, Inc. 800 National City Bank Bldg., Cleveland 14, Ohio.			1,978,311	8,624,554		4,128,252
Beeghly, Leon A., Fund Care of Union National Bank of Youngstown, 6 West Federal St., Youngstown, Ohio.			5,108,012	1,008,933	780,004	(81,682)
Bentz Foundation 384 Wrexham Ave., Columbus 4, Ohio.			83,135	56,775		
Bingham, William, Foundation 1280 Union Commerce Bldg., Cleveland 14, Ohio.			5,571	467,150		80,188
Bliss, W. E., Foundation Care of Union National Bank of Youngstown, 6 West Federal St., Youngstown, Ohio.				75,579		(153)
Champion Paper Foundation 601 North B St., Hamilton, Ohio.			292,092	792,163		1,123,878
Charities Foundation Owens-Illinois Bldg., Post Office Box 1035, Toledo 1, Ohio.			219,531	492,759		786,543
Cincinnati Milling Machine Foundation 4701 Marburg Ave., Cincinnati 9, Ohio.			143,255		54,414	2,154
Cleveland Pneumatic Foundation 3781 East 77th St., Cleveland 5, Ohio.			53,637			
Cleveland Twist Drill Foundation 1242 East 49th St., Cleveland 14, Ohio.			20,940			781
Clevite Foundation 17000 St. Clair Ave., Cleveland 10, Ohio.			47,161			(52,818)
Commercial Shearing & Stamping Foundation 1775 Logan Ave., Youngstown, Ohio.			16,099			
Dana Corp. Foundation 4100 Bennett Rd., Toledo 1, Ohio.			17,932	2,000	2,005	40,756
Dayton Malleable Foundation Post Office Box 980, Dayton, Ohio.			8,112	5,000	50,000	(2,949)
Eagle Pieher Foundation The American Bldg., Cincinnati 1, Ohio.			8,406	19,165		16,459
Emery, Thomas J., Memorial 414 Walnut St., Cincinnati 2, Ohio.	\$4,559,669	\$3,072,719	117,700	309,050	1,139,642	(461,057)
Erie Railroad Charitable Education & Trust In care of Union Commerce Bank, 917 Euclid Ave., Cleveland 1, Ohio.			24,523			1,837
Firestone Foundation 1200 Firestone Pkwy., Akron 17, Ohio.			307,220	2,585,988		
Firestone Trust Fund In care of Cleveland Trust Co., 916 Euclid Ave., Cleveland 1, Ohio.			717,095	684,628		377,541
General Tire Foundation In care of First National Bank of Akron, Akron, Ohio.			77,863	225,014		577,874
Goodrich, B. F., Fund, Inc. 500 South Main St., Akron 18, Ohio.			629,102	634,887		334,027
Goodyear Foundation, Inc. 1144 East Market St., Akron 16, Ohio.			51,534			
Hanna, Leonard C., Jr., Fund 1300 Leader Bldg., Cleveland 14, Ohio.			460,732	8,350,675		21,699,952
Hayes, Rutherford B. Hayes and Lucy Webb, Foundation 1337 Hayes Ave., Spiegel Grove, Fremont, Ohio.			68,081	188,604	32,760	47,000
Hoover Co., Charitable Trust 101 East Maple St., North Canton, Ohio.			118,774	79,142		9,027
Humphrey, George M. and Pamela S., Fund 1300 Leader Bldg., Cleveland 14, Ohio.				185,820		
Ingalls, Louise H. and David S., Foundation, Inc. 1562 Union Commerce Bldg., Cleveland 14, Ohio.				190,485		9,006
Kroger Co. Charitable Trust 35 East 7th St., Cincinnati 2, Ohio.			177,000			(66,070)
Kulas Foundation 1750 Union Commerce Bldg., Cleveland 14, Ohio.			234,177	323,222	1,885	(39,679)
Libbey, Edmund Drummond, Trustees National Bank Bldg., Toledo, Ohio.			2,273,930	3,356,214	15,966	2,851
Libbey-Owens-Ford Philanthropic Foundation Care of the Toledo Trust Co., 245 Summit St., Toledo 3, Ohio.			230,145	7,553	1,060	(2,108)
Lincoln Electric Foundation Care of Central National Bank of Cleveland, Post Office Box 6179, Cleveland 1, Ohio.			101,730			(3,160)
The Louise Foundation 1300 Leader Bldg., Cleveland 14, Ohio.				60,611		
Lubrizol Foundation 29400 Lakeland Blvd., Wickliffe, Ohio.			68,345	189,792		83,425
Medusa Foundation Post Office Box 5668, Cleveland 1, Ohio.			32,951			(31)
Monarch Machine Tool Co. Foundation 615 North Oak St., Sidney, Ohio.			18,588			(555)
NCR Foundation Care of National Cash Register Co., Main and K Sts., Dayton 9, Ohio.			332,929	33,291		(7,385)
National Acme Foundation 170 East 131st St., Cleveland 8, Ohio.			48,527	22,674		
National Machinery Foundation, Inc. Tiffin 15, Ohio.			221,581	377,410	364,169	
Ogelbay Norton Foundation 1200 Hanna Bldg., Cleveland 15, Ohio.			2,000			
Ohio Match Charitable Foundation Wadsworth, Ohio. See California listing for data.						
Ohio Oil Co. Foundation, Inc. 539 South Main St., Findlay, Ohio.			94,380	182,968		311,660
Owens-Illinois Paper Products Foundation Post Office Box 1035, Toledo, Ohio.			37,275	17,725		70,133

SCHEDULE 1.—Gross receipts: 522 foundations—Continued

[Source: Documents submitted to the Select Committee on Small Business]

Foundation	(7) Other income	(8) Total gross income excluding contributions, gifts, grants, etc., received	(9) Total contributions, gifts, grants, etc., received	(10) Total receipts including contributions, gifts, grants, etc., received	(11) Income rank based on total receipts (column 10) contributions, gifts, grants, etc., received	(12) Period
OHIO—continued						
Arceo Foundation 703 Curtis St., Middletown, Ohio.	\$4	\$1,253,240	\$7,954,900	\$9,208,140	138	1952 through 1969
Austin Co. Foundation 16112 Euclid Ave., Cleveland 2, Ohio.		284,219	1,920,000	2,204,219	316	1952 through 1960
Beaumont, Louis D., Foundation, Inc. 800 National City Bank Bldg., Cleveland 14, Ohio.	2	14,731,119	3,855,955	18,587,074	71	1951 through 1960
Beeghly, Leon A., Fund Care of Union National Bank of Youngstown, 6 West Federal St., Youngstown, Ohio.	1,206,899	8,022,256	24,162,353	32,184,609	34	1951 through 1960
Bentz Foundation 384 Wrexham Ave., Columbus 4, Ohio.	1,821,168	1,961,078	608,311	2,569,389	303	1951 through 1960
Bingham, William, Foundation 1250 Union Commerce Bldg., Cleveland 14, Ohio.		552,909	1,453,123	2,006,032	334	1956 through 1960
Bliss, W. E., Foundation Care of Union National Bank of Youngstown, 6 West Federal St., Youngstown, Ohio.		75,426	294,134	369,560	488	1955 through 1960
Champion Paper Foundation 601 North B St., Hamilton, Ohio.	100,000	2,308,133	2,787,500	5,095,633	203	1952 through 1961
Charities Foundation Owens-Illinois Bldg., Post Office Box 1035, Toledo 1, Ohio.	(3,929)	1,494,904	6,068,905	7,563,809	157	1951 through 1960
Cincinnati Milling Machine Foundation 4701 Marburg Ave., Cincinnati 9, Ohio.		199,823	903,750	1,103,573	416	1953 through 1960
Cleveland Pneumatic Foundation 3781 East 77th St., Cleveland 5, Ohio.		53,637	279,500	333,137	493	1954 through 1960
Cleveland Twist Drill Foundation 1242 East 49th St., Cleveland 14, Ohio.		21,721	835,000	856,721	443	1953 through 1961
Clevite Foundation 1790 St. Clair Ave., Cleveland 10, Ohio.		(5,657)	1,897,920	1,892,263	346	1951 through 1960
Commercial Shearing & Stamping Foundation 1775 Logan Ave., Youngstown, Ohio.		16,099	230,000	246,099	501	1954 through 1960
Dana Corp. Foundation 4100 Bennett Rd., Toledo 1, Ohio.		62,693	883,200	945,893	430	1956 through 1960
Dayton Malleable Foundation Post Office Box 980, Dayton, Ohio.		60,253	595,191	655,444	466	1952 through 1960
Eagle Picher Foundation The American Bldg., Cincinnati 1, Ohio.		44,030	229,000	273,030	499	1954 through 1960
Emery, Thomas J., Memorial 414 Walnut St., Cincinnati 2, Ohio.	21,630	4,199,684	8,348	4,208,032	234	1951 through 1960
Erie Railroad Charitable Education & Trust In care of Union Commerce Bank, 917 Euclid Ave., Cleveland 1, Ohio.		26,360	535,000	561,360	476	1953 through 1960
Firestone Foundation 1200 Firestone Pkwy., Akron 17, Ohio.		2,893,208	5,952,756	8,845,964	141	1951 through 1960
Firestone Trust Fund In care of Cleveland Trust Co., 916 Euclid Ave., Cleveland, 1, Ohio.		1,779,264	3,192,944	4,972,208	209	1954 through 1960
General Tire Foundation In care of First National Bank of Akron, Akron, Ohio.		880,751	2,230,345	3,111,096	274	1951 through 1960
Goodrich, B. F., Fund, Inc. 500 South Main St., Akron 18, Ohio.		1,598,016	5,920,000	7,518,016	158	1952 through 1960
Goodyear Foundation, Inc. 1144 East Market St., Akron 16, Ohio.		51,534	188,000	239,534	502	1954 through 1960
Hanna, Leonard C., Jr., Fund 1300 Leader Bldg., Cleveland 14, Ohio.		30,511,359	898,811	31,410,170	36	1951 through 1960
Hayes, Rutherford B. Hayes and Lucy Webb, Foundation 1337 Hayes Ave., Spiegel Grove, Fremont, Ohio.		336,445		336,445	491	1951 through 1960
Hoover Co., Charitable Trust 101 East Maple St., North Canton, Ohio.		207,123	1,975,000	2,182,123	318	1951 through 1960
Humphrey, George M. and Pamela S., Fund 1300 Leader Bldg., Cleveland 14, Ohio.		185,820	1,295,870	1,481,690	377	1952 through 1960
Ingalls, Louise H. and David S., Foundation, Inc. 1562 Union Commerce Bldg., Cleveland 14, Ohio.		199,491	1,199,156	1,398,647	384	1954 through 1960
Kroger Co. Charitable Trust 35 East 7th St., Cincinnati 2, Ohio.		110,930	1,845,000	1,955,930	338	1953 through 1960
Kulas Foundation 1759 Union Commerce Bldg., Cleveland 14, Ohio.	699,052	1,218,657	5,225,075	6,443,732	177	1951 through 1960
Libbey, Edmund Drummond, Trustees National Bank Bldg., Toledo, Ohio.		5,648,961		5,648,961	192	1953 through 1960
Libbey-Owens-Ford Philanthropic Foundation Care of the Toledo Trust Co., 245 Summit St., Toledo 3, Ohio.	3,172	239,822	2,488,159	2,727,981	295	1952 through 1960
Lincoln Electric Foundation Care of Central National Bank of Cleveland, Post Office Box 6179, Cleveland 1, Ohio.		98,570	1,165,000	1,263,570	399	1953 through 1960
The Louise Foundation 1300 Leader Bldg., Cleveland 14, Ohio.		60,611	506,735	567,346	474	1951 through 1960
Lubrizol Foundation 29400 Lakeland Blvd., Wickliffe, Ohio.		341,562	1,805,883	2,147,445	319	1952 through 1960
Medusa Foundation Post Office Box 5668, Cleveland 1, Ohio.		32,920	350,000	382,920	487	1954 through 1960
Monarch Machine Tool Co. Foundation 615 North Oak St., Sidney, Ohio.	371	18,404	135,000	153,404	508	1953 through 1960
NCR Foundation Care of National Cash Register Co., Main and K Sts., Dayton 9, Ohio.		358,835	4,050,000	4,408,835	232	1954 through 1960
National Acme Foundation 170 East 131st St., Cleveland 8, Ohio.		71,201	410,000	481,201	481	1954 through 1960
National Machinery Foundation, Inc. Tiffin 15, Ohio.		963,160	1,648,130	2,611,290	300	1951 through 1960
Ogelbay Norton Foundation 1200 Hanna Bldg., Cleveland 15, Ohio.		2,000	93,539	95,539	514	1959 through 1960
Ohio Match Charitable Foundation Wadsworth, Ohio. See California listing for data.						
Ohio Oil Co. Foundation, Inc. 539 South Main St., Findlay, Ohio.		589,017	2,221,570	2,810,587	290	1952 through 1960
Owens-Illinois Paper Products Foundation Post Office Box 1035, Toledo, Ohio.		125,133	910,027	1,035,160	421	1956 through 1960

SCHEDULE 1.—Gross receipts: 522 foundations—Continued

[Source: Documents submitted to the Select Committee on Small Business]

Foundation	(1) Gross sales or receipts from business activities	(2) Gross profit from business activities	(3) Interest received	(4) Dividends received	(5) Rents and royalties received	(6) Total gain (or loss) from sale of assets
OHIO—continued						
Prentiss, Elisabeth Severance, Foundation Care of National City Bank of Cleveland, Post Office Box 5756, Cleveland 1, Ohio.			\$597,055	\$3,627,792	\$489,468	\$(3,693)
Procter & Gamble Fund 301 East 6th St., Cincinnati 1, Ohio.			548,984	622,132		65,589
Republic Steel Corp. Educational & Charitable Trust Care of Cleveland Trust Co., 916 Euclid Ave., Cleveland 1, Ohio.			397,189	4,824,375		15,760
Ritchie, Charles and Mabel M., Memorial Foundation Care of 1st National Bank of Akron, Akron 8, Ohio.			66,989	198,809	21,658	81,165
Schmidlapp, Charlotte R., Fund Care of the 5th Third Union Trust Co., 4th and Walnut Sts., Cincinnati, Ohio.			126,434	601,348		10,700
Schmidlapp, J. G., Trust No. 2 Care of the 5th Third Union Trust Co., 4th and Walnut Sts., Cincinnati, Ohio.			44,877	126,668		4,139
Schmidlapp, Jacob G., Trust Care of the 5th Third Union Trust Co., 4th and Walnut Sts., Cincinnati, Ohio.			132,578	726,197	64,434	65,833
Sohio Foundation Care of Standard Oil Co., Midland Bldg., Cleveland 15, Ohio.			89,260	4,687		(79,810)
Stranahan Foundation 900 Upton Ave., Toledo 1, Ohio.			609,648	952,619		513,822
Thompson Products Foundation 23555 Euclid Ave., Cleveland 17, Ohio.			57,533		35,206	(92,550)
Timken Foundation of Canton 1835 Dueber Ave. SW., Canton 6, Ohio.			166,737	5,040,613		152,681
Timken Roller Bearing Co. Charitable Trust Care of 1st National Bank of Canton, Ohio, 101 Market St., Canton 2, Ohio.			295,502			27,576
Warner Swasey Foundation 5701 Carnegie Ave., Cleveland 3, Ohio.			68,197			
Wean, Raymond John, Foundation Care of 2d National Bank of Warren, Warren, Ohio.			55,075	1,121,810		(384)
White Motor Co. Charitable Trust 842 East 79th St., Cleveland 1, Ohio.				22,945		
OKLAHOMA						
Bartlett, H. U. and Eva Maud, Foundation Care of Bartlett-Collins Co., Sapulpa, Okla.			22,138	13,430		
Broadhurst Foundation 1701 1st National Bldg., Tulsa 3, Okla.			956,975	45,320	3,656	372,469
Champlin, H. H., Foundation 302 1st National Bank Bldg., Enid, Okla.	\$85,748	(\$4,967)	68,376			
Kirkpatrick Foundation, Inc. 1300 North Broadway, Oklahoma City, Okla.			50,634	45,290	15,521	69,402
Mabee, J. E. and L. E., Foundation, Inc. 1916 1st National Bank Bldg., Tulsa 3, Okla.			794,620	163,033	6,642,287	138,772
The McMahon Foundation 714-716 C Ave., Lawton, Okla.			199,427	719,234	1,825,554	707,502
Noble, Samuel Roberts, Foundation, Inc. Post Office Box 870, Ardmore, Okla.	1,717,871	837,555	518,255	6,587,155	6,702,941	2,684,200
Phillips, Frank, Foundation, Inc. 208 1st National Bank Bldg., Bartlesville, Okla.	356,910	(1,137,520)	8,302	1,943,082		1,268,525
The Pioneer Foundation Post Office Box 8518, Oklahoma City 14, Okla.			7,403	38,147	60,551	12,029
Young, R. A., Foundation 3815 North Santa Fe, Oklahoma City, Okla.			84,348	47,637		168,995
PENNSYLVANIA						
The Alcoa Foundation Care of Mellon National Bank & Trust Co., Mellon Sq., Pittsburgh 30, Pa.			95,520	5,916,086		427,831
Allegheny Foundation 525 William Penn Pl., Pittsburgh 19, Pa.			36,742	49,036	1,357	76,439
American Foundation, Inc. 1718 Philadelphia National Bank Bldg., Philadelphia 7, Pa.			537,731	1,831,641	300	4,201,329
Benedum, Claude Worthington, Foundation 223 4th Ave., Pittsburgh 22, Pa.			240,568	3,579,843	8,506	
Bok, Mary Louise Curtis, Foundation 1726 Locust St., Philadelphia 3, Pa.			939,145	3,189,109	19,059	
Buhl Foundation 1 Gateway Center, suite 373, Pittsburgh 22, Pa.			1,837,217	2,604,337	2,757,560	1,414,510
Carnegie Hero Fund Commission 2307 Oliver Bldg., Pittsburgh 22, Pa.			2,324,207	908,630		(234,437)
Davis, Arthur Vining, Foundation Care of Mellon National Bank & Trust Co., Mellon Sq., Pittsburgh 30, Pa.			178,748	482,041		2,263,575
Donner Foundation, Inc. 2500 Philadelphia National Bank Bldg., Philadelphia 7, Pa.			1,759,883	10,052,333		
Falk, Maurice and Laura, Foundation 3315 Grant Bldg., Pittsburgh 19, Pa.			232,937	6,284,120		5,285,057
Fels, Samuel S., Fund 2 Penn Center Plaza, Philadelphia 2, Pa.			1,182,916	3,895,283	82,371	3,398,555
Food Fair Stores Foundation 2223 East Allegheny Ave., Philadelphia 34, Pa.			329,764	19,281		(3,098)
Frick, Childs, Corp. In care of Mellon National Bank & Trust Co., Mellon Sq., Pittsburgh 30, Pa.			354,664	324,816		(657)
Addison H. Gibson Foundation 1702 Commonwealth Bldg., Pittsburgh 22, Pa.			274,342	1,088,231	1,592,763	705,700
Glencairn Foundation 2d St. Pike, Bryn Athyn, Pa.			4,910	1,334,660		5,278

SCHEDULE 1.—Gross receipts: 522 foundations—Continued

[Source: Documents submitted to the Select Committee on Small Business]

Foundation	(7) Other income	(8) Total gross income excluding contributions, gifts, grants, etc., received	(9) Total contributions, gifts, grants, etc., received	(10) Total receipts including contributions, gifts, grants, etc., received	(11) Income rank based on total receipts (column 10) contributions, gifts, grants, etc., received	(12) Period
OHIO—continued						
Prestiss, Elisabeth Severance, Foundation Care of National City Bank of Cleveland, Post Office Box 5756, Cleveland 1, Ohio.	\$61,916	\$4,772,538	\$284,407	\$5,056,945	205	1951 through 1960
Procter & Gamble Fund 301 East 6th St., Cincinnati 1, Ohio.		1,236,705	13,025,632	14,262,337	85	1953 through 1960
Republic Steel Corp Educational & Charitable Trust Care of Cleveland Trust Co., 916 Euclid Ave., Cleveland 1, Ohio.	664	5,237,988	14,034,590	19,272,578	67	1951 through 1960
Ritche, Charles and Mabel M., Memorial Foundation Care of 1st National Bank of Akron, Akron 8, Ohio.	30,477	399,098	1,060,494	1,459,592	378	1955 through 1960
Schmidlapp, Charlotte R., Fund Care of the 5th Third Union Trust Co., 4th and Walnut Sts., Cincinnati, Ohio.	9,901	748,392		748,392	453	1952 through 1960
Schmidlapp, J. G., Trust No. 2 Care of the 5th Third Union Trust Co., 4th and Walnut Sts., Cincinnati, Ohio.	4,870	180,554		180,554	505	1952 through 1960
Schmidlapp, Jacob G., Trust Care of the 5th Third Union Trust Co., 4th and Walnut Sts., Cincinnati, Ohio.	9,624	998,666		998,666	424	1952 through 1960
Sohio Foundation Care of Standard Oil Co., Midland Bldg., Cleveland 15, Ohio.	308	14,445	2,293,295	2,307,740	313	1954 through 1960
Stranahan Foundation 600 Upton Ave., Toledo 1, Ohio.	939	2,077,028	3,189,472	5,266,500	198	1951 through 1960
Thompson Products Foundation 2355 Euclid Ave., Cleveland 17, Ohio.		189	1,564,500	1,564,689	370	1955 through 1960
Timken Foundation of Canton 1835 Dueber Ave. SW, Canton 6, Ohio.	460,000	5,820,031	18,381,881	24,201,912	46	1951 through 1960
Timken Roller Bearing Co. Charitable Trust Care of 1st National Bank of Canton, Ohio, 101 Market St., Canton 2, Ohio.		323,078	3,600,000	3,923,078	239	1951 through 1960
Warner Swasey Foundation 5701 Carnegie Ave., Cleveland 3, Ohio.		\$68,197	1,355,000	1,423,197	381	1952 through 1960
Wean, Raymond John, Foundation Care of 2d National Bank of Warren, Warren, Ohio.		1,176,501	3,701,026	4,877,527	216	1951 through 1960
White Motor Co. Charitable Trust 842 East 79th St., Cleveland 1, Ohio.		22,945	683,102	706,047	457	1955 through 1960
OKLAHOMA						
Bartlett, H. U. and Eva Maud, Foundation Care of Bartlett-Collins Co., Sapulpa, Okla.		35,568	400,198	435,766	483	1951 through 1960
Broadhurst Foundation 1701 1st National Bldg., Tulsa 3, Okla.	28,965	1,407,385	1,942,308	3,349,693	259	1951 through 1960
Champlin, H. H., Foundation 302 1st National Bank Bldg., Enid, Okla.		63,409		63,409	516	1952 through 1960
Kirkpatrick Foundation, Inc. 1300 North Broadway, Oklahoma City, Okla.		180,847	247,576	428,423	484	1957 through 1960
Mabee, J. E. and L. E., Foundation, Inc. 1916 1st National Bank Bldg., Tulsa 3, Okla.	96,200	7,834,912	62,619	7,897,431	150	1952 through 1960
The McMahon Foundation 714-716 C Ave., Lawton, Okla.	1,345	3,453,062	16,162	3,469,224	255	1951 through 1960
Noble, Samuel Roberts, Foundation, Inc. Post Office Box 870, Ardmore, Okla.	41,846	17,371,952	8,643,168	26,015,120	42	1951 through 1960
Phillips, Frank, Foundation, Inc. 208 1st National Bank Bldg., Bartlesville, Okla.	3,212,367	5,294,846		5,294,846	196	1951 through 1960
The Pioneer Foundation Post Office Box 8518, Oklahoma City 14, Okla.		118,220	564,211	682,431	460	1953 through 1961
Young, R. A., Foundation 3815 North Santa Fe, Oklahoma City, Okla.		300,980	968,979	1,269,959	398	1954 through 1960
PENNSYLVANIA						
The Alcoa Foundation Care of Mellon National Bank & Trust Co., Mellon Sq., Pittsburgh 30, Pa.	6,504	6,445,941	16,551,736	22,997,677	50	1953 through 1960
Allegheny Foundation 525 William Penn Pl., Pittsburgh 19, Pa.		163,574	987,976	1,151,550	409	1953 through 1960
American Foundation, Inc. 1718 Philadelphia National Bank Bldg., Philadelphia 7, Pa.	237,749	6,808,750		6,808,750	171	1951 through 1961
Benedum, Claude Worthington, Foundation 223 4th Ave., Pittsburgh 22, Pa.	1,505,572	5,334,489	17,044,477	22,378,966	51	1951 through 1960
Bok, Mary Louise Curtis, Foundation 1726 Locust St., Philadelphia 3, Pa.	2,666	4,149,979	1,227,713	5,377,692	195	1951 through 1960
Buhl Foundation 1 Gateway Center, suite 373, Pittsburgh 22, Pa.		8,613,624	128,535	8,742,159	143	1951 through 1960
Carnegie Hero Fund Commission 2307 Oliver Bldg., Pittsburgh 22, Pa.	(\$54,616)	2,943,784		2,943,784	284	1951 through 1960
Davis, Arthur Vining, Foundation Care of Mellon National Bank & Trust Co., Mellon Sq., Pittsburgh 30, Pa.	8,041	2,932,405	1,923,400	4,855,805	217	1953 through 1960
Donner Foundation, Inc. 2500 Philadelphia National Bank Bldg., Philadelphia 7, Pa.		11,812,216	12,947,827	24,760,043	44	1951 through 1960
Falk, Maurice and Laura, Foundation 3315 Grant Bldg., Pittsburgh 19, Pa.	38,836	11,840,950	74,663	11,915,613	99	1951 through 1960
Fels, Samuel S., Fund 2 Penn Center Plaza, Philadelphia 2, Pa.	654	8,559,779	9,061,874	17,621,653	74	1951 through 1960
Food Fair Stores Foundation 2223 East Allegheny Ave., Philadelphia 34, Pa.		345,947	2,414,000	2,759,947	292	1953 through 1960
Frick, Childs, Corp. In care of Mellon National Bank & Trust Co., Mellon Sq., Pittsburgh 30, Pa.	2,991,159	3,669,982	27,265	3,697,247	249	1951 through 1960
Addison H. Gibson Foundation 1702 Commonwealth Bldg., Pittsburgh 22, Pa.	9,566	3,670,602	150	3,670,752	250	1951 through 1960
Glencalm Foundation 2d St. Pike, Bryn Athyn, Pa.		1,344,848	6,046,202	7,391,050	161	1951 through 1960

SCHEDULE 1.—Gross receipts: 522 foundations—Continued

[Source: Documents submitted to the Select Committee on Small Business]

Foundation	(1) Gross sales or receipts from business activities	(2) Gross profit from business activities	(3) Interest received	(4) Dividends received	(5) Rents and royalties received	(6) Total gain (or loss) from sale of assets
PENNSYLVANIA—continued						
The Hammermill Foundation Post Office Box 1440, Erie 6, Pa.			\$13,131	\$44,295	\$371,513	\$(74,675)
Heinz, Howard, Endowment Post Office Box 926, Pittsburgh 30, Pa.			136,340	5,737,713	385	183,962
Heinz, H. J., Co. Foundation Post Office Box 57, Pittsburgh 30, Pa.			27,823	12,413	293	19,469
The Hunt Foundation Post Office Box 926, Pittsburgh 30, Pa.			60,950	472,153		760,301
Jackson, William R. and Lucilla S., Charitable Trust Care of Mellon National Bank & Trust Co., Mellon Sq., Pittsburgh 30, Pa.			1,982	32,079		42
Janssen, Henry, Foundation, Inc. Post Office Box 462, Reading, Pa.			294,300	512,638		132,082
The Koppers Foundation Care of Koppers Co., Inc., Pittsburgh 19, Pa.			168,131	43,801		(5,129)
Laurel Foundation 525 William Penn Pl., Pittsburgh 19, Pa.			17,785	173,994		215
Mack, J. S., Foundation 531 5th Ave., McKeesport, Pa.			23,369	1,020,839	20,577	20,273
Mellon, A. W., Educational & Charitable Trust 525 William Penn Pl., Pittsburgh 19, Pa.			5,000,448	7,985,054	188,331	14,796,424
Mellon, Richard King, Foundation 525 William Penn Pl., Pittsburgh 19, Pa.			776,117	8,829,378	1,241,203	(336,847)
Moore, Hugh, Fund 24th St. and Dixie Ave., Easton, Pa.			53,872	103,633		205,252
Murphy, G. O., Co., Foundation 531 5th Ave., McKeesport, Pa.			48,127	274,229		155,744
National Forge Co., Foundation Care of Pittsburgh National Bank, 414 Wood St., Pittsburgh 22, Pa.			6,898	53,423		3,585
National Steel Charitable Trust Care of Pittsburgh National Bank, Pittsburgh 30, Pa.			66,300			(14,846)
Penn Fruit Foundation Post Office Box 6122, Grant Ave. and Bluegrass Rd., Philadelphia 15, Pa.			3,201	127,439		
The Pew Memorial Trust Care of Glenmeade Trust Co., 1608 Walnut St., Philadelphia 3, Pa.			60,999	21,878,169		141
Pitcairn, Theodore, Foundation Creek Rd., Bryn Athyn, Pa.				281,112		
Pittsburgh Forgings Co. Foundation Care of Mellon National Bank & Trust Co., 747 Union Trust Bldg., Pittsburgh 19, Pa.			57,005	36,576		(6,683)
Pittsburgh Plate Glass Foundation 1 Gateway Center, Pittsburgh 22, Pa.			1,538,393	1,350,752	2,089	(4,454)
Presser Foundation 1717 Sanson St., Pittsburgh 3, Pa.			213,512	212,793	297,706	79,930
Publicker, Harry and Rose, Trust 1400 South Penn Sq., Philadelphia 2, Pa.			32,581	109,428	59,025	
Rittenhouse Foundation 1530 Spruce St., Philadelphia 2, Pa.	\$33,703	\$33,703	121,525	167,500	363,233	1,776,862
Rockwell Charitable Trust 400 North Lexington Ave., Pittsburgh 8, Pa.			14,396	8,286	133,600	63,840
Seafie, Sarah Mellon, Foundation 525 William Penn Pl., Pittsburgh 30, Pa.			1,025,568	5,092,822		4,613,012
Scholler Foundation Collins and Westmoreland Sts., Philadelphia 34, Pa.			15,750	394,986	65	(600)
Smith Kline & French Foundation 1500 Spring Garden St., Philadelphia 1, Pa.			266,024			
Thomson, John Edgar, Foundation 8818 Chestnut St., Philadelphia 4, Pa.			268,762	455,363		41,231
Trexler Foundation 1227 Hamilton St., Allentown, Pa.	10,003,146	4,624,972	2,295,669	1,500,647	252,076	578,136
Waterman, Phoebe, Foundation, Inc. 1702 Arch St., room 422, Philadelphia 3, Pa.			23,045	1,822,866		(17)
Westinghouse Air Brake Foundation Care of Mellon National Bank & Trust Co., Mellon Sq., Pittsburgh 30, Pa.			96,664	3,641		(303)
Westinghouse Educational Foundation Post Office Box 2278, 401 Liberty Ave., Pittsburgh 30, Pa.			823,286			(17,182)
Westinghouse Electric Fund Post Office Box 2278, 3 Gateway Center, Pittsburgh 30, Pa.			344,029			(24,610)
Wyomissing Foundation, Inc. Post Office Box 1382, Reading, Pa.			562,854	465,830		394,210
SOUTH CAROLINA						
Arkwright Foundation Post Office Box 1086, Spartanburg, S.C.			170,966	373,537	8,533	163,718
Burgiss, W. W., Charities, Inc. Care of The 1st National Bank, 102 South Main St., Greenville, S.C.			164,756	40,151	357,239	95,958
Gregg Foundation Graniteville, S.C.			77,562	14,093		13,112
Gregg-Graniteville Foundation, Inc. Graniteville, S.C.			128,935	417,850	8,024	230,822
Self Foundation Greenwood, S.C.			1,192,104	456,826	3,595	18,898
The Springs Foundation, Inc. Care of Mr. J. C. Hubbard, Lancaster, S.C.			597,490	681,189		1,341,798
TENNESSEE						
Benwood Foundation, Inc. 521-523 Chattanooga Bank Bldg., Chattanooga, Tenn.			20,892	10,702,558		
Carror, Robert M. and Lenore W., Foundation Care of Union Planters National Bank, Memphis, Tenn.			1,858	159,655		24,438

SCHEDULE 1.—Gross receipts: 522 foundations—Continued

[Source: Documents submitted to the Select Committee on Small Business]

Foundation	(7) Other income	(8) Total gross income exclud- ing contribu- tions, gifts, grants, etc., received	(9) Total contribu- tions, gifts, grants, etc., received	(10) Total receipts including contribu- tions, gifts, grants, etc., received	(11) Income rank based on total receipts (column 10) contributions, gifts, grants, etc., received	(12) Period
PENNSYLVANIA—continued						
The Hammernill Foundation Post Office Box 1440, Erie 6, Pa.		\$354,264	\$924,895	\$1,279,159	397	1955 through 1960
Helnz, Howard, Endowment Post Office Box 926, Pittsburgh 30, Pa.	\$113,993	6,172,393	2,324	6,174,717	181	1951 through 1960
Helnz, H. J., Co. Foundation Post Office Box 57, Pittsburgh 30, Pa.	142	60,140	1,943,667	2,003,807	335	1951 through 1960
The Hunt Foundation Post Office Box 926, Pittsburgh 30, Pa.	2,586	1,295,990	2,027,653	3,323,643	261	1952 through 1960
Jackson, William R. and Lucilla S., Charitable Trust Care of Mellon National Bank & Trust Co., Mellon Sq., Pittsburgh 30, Pa.		34,103	124,564	158,667	507	1951 through 1960
Janssen, Henry, Foundation, Inc. Post Office Box 462, Reading, Pa.		939,110	619,260	1,558,370	371	1951 through 1960
The Koppers Foundation Care of Koppers Co., Inc., Pittsburgh 19, Pa.		206,803	1,150,000	1,356,803	390	1953 through 1960
Laurel Foundation 525 William Penn Pl., Pittsburgh 19, Pa.		191,994	1,378,124	1,570,118	369	1951 through 1960
Mack, J. S., Foundation 531 5th Ave., McKeesport, Pa.	24,138	1,109,496	546,804	1,656,300	360	1951 through 1960
Mellon, A. W., Educational & Charitable Trust 525 William Penn Pl., Pittsburgh 19, Pa.	13,275,752	41,246,009	181,719	41,427,728	25	1951 through 1960
Mellon, Richard King, Foundation 525 William Penn Pl., Pittsburgh 19, Pa.	49,448	10,559,299	18,367,234	28,926,533	38	1951 through 1960
Moore, Hugh, Fund 24th St. and Dixie Ave., Easton, Pa.		362,757	997,493	1,360,250	388	1956 through 1960
Murphy, G. C., Co., Foundation 531 5th Ave., McKeesport, Pa.		478,100	1,005,000	1,483,100	376	1953 through 1960
National Forge Co. Foundation Care of Pittsburgh National Bank, 414 Wood St., Pitts- burgh 22, Pa.		63,906	32,500	96,406	513	1955 through 1960
National Steel Charitable Trust Care of Pittsburgh National Bank, Pittsburgh 30, Pa.		51,454	1,085,237	1,136,691	412	1953 through 1960
Penn Fruit Foundation Post Office Box 6122, Grant Ave. and Bluegrass Rd., Philadelphia 15, Pa.		130,640	785,279	915,919	435	1953 through 1960
The Pew Memorial Trust Care of Glenmeade Trust Co., 1608 Walnut St., Philadel- phia 3, Pa.	(26,154)	21,913,155	1,623,967	23,537,122	47	1951 through 1960
Pitcairn, Theodore, Foundation Creek Rd., Bryn Athyn, Pa.		281,112	1,851,456	2,132,568	320	1953 through 1960
Pittsburgh Forgings Co. Foundation Care of Mellon National Bank & Trust Co., 747 Union Trust Bldg., Pittsburgh 19, Pa.		86,898	228,176	315,074	496	1952 through 1960
Pittsburgh Plate Glass Foundation 1 Gateway Center, Pittsburgh 22, Pa.	300	2,887,030	11,100,419	13,987,449	87	1953 through 1960
Presser Foundation 1717 Sanson St., Pittsburgh 3, Pa.	2,448,822	3,252,763		3,252,763	206	1951 through 1960
Publicker, Harry and Rose, Trust 1400 South Penn Sq., Philadelphia 2, Pa.	6	201,040		201,040	504	1951 through 1960
Rittenhouse Foundation 1530 Spruce St., Philadelphia 2, Pa.	11,448	2,474,271	102,932	2,577,203	302	1951 through 1960
Rockwell Charitable Trust 400 North Lexington Ave., Pittsburgh 8, Pa.	1,296	221,427		221,427	503	1956 through 1960
Scaife, Sarah Mellon, Foundation 525 William Penn Pl., Pittsburgh 30, Pa.	13,535	10,744,937	10,671,059	21,415,996	56	1951 through 1960
Scholler Foundation Collins and Westmoreland Sts., Philadelphia 34, Pa.	661	410,892	884,024	1,294,916	396	1952 through 1960
Smith Kline & French Foundation 1500 Spring Garden St., Philadelphia 1, Pa.		266,024	4,497,000	4,763,024	220	1953 through 1960
Thomson, John Edgar, Foundation 3818 Chestnut St., Philadelphia 4, Pa.	90,116	855,472		855,472	444	1951 through 1960
Trexler Foundation 1227 Hamilton St., Allentown, Pa.	103,961	9,355,461		9,355,461	134	1952 through 1960
Waterman, Phoebe, Foundation, Inc. 1701 Arch St., room 422, Philadelphia 3, Pa.	361,254	2,207,148	7,119,787	9,326,935	136	1951 through 1960
Westinghouse Air Brake Foundation Care of Mellon National Bank & Trust Co., Mellon Sq., Pittsburgh 30, Pa.		99,822	1,850,000	1,949,822	340	1953 through 1960
Westinghouse Educational Foundation Post Office Box 2278, 401 Liberty Ave., Pittsburgh 30, Pa.	18	806,122	6,350,000	7,156,122	167	1951 through 1960
Westinghouse Electric Fund Post Office Box 2278, 3 Gateway Center, Pittsburgh 30, Pa.		319,419	9,751,000	10,070,419	123	1953 through 1960
Wyomissing Foundation, Inc. Post Office Box 1382, Reading, Pa.		1,422,894	3,490,833	4,913,727	212	1951 through 1960
SOUTH CAROLINA						
Arkwright Foundation Post Office Box 1086, Spartanburg, S.C.	(62,417)	654,337	672,043	1,326,380	394	1951 through 1960
Burgiss, W. W., Charities, Inc. Care of The 1st National Bank, 102 South Main St., Greenville, S.C.	80	658,184		658,184	465	1951 through 1960
Gregg Foundation Graniteville, S.C.	3,922	108,689	6,500	115,189	512	1951 through 1960
Gregg-Graniteville Foundation, Inc. Graniteville, S.C.	124	785,755	787,901	1,573,656	368	1952 through 1960
Self Foundation Greenwood, S.C.	64,203	1,735,626	2,918,369	4,653,995	226	1951 through 1960
The Springs Foundation, Inc. Care of Mr. J. C. Hubbard, Lancaster, S.C.	1,849	2,622,326	413,792	3,036,118	278	1951 through 1960
TENNESSEE						
Benwood Foundation, Inc. 521-523 Chattanooga Bank Bldg., Chattanooga, Tenn.	9,657	10,733,107	1,211	10,734,318	114	1951 through 1960
Carrier, Robert M. and Lenore W., Foundation Care of Union Planters National Bank, Memphis, Tenn.		185,951	931,083	1,117,034	414	1953 through 1960

SCHEDULE 1.—Gross receipts: 522 foundations—Continued

[Source: Documents submitted to the Select Committee on Small Business]

Foundation	(1) Gross sales or receipts from business activities	(2) Gross profit from business activities	(3) Interest received	(4) Dividends received	(5) Rents and royalties received	(6) Total gain (or loss) from sale of assets
TENNESSEE—continued						
Evans Foundation, Inc. 540 McCaille Ave., Chattanooga, Tenn.			\$37,882	\$45,297		(\$529)
Jarman Foundation 119 7th Ave. North, Nashville 3, Tenn.				1,812,211		
Memorial Welfare Foundation, Inc. Care of American National Bank & Trust Co., Chattanooga, Tenn.			667,156	1,152,936		444,330
TEXAS						
Anderson, M. D., Foundation Post Office Box 2557, Houston 1, Tex.			5,156,999	6,442,952	\$1,687,658	1,668,501
Carter, Amon G., Foundation Post Office Box 1036, Fort Worth, Tex.			951,211	966,712	9,036,900	2,301,199
Clayton Foundation for Research 706 Bank of the Southwest, Houston 2, Tex.			166,890	1,581,312	199,760	1,530,093
The Cullen Foundation 1710 1st National Bank Bldg., Houston 2, Tex.			111,799		9,343,953	
Hoblitzelle Foundation 501 Majestic Theatre Bldg., Dallas 1, Tex.		(\$19,301)	387,957	2,785,354	368,109	1,590,947
Houston Endowment, Inc. Post Office Box 1414, Houston 1, Tex.			1,234,532	10,909,668	23,895,290	14,888,373
The Moody Foundation Post Office Box 904, Galveston, Tex.			90	1,405,776	101,498	2,615
Welch, Robert A., Foundation 2010 Bank of the Southwest Bldg., Houston 2, Tex.			344,215	5,587,746	13,175,107	3,128,288
WASHINGTON						
Boeing Airplane Co. Charitable Trust Post Office Box 3707, Seattle, Wash.			169,453			(277)
Comstock Foundation Spokane and Eastern Bldg., Spokane, Wash.			103,951	570,065	627	13,652
Medina Foundation 2101 Exchange Bldg., Seattle 4, Wash.			84,945	203,272		186,489
Weyerhaeuser Co. Foundation Tacoma Bldg., Tacoma 1, Wash.			136,365	316,348		997,171
WISCONSIN						
Allis Chalmers Foundation 1126 South 70th St., West Allis 14, Wis.			242,412	188,960		35
Briggs & Stratton Corp. Foundation, Inc. 2711 North 13th St., Milwaukee 6, Wis.			17,224	212,670		
Bucyrus-Erie Foundation, Inc. 11th and Milwaukee Aves., South Milwaukee, Wis.			44,511			1,332
Chain Belt Foundation, Inc. 4701 West Greenfield Ave., Milwaukee, Wis.			5,450	132,577		(100)
Cudahy, Patrick and Anna M., Fund 920 East Mason St., Milwaukee 2, Wis.			54,248	980,282		63,924
Cutler-Hammer Foundation 315 North 12th St., Milwaukee 1, Wis.			103,168	897		
De Rance, Inc. 735 North Water St., room 1225, Milwaukee 2, Wis.			1,631	1,437,684		
Froedtert Foundation Post Office Box 712, Milwaukee 1, Wis.			\$42,418	166,444	31,941	198,836
Hamilton Memorial Foundation Care of Hamilton Manufacturing Co., Two Rivers, Wis.			89,764	107,305		58,673
Harnischfeger Foundation, Inc. 4400 West National Ave., Milwaukee 14, Wis.			7,145	675,416		25,600
Johnson Foundation, Inc. Racine, Wis.						
Kimberly-Clark Foundation, Inc. 128 North Commercial St., Neenah, Wis.			2,601	75,265		95,903
Nekoosa-Edwards Foundation, Inc. Port Edwards, Wis.			21,791	5,515	126,489	666
Phillips, L. E., Charities, Inc. 314 Grand Ave. East, Eau Claire, Wis.			20,698	1,530,713	13,767	(19,580)
Rutledge, Edward, Charity 404 Bridge St., Chippewa Falls, Wis.			353,853	192,580		88,556
Schultz Foundation, Inc. 235 West Galena St., Milwaukee 1, Wis.			319,319		7	940
Smith, A. O., Foundation, Inc. Post Office Box 684, Milwaukee 1, Wis.			55,444	1,365		(2,081)
Trostel, Albert O., Foundation, Inc. 1776 North Commerce St., Milwaukee 8, Wis.			64,737		20,662	(446)
Western Printing & Lithographing Co. Foundation 1220 Mound Ave., Racine, Wis.			25,119	119,713		6,597
WYOMING						
Whitney Benefits Bank of Commerce Bldg., room 218, Sheridan, Wyo.	\$71,519	54,679	439,747	181,503	3,193	22,838
Total.....	58,318,426	19,406,469	445,528,867	2,096,793,038	239,235,246	1,407,720,018
ADDENDA						
Total brought forward.....	58,318,426	19,406,469	445,528,867	2,096,793,038	239,235,246	1,407,720,018
Engene Higgins Trust United States Trust Co. of New York, 45 Wall St., New York, N.Y.			8,232,065	5,089,135		
The Rockefeller Institute York Ave. and East 66th St., New York 21, N.Y.			15,835,442	41,308,775	4,054	12,579,579
Sleepy Hollow Restorations, Inc. 42 Main St., Irvington, N.Y.			324,955	1,591,294		461,657
Colonial Williamsburg, Inc. Williamsburg, Va.			7,142,912	16,153,099	1,930,929	27,752,878
Rockwell Charitable Trust Pittsburgh National Bank, Pittsburgh 30, Pa.			12,178	5,012	27,479	(439)
The Moody Foundation Post Office Box 904, Galveston, Tex.						
Allen-Bradley Foundation, Inc. 136 West Greenfield Ave., Milwaukee 4, Wis.			348,716	306,105	71,250	16,070
Total.....	58,318,422	19,406,469	477,425,135	2,161,246,458	241,268,958	1,448,529,763

SCHEDULE 1.—Gross receipts: 522 foundations—Continued

[Source: Documents submitted to the Select Committee on Small Business]

Foundation	(7) Other income	(8) Total gross income exclud- ing contribu- tions, gifts, grants, etc., received	(9) Total contribu- tions, gifts, grants, etc., received	(10) Total receipts including contribu- tions, gifts, grants, etc., received	(11) Income rank based on total receipts (column 10) contributions, gifts, grants, etc., received	(12) Period
TENNESSEE—continued						
Evans Foundation, Inc. 540 McCallie Ave., Chattanooga, Tenn.	\$194,689	\$277,339	\$73,765	\$351,104	489	1957 through 1960
Jarman Foundation 119 7th Ave. North, Nashville 3, Tenn.		1,812,211	73,745	1,885,956	347	1952 through 1960
Memorial Welfare Foundation, Inc. Care of American National Bank & Trust Co., Chat- tanooga, Tenn.		2,264,422	2,961,414	5,225,836	200	1951 through 1960
TEXAS						
Anderson, M. D., Foundation Post Office Box 2557, Houston 1, Tex.	4,214,901	19,171,011	100,008	19,271,019	68	1951 through 1960
Carter, Amon G., Foundation Post Office Box 1036, Fort Worth, Tex.	433,886	13,689,908	10,672,440	24,362,348	45	1951 through 1960
Clayton Foundation for Research 706 Bank of the Southwest, Houston 2, Tex.	1,155,069	4,633,124	336,759	4,969,883	210	1951 through 1960
The Cullen Foundation 1710 1st National Bank Bldg., Houston 2, Tex.		9,455,762	97,500	9,553,252	131	1951 through 1960
Hoblitzelle Foundation 501 Majestic Theatre Bldg., Dallas 1, Tex.	53,340	5,166,406	484,301	5,650,707	191	1951 through 1960
Houston Endowment, Inc. Post Office Box 1414, Houston 1, Tex.	346,367	51,274,230	5,058,981	56,333,211	15	1951 through 1960
The Moody Foundation Post Office Box 904, Galveston, Tex.	895,217	2,405,196	53,954,974	56,360,170	14	1951 through 1960
Welch, Robert A., Foundation 2010 Bank of the Southwest Bldg., Houston 2, Tex.	468	22,235,824		22,235,824	52	1955 through 1960
WASHINGTON						
Boeing Airplane Co. Charitable Trust Post Office Box 3707, Seattle, Wash.		169,176	3,683,097	3,852,273	242	1952 through 1960
Comstock Foundation Spokane and Eastern Bldg., Spokane, Wash.		688,295	1,849,177	2,537,472	306	1952 through 1960
Medina Foundation 2101 Exchange Bldg., Seattle 4, Wash.	192	474,898	2,004,503	2,479,401	309	1951 through 1960
Weyerhaeuser Co. Foundation Tacoma Bldg., Tacoma 1, Wash.		1,449,884	2,647,437	4,097,321	235	1951 through 1960
WISCONSIN						
Allis Chalmers Foundation 1126 South 70th St., West Allis 14, Wis.		431,407	7,476,199	7,907,606	149	1951 through 1960
Briggs & Stratton Corp. Foundation, Inc. 2711 North 13th St., Milwaukee 6, Wis.		229,894	991,372	1,221,266	402	1954 through 1960
Bucyrus-Erie Foundation, Inc. 11th and Milwaukee Aves., South Milwaukee, Wis.		45,843	930,611	976,454	428	1951 through 1960
Chain Belt Foundation, Inc. 4701 West Greenfield Ave., Milwaukee, Wis.	692,500	830,427	775,900	1,606,327	364	1953 through 1960
Cudahy, Patrick and Anna M., Fund. 920 East Mason St., Milwaukee 2, Wis.		1,098,454	2,991,691	4,090,145	236	1951 through 1960
Cutler-Hammer Foundation 315 North 12th St., Milwaukee 1, Wis.		104,065	1,800,000	1,904,065	344	1952 through 1960
De Rance, Inc. 735 North Water St., room 1225, Milwaukee 2, Wis.	104,668	1,543,983	5,180,000	6,723,983	173	1952 through 1960
Froedtert Foundation Post Office Box 712, Milwaukee 1, Wis.		439,639	491,910	931,549	432	1951 through 1960
Hamilton Memorial Foundation Care of Hamilton Manufacturing Co., Two Rivers, Wis.	93	255,835	860,300	1,116,135	415	1952 through 1960
Harnischfeger Foundation, Inc. 4400 West National Ave., Milwaukee 14, Wis.		708,161	100,500	808,661	448	1952 through 1960
Johnson Foundation, Inc. Racine, Wis.			600,000	600,000	473	1959 through 1960
Kimberly-Clark Foundation, Inc. 128 North Commercial St., Neenah, Wis.		173,709	1,257,076	1,430,845	380	1953 through 1960
Nekoosa-Edwards Foundation, Inc. Port Edwards, Wis.	683	155,144	2,405,748	2,560,892	304	1951 through 1960
Phillips, L. E., Charities, Inc. 314 Grand Ave. East, Eau Claire, Wis.	3,410	1,549,008	1,192,705	2,741,713	293	1951 through 1961
Rutledge, Edward, Charity 404 Bridge St., Chippewa Falls, Wis.	6,456	641,445		641,445	469	1951 through 1960
Schlitz Foundation, Inc. 235 West Galena St., Milwaukee 1, Wis.	127	320,393	2,830,289	3,150,682	272	1951 through 1960
Smith, A. O., Foundation, Inc. Post Office Box 584, Milwaukee 1, Wis.		54,728	2,685,617	2,740,345	294	1952 through 1960
Trostel, Albert O., Foundation, Inc. 1776 North Commerce St., Milwaukee 8, Wis.		84,953		84,953	515	1951 through 1960
Western Printing & Lithographing Co. Foundation 1220 Mound Ave., Racine, Wis.	656,169	807,598	2,100,548	2,908,146	286	1952 through 1960
WYOMING						
Whitney Benefits Bank of Commerce Bldg., room 218, Sheridan, Wyo.	271	702,231		702,231	458	1952 through 1960
Total.....	204,269,444	4,412,953,082	2,390,330,878	6,803,283,960		
ADDENDA						
Total brought forward.....	204,269,444	4,412,953,082	2,390,330,878	6,803,283,960		
Eugene Higgins Trust United States Trust Co. of New York, 45 Wall St., New York, N. Y.		13,321,200		13,321,200		1951 through 1960
The Rockefeller Institute York Ave. and East 66th St., New York 21, N. Y.	887,412	70,615,262	20,331,370	90,946,632		1951 through 1961
Sleepy Hollow Restorations, Inc. 42 Main St., Irvington, N. Y.	298,315	2,676,221	12,175,117	14,851,338		1952 through 1960
Colonial Williamsburg, Inc. Williamsburg, Va.	9,523,828	62,503,646	23,944,981	86,448,627		1951 through 1960
Rockwell Charitable Trust Pittsburgh National Bank, Pittsburgh 30, Pa.		44,230	91,522	135,752		1951 through 1955
The Moody Foundation Post Office Box 904, Galveston, Tex.			134,000	134,000		1954
			532,818	532,818		1960
Allen-Bradley Foundation, Inc. 136 West Greenfield Ave., Milwaukee 4, Wis.	374,923	1,117,064	(Adjustments) 4,296,533	5,413,597		1951 through 1960
Total.....	215,353,922	4,563,230,705	2,451,837,219	7,015,067,924		

SCHEDULE 2

Subject: Data regarding corporations in which certain foundations failed to report their ownership of 10 percent or more of each class of the corporation's stock. The Internal Revenue Service requires such ownership to be recorded on form 990-A (per instruction 7, p. 4, form 990-A). The following foundations failed to report such stock ownership in the manner prescribed by Treasury Department regulations during the accounting periods indicated in col. 3. Source: Documents submitted to the Select Committee on Small Business by the foundations.

(1)	(2)	(3)	(4)	(5)	(6)	(7)	
Foundation	Corporation in which the foundation failed to report its ownership of 10 percent or more stock	Accounting period for which the foundation failed to report such ownership, year ending—	Number of shares of each class of the corporation's stock which the foundation failed to report ¹	Foundation's book value of the shares of the corporation ¹	Market value, if any, of the corporation's shares owned by the foundation ¹	Percentage of outstanding shares of the corporation owned by the foundation (based on ownership shown in col. 4) ¹	
CALIFORNIA							
James G. Boswell Foundation, 510 South Spring St., Los Angeles 13, Calif.	J. G. Boswell Co., 510 South Spring St., Los Angeles 13, Calif.	Dec. 31, 1951.....	10,000 capital voting.....	\$3,537,442	\$2,690,000 ²	21.8	
		Dec. 31, 1952, through Dec. 31, 1954.....	17,519 capital voting.....	3,381,167	\$6,114,131 (Jan. 1, 1954) ²	38.3	
		Dec. 31, 1955.....	17,517 capital voting.....	3,381,167	\$6,622,182 ²	38.3	
Louis B. Mayer Foundation, 197 North Canon Dr., Beverly Hills, Calif.	San Francisco Holding Co.	Dec. 31, 1956.....	17,519 capital voting.....	3,381,167	\$7,498,132 ²	38.3	
		Dec. 31, 1957.....	do.....	3,381,167	\$7,971,145 ²	35.6	
		Dec. 31, 1952, through Dec. 31, 1960.....	26 2/3 common voting.....	10,850	\$10,850 (Dec. 31, 1960) ²	10.57	
COLORADO							
El Pomar Foundation, Broadmoor, Colorado Springs, Colo.	El Pomar Investment Co.	Dec. 31, 1957, through Dec. 31, 1960.....	100,000 common voting.....	8,470,839	\$39,482,370 (Dec. 31, 1960).....	100	
		do.....	45,100 preferred voting.....	4,499,381	\$4,510,000 (Dec. 31, 1960).....	85.7	
	Broadmoor Drug Co.	do.....	5,000 common voting.....	61,941	\$61,941 (Dec. 31, 1960) ²	100	
CONNECTICUT							
Albert A. List Foundation, Inc., Byram Shore Rd., Byram, Conn.	Cleveland Arcade Co.	June 30, 1956.....	585 4-percent cumulative preferred nonvoting.....	58,500	\$58,500 ²	100	
		Alberton Corp.	June 30, 1961.....	137 common voting.....	124,396	\$124,396 ²	19.76
			do.....	976 6-percent noncumulative preferred nonvoting.....	97,600	\$97,600 ²	23.77
		Gera Corp.	June 30, 1956.....	4,128 \$6 cumulative preferred voting.....	334,368	\$334,368 ²	10.68
			June 30, 1957.....	do.....	371,520	\$371,520 ²	13.35
June 30, 1958.....	do.....		371,520	\$371,520 ²	13.91		
	do.....	June 30, 1959.....	do.....	371,520	\$371,520 ²	14.24	
	do.....	June 30, 1960.....	do.....	371,520	\$371,520 ²	16.83	
	do.....	June 30, 1961.....	do.....	371,520	\$371,520 ²	16.89	
DISTRICT OF COLUMBIA							
Public Welfare Foundation, Inc., 3242 Woodland Dr. N.W., Washington 8, D.C.	General Newspapers, Inc.	Oct. 31, 1955, through Oct. 31, 1956.....	200,000 preferred.....	1,487,265	\$1,487,265 (Oct. 31, 1956) ²	100	
		Oct. 31, 1957, through Oct. 31, 1960.....	70,200 common.....			6,090	\$6,090 (Oct. 31, 1960).....	100
	Jamaica Inn, Ltd., Ocho Rios, Jamaica, West Indies.	Oct. 31, 1955, through Oct. 31, 1960.....	20,000 6-percent preferred.....	3,993 common.....	90,000	\$90,000 (Oct. 31, 1960) ²	100
		do.....	do.....				80
	Gadsden Building, Inc., Gadsden, Ala.	Oct. 31, 1957, through Oct. 31, 1960.....	100 common.....	14,819	\$20,000 (Oct. 31, 1960).....	100	
		Southgate Shopping Center, Inc. (Ohio).	Oct. 31, 1959, through Oct. 31, 1960.....	5 capital.....	2,000	\$2,000 (Oct. 31, 1960) ²	20
	Alexander and Margaret Stewart Trust, care of Union Trust Co. of District of Columbia, Washington 5, D.C.	Midland Building Industries, Inc., Indianapolis, Ind.	Dec. 31, 1951, through Dec. 31, 1959.....	6,512 common voting.....	787,475	\$1,296,474 (Dec. 31, 1959) ²	43.4
			Dec. 31, 1960.....	6,615 common voting.....	807,981	\$1,058,400 (Dec. 31, 1960) ²	44.1
		Schultze Lumber Co., Inc., Evansville, Ind.	Dec. 31, 1951, through Dec. 31, 1960.....	1,250 common voting.....	125,000	\$250,000 (Dec. 31, 1960) ²	50
			Alexander Yawkey Lumber Co., Wausau, Wis.	Dec. 31, 1951.....	9,299 common voting.....	92,993	\$237,403 ²	10.94
Alexander Stewart Lumber Co., Aurora, Ill.	Dec. 31, 1952, through Dec. 31, 1958.....	2,500 common voting.....	250,000	\$1,195,500 (Oct. 31, 1958) ²	25		
FLORIDA							
Public Health Foundation for Cancer and Blood Pressure Research, Inc., 308 Cardinal Way, Rural Route 1, Box 170-A, Stuart, Fla.	Marnel, Inc.	June 30, 1951, through June 30, 1953.....	1,020 common voting.....	141	\$141 (July 1, 1952) ²	51	
		June 30, 1954.....	1,800 common voting.....	297	\$297 (July 1, 1953) ²	90	
	Leeford Advertising Agency, Inc.	June 30, 1956.....	2,000 common voting.....	50,108	\$50,108 (July 1, 1955) ²	100	
		June 30, 1951, through June 30, 1954.....	1,000 common voting.....	10,000	\$10,000 (July 1, 1953) ²	100	
		do.....	do.....	10,000	\$10,000 (July 1, 1955) ²	100	
Tuscbay Properties, Inc.	June 30, 1951, through June 30, 1952.....	do.....	10,000	\$10,000 (July 1, 1951) ²	100		
GEORGIA							
Callaway Community Foundation, La Grange, Ga.	Callaway Mills Co., La Grange, Ga.	Sept. 30, 1951 through Sept. 30, 1953.....	80,000 common voting.....	8,000,000	\$18,556,800 (Oct. 1, 1952) ²	100	
		do.....	120 common voting.....	26,692	\$35,037 (Oct. 1, 1952) ²	100	
	Deep South Lumber Co., La Grange, Ga.	do.....	10 common voting.....	1,000	\$915 (Oct. 1, 1952) ²	100	
		Midwest Service, Inc., Cleveland, Ohio.	Sept. 30, 1951.....	600 common voting.....	2,133	\$2,133 (Sept. 30, 1951) ²	100
	Tisco, Inc., Toledo, Ohio.	Sept. 30, 1951 through Sept. 30, 1952.....	300 common voting.....	4,025	\$4,025 (Oct. 1, 1951) ²	100	
Fuller E. Callaway Foundation, La Grange, Ga.	Hutchinson-Traylor Insurance Agency.	Dec. 31, 1951 through Dec. 31, 1953.....	35 common voting.....	3,500	\$8,198 (Jan. 1, 1953) ²	10.94	
	do.....	Dec. 31, 1954 through Dec. 31, 1960.....	do.....	3,500	\$10,556 (Dec. 31, 1959) ²	10	
Ida Cason Callaway Foundation, Pine Mountain, Ga.	Hutchinson-Traylor Insurance Co., La Grange, Ga.	Dec. 31, 1951, through Sept. 30, 1960.....	35 common voting.....	3,500	\$10,815 (Dec. 31, 1959) ²	10	
	Manchester Development Co., Manchester, Ga.	do.....	100 common voting.....	10,000	\$10,187 (Dec. 31, 1959) ²	50	
Lettie Pate Evans Foundation, Inc., 205 Whitehead Bldg., Atlanta 3, Ga.	Whitehead Holding Co., Atlanta, Ga.	Dec. 31, 1955, through Dec. 31, 1960.....	125 common voting.....	7,260,920	\$7,513,650 (Dec. 31, 1960).....	41.67	
		Whitehead Realty Co., Atlanta, Ga.	Dec. 31, 1951, through Dec. 31, 1960.....	2,500 common voting.....	260,225	\$614,138 (Dec. 31, 1960).....	33.14

See footnotes at end of table.

SCHEDULE 2—Continued

Subject: Data regarding corporations in which certain foundations failed to report their ownership of 10 percent or more of each class of the corporation's stock. The Internal Revenue Service requires such ownership to be recorded on form 990-A (per instruction 7, p. 4, form 990-A). The following foundations failed to report such stock ownership in the manner prescribed by Treasury Department regulations during the accounting periods indicated in col. 3. Source: Documents submitted to the Select Committee on Small Business by the foundations.

(1) Foundation	(2) Corporation in which the foundation failed to report its ownership of 10 percent or more stock	(3) Accounting period for which the foundation failed to report such ownership, year ending—	(4) Number of shares of each class of the corporation's stock which the foundation failed to report ¹	(5) Foundation's book value of the shares of the corporation ¹	(6) Market value, if any, of the corporation's shares owned by the foundation ¹	(7) Percentage of outstanding shares of the corporation owned by the foundation (based on ownership shown in col. 4) ¹	
GEORGIA—continued							
Jos. B. Whitehead Foundation, 205 Whitehead Bldg., Atlanta 3, Ga.	Whitehead Holding Co., Atlanta, Ga. Whitehead Realty Co., Atlanta, Ga.	Dec. 31, 1951, through Dec. 31, 1960.	100 common voting.....	\$5,039,062	\$6,010,920 (Dec. 31, 1960).	33½	
		.....do.....	2,500 common voting.....	166,786	\$614,138 (Dec. 31, 1960).	33½
ILLINOIS							
Joseph and Gertrude Baumgarten Foundation, care of Robert L. Baumgarten, 11 South LaSalle St., Chicago 3, Ill.	Baumgarten Building Corp. Joseph Baumgarten & Co.	Aug. 31, 1956.....	86 common voting.....	107,170	\$107,170 ²	17.2	
		Aug. 31, 1959.....	1,000 common voting.....	34,380	\$34,380 ²	50	
		Aug. 31, 1960, through Aug. 31, 1961.	2,000 common voting.....	77,422	\$77,422 (Aug. 31, 1961) ² .	100	
James S. Kemper Foundation, Mutual Insurance Bldg., Chicago 40, Ill.	James S. Kemper & Co.	Sept. 30, 1954.....	925 4½-percent cumulative preferred nonvoting.	92,500	\$92,500 ²	10.8	
		Sept. 30, 1955.....	1,911 4½-percent cumulative preferred nonvoting.	191,100	\$191,100 ²	22.5	
		Sept. 30, 1956.....	2,511 4½-percent cumulative preferred nonvoting.	251,100	\$251,100 ²	29.5	
		Sept. 30, 1957, through Sept. 30, 1960.	2,911 4½-percent cumulative preferred nonvoting.	291,100	\$291,100 (Sept. 30, 1960) ² .	34.2	
Charles F. Kettering Foundation, 40 South Clay St., Hinsdale, Ill.	C. F. Kettering Inc., care of the Winters National Bank & Trust Co., 40 North Main St., Dayton 2, Ohio.	Dec. 31, 1951, through Dec. 31, 1953.	2,000 capital voting.....	782,231	\$16,976,000 (Jan. 1, 1953) ² .	20	
		.....do.....	.....	.....	.....	.....
William H. Miner Foundation, 667 The Rookery, Chicago 4, Ill.	W. H. Miner, Inc.	Dec. 31, 1951.....	844 common voting.....	1,772,400	\$1,772,400 ²	84.8	
		Dec. 31, 1952, through Dec. 31, 1953.	854 common voting.....	1,793,400	\$1,793,400 (Jan. 1, 1953) ² .	85.4	
Standard Oil Foundation, 910 South Michigan Ave., Chicago 80, Ill.	Enterprise Ry. Equipment Co. Midwest Oil Corp., Denver, Colo.	Dec. 31, 1951, through Dec. 31, 1953.	2,000 common voting.....	275,000	\$275,000 (Jan 1, 1953) ² .	100	
		.....do.....	.....	.....	.....	.....
Wieboldt Foundation, 38 South Dearborn St., Chicago, Ill.	Wieboldt Stores, Inc.	Nov. 30, 1951, through Dec. 31, 1958.	17,724 6 percent cumulative convertible preferred voting, \$50 par.	886,200	\$886,200 (Dec. 31, 1958) ² .	88.6	
		Dec. 31, 1959, through Dec. 31, 1960.	16,036 6 percent cumulative convertible preferred voting, \$50 par.	801,800	\$801,800 (Dec. 31, 1960) ² .	90.6	
Wilkie Bros. Foundation, 254 North Laurel St., Des Plaines, Ill.	DoAll Baltimore Co.	.....do.....	175 capital.....	4,066	\$4,066 (Dec. 31, 1960) ² .	43.75
		.....do.....	.....	.....	.....	.....
	do.....
	do.....
Woods Charitable Fund, Inc., 59 East Van Buren St., Chicago 5, Ill.	DoAll Syracuse Co. DoAll Toledo Co. DoAll Twin Cities Co. Sahara Coal Co., Inc.	Dec. 31, 1953, through Dec. 31, 1960.	15,000 common voting.....	2,625,000	\$6,000,000 (estimated, Dec. 31, 1960).	24.5	
		Dec. 31, 1956.....	3,805 preferred nonvoting.....	380,500	\$380,500 ²	12.2	
		Dec. 31, 1957.....	4,317 preferred nonvoting.....	431,700	\$431,700 ²	13.4	
		Dec. 31, 1958.....	4,987 preferred nonvoting.....	498,700	\$498,700 ²	15.5	
MARYLAND	The Aaron Straus & Lillie Straus Foundation, Inc., 3002 Druid Dr., Baltimore 15, Md.	Dec. 31, 1956.....	123,042 common voting.....	(4)	(4)	20.6	
		Dec. 31, 1957.....	126,042 common voting.....	1,710,037	(4)	21.4	
		Dec. 31, 1958, through Dec. 31, 1960.do.....	1,710,037	\$2,016,672 (Dec. 31, 1960).	21.5
	do.....
MASSACHUSETTS							
The Boston Foundation, care of Hotel Corp. of America, 464 Commonwealth Ave., Boston 15, Mass.	Edgewater Beach Drug Co., Inc., 5300 Sheridan Rd., Chicago, Ill. Berwyn Beach Parking Co., 5300 Sheridan Rd., Chicago, Ill. 5300 Sheridan Road Co. (formerly Edgewater Beach Hotel Co.), Chicago, Ill.	Aug. 31, 1958, through Aug. 31, 1961.	100 common voting.....	96,437	\$96,437 (Aug. 31, 1961) ² .	100	
		.....do.....	1,000 common voting.....	23,064	\$23,064 (Aug. 31, 1961) ² .	100
		Aug. 31, 1956, through Aug. 31, 1957.	\$19,500 common voting; \$4,200 preferred nonvoting	530,456	\$530,456 (Aug. 31, 1957) ² .	100	
MICHIGAN							
Besser Foundation, Post Office Box 515, Alpena, Mich.	Besser Manufacturing Co.	Dec. 31, 1953.....	6,000 common.....	1,200,000	\$1,200,000 ²	20	
		Dec. 31, 1954, through Dec. 31, 1960.	12,000 common.....	2,400,000	\$2,400,000 (Dec. 31, 1960) ² .	40	
		Dec. 31, 1954, through Dec. 31, 1957.	80,000 common.....	80,000	\$80,000 (Dec. 31, 1957) ² .	50.4	
		Dec. 31, 1955.....	100 common.....	10,000	\$10,000 ²	100	
		Dec. 31, 1956.....	500 common.....	50,000	\$50,000 ²	100	
		Dec. 31, 1957.....	1,000 common.....	100,000	\$100,000 ²	100	
Cranbrook Foundation, 500 Lone Pine Rd., Bloomfield Hills, Mich.	Besser Overseas Corp. George G. Booth Corp., 615 Lafayette, Detroit 31, Mich.	Dec. 31, 1955, through Dec. 31, 1960.	10 common.....	1,000	\$1,000 (Dec. 31, 1960) ² .	100	
		June 30, 1951, through June 30, 1960.	2,900 class A no par nonvoting.	2,030,000	\$2,030,000 (June 30, 1960) ² .	100	
		.....do.....	30,000 second preferred 6-percent noncumulative \$100 par nonvoting.	3,000,000	\$3,000,000 (June 30, 1960) ² .	100
		June 30, 1957.....	300 class C nonvoting.....	60,000	\$60,000 ²	10.34	
		June 30, 1958.....	400 class C nonvoting.....	80,000	\$80,000 ²	13.79	
		June 30, 1959.....	500 class C nonvoting.....	100,000	\$100,000 ²	17.24	
		June 30, 1960.....	1,112 class C nonvoting.....	222,400	\$222,400 ²	38.34	
	do.....

See footnotes at end of table.

SCHEDULE 2—Continued

Subject: Data regarding corporations in which certain foundations failed to report their ownership of 10 percent or more of each class of the corporation's stock. The Internal Revenue Service requires such ownership to be recorded on form 990-A (per instruction 7, p. 4, form 990-A). The following foundations failed to report such stock ownership in the manner prescribed by Treasury Department regulations during the accounting periods indicated in col. 3. Source: Documents submitted to the Select Committee on Small Business by the foundations.

(1) Foundation	(2) Corporation in which the foundation failed to report its ownership of 10 percent or more stock	(3) Accounting period for which the foundation failed to report such ownership, year ending—	(4) Number of shares of each class of the corporation's stock which the foundation failed to report ¹	(5) Foundation's book value of the shares of the corporation ¹	(6) Market value, if any, of the corporation's shares owned by the foundation ¹	(7) Percentage of outstanding shares of the corporation owned by the foundation (based on ownership shown in col. 4) ¹		
MICHIGAN—continued								
Herrick Foundation, 3456 Penobscot Bldg., Detroit 26, Mich.	Tecumseh Products Co.	Sept. 30, 1956	70,000 common \$1 par voting	\$5,428,000	\$8,400,000	11.66		
		Sept. 30, 1957	190,000 common \$1 par voting	8,591,700	\$23,750,000	15.83		
		Sept. 30, 1958	240,000 common \$1 par voting	11,341,700	\$14,400,000	20		
		Sept. 30, 1959	265,000 common \$1 par voting	13,191,700	\$19,885,000	22		
		Sept. 30, 1960	403,500 common \$1 par voting	13,595,700	\$25,824,000	23		
Hudson-Webber Foundation, 1206 Woodward Ave., Detroit 26, Mich.	William H. Miller & Co., 230 East Grand River, Detroit 26, Mich.	Dec. 31, 1955	4,850 common voting	127,190	\$127,190 ²	48.5		
		Dec. 31, 1956	5,450 common voting	143,966	\$143,966 ²	54.5		
		Dec. 31, 1957, through Dec. 31, 1960	5,550 common voting	146,762	\$146,762 (Dec. 31, 1960) ³	55.5		
Wade E. & Viola Sackner Foundation, care of Warner Norcross & Judd, Michigan Trust Bldg., Grand Rapids 2, Mich.	Sackner Products, Inc., 901 Ottawa NW., Grand Rapids, Mich.	Nov. 30, 1954, through Nov. 30, 1955	2,468 common voting	383,872	\$383,872 (Dec. 1, 1954) ³	32		
		Nov. 30, 1956, through Nov. 30, 1959	6,011 common voting	1,013,782	\$1,255,878 (Nov. 30, 1959)	70		
		Nov. 30, 1960	6,069 common voting	1,025,263	\$1,316,426	72		
MINNESOTA								
Hormel Foundation, Austin, Minn.	Hormel, Inc.	Nov. 30, 1951 Nov. 30, 1952, through Nov. 30, 1960	46.05 common voting 46.75 common voting	645,611 659,162	\$1,099,887 ² \$1,816,003 (Nov. 30, 1960) ²	11.51 11.69		
Ordean Foundation, 312 West Superior St., Duluth 2, Minn.	St. Mary Parish Land Co.	Dec. 31, 1957, through Dec. 31, 1960	60 common voting	4,170	\$51,789 (Dec. 31, 1959) ²	12.12		
MISSOURI								
The Danforth Foundation, 835 South 8th St., St. Louis 2, Mo.	Ralston-Purina Co.	Dec. 31, 1951, through Dec. 31, 1953	292,671 common	(⁴)	(⁴)	23.8		
		Dec. 31, 1954	292,711 common	(⁴)	(⁴)	23.8		
		Dec. 31, 1955	291,246 common	(⁴)	(⁴)	23.6		
		Dec. 31, 1956	304,286 common	4,434,485	\$42,600,040	23.9		
		Dec. 31, 1957	1,521,430 common	4,434,485	\$41,839,325	23.8		
		Dec. 31, 1958	do	4,434,485	\$79,494,718	23.6		
Dec. 31, 1959, through Dec. 31, 1960	do	4,434,485	\$69,225,065 (Dec. 31, 1960)	23.4				
NEBRASKA								
Cooper Foundation, 325 Stewart Building, Lincoln 8, Nebr.	Cooper Foundation Theaters of Colorado, Inc. Cooper Foundation Theaters of Colorado Springs, Inc. Cooper Foundation Theaters of Nebraska, Inc. Cooper Foundation Theaters of Oklahoma, Inc. Cooper Foundation Theaters of Omaha, Inc. Cooper Foundation Co., Inc. Cooper Foundation Co. of Omaha, Inc.	Dec. 31, 1953, through Dec. 31, 1957	100 common voting	10,000	\$10,000 (Dec. 31, 1957) ³	100		
		do	do	10,000	do ³	100		
		do	do	10,000	do ³	100		
		do	do	10,000	do ³	100		
		Dec. 31, 1958	do	30,000	\$30,000 ³	100		
		Dec. 31, 1953, through Dec. 31, 1957	do	10,000	\$10,000 (Dec. 31, 1957) ³	100		
		Dec. 31, 1958	do	25,000	\$25,000 ³	100		
		J. M. McDonald Foundation, Inc., 2635 West 2d St., Hastings, Nebr.	J. M. McDonald Co.	Dec. 31, 1953	76,675 common voting \$5 par	946,170	\$946,170 ³	23.3
				Dec. 31, 1954	77,333 common voting \$5 par	956,609	\$956,609 ³	23.5
				Dec. 31, 1955	98,498 common voting \$5 par	1,244,030	\$1,244,030 ³	26.3
Dec. 31, 1956	do			1,298,204	\$1,298,204 ³	23.6		
Dec. 31, 1957	102,679 common voting \$5 par	1,362,550	\$1,362,550 ³	24.6				
Dec. 31, 1958	100,000 common voting \$5 par	1,380,000	\$1,380,000 ³	23.9				
Dec. 31, 1959	176,925 common voting \$5 par	2,498,167	\$2,498,167 ³	35.8				
Dec. 31, 1960	180,000 common voting \$5 par	2,441,597	\$2,500,200	36.7				
NEW HAMPSHIRE								
Marion Spaulding Potter Charitable Trust, 95 North Main St., Concord, N.H.	Spaulding & Frost Co.	do	121 $\frac{1}{2}$ common voting	88,208	\$88,208 (Dec. 31, 1960)	40.56		
NEW JERSEY								
Victoria Foundation, Inc., 253 Ridgewood, Glen Ridge, N.J.	Federal Insurance Co.	Dec. 31, 1951 Dec. 31, 1952, through Dec. 31, 1953 Dec. 31, 1955	(⁴) 48,000 capital voting (Jan. 1, 1953) 285,750 capital voting	(⁴) (⁴) 9,001,125	(⁴) (⁴) \$10,287,125	11.8 12 10.58		
NEW YORK CITY								
American International Association for Economic and Social Development, 30 Rockefeller Plaza, New York 20, N.Y.	Blade-Tribune Publishing Co., Inc., 401-3 1st St., Oceanside, Calif.	Dec. 31, 1955, through Dec. 31, 1960	500 preferred capital, \$100 par nonvoting	50,000	\$50,000 ² (Dec. 31, 1960)	100		
Avalon Foundation, 713 Park Ave., New York 21, N.Y.	1st National Bank, Ligonier, Pa.	Dec. 31, 1955	215 common voting	1	\$1 ²	21.5		

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SCHEDULE 2—Continued

Subject: Data regarding corporations in which certain foundations failed to report their ownership of 10 percent or more of each class of the corporation's stock. The Internal Revenue Service requires such ownership to be recorded on form 990-A (per instruction 7, p. 4, form 990-A). The following foundations failed to report such stock ownership in the manner prescribed by Treasury Department regulations during the accounting periods indicated in col. 3. Source: Documents submitted to the Select Committee on Small Business by the foundations.

(1) Foundation	(2) Corporation in which the foundation failed to report its ownership of 10 percent or more stock	(3) Accounting period for which the foundation failed to report such ownership, year ending—	(4) Number of shares of each class of the corporation's stock which the foundation failed to report ¹	(5) Foundation's book value of the shares of the corporation ¹	(6) Market value, if any, of the corporation's shares owned by the foundation ¹	(7) Percentage of outstanding shares of the corporation owned by the foundation (based on ownership shown in col. 4) ¹
NEW YORK CITY—continued						
The Duke Endowment, 30 Rockefeller Plaza, New York 20, N.Y.	Duke Power Co., Power Bldg., Charlotte 1, N.C.	Dec. 31, 1957.....	5,480,079 common voting..... 2,179 7-percent preferred voting.....	\$85,442,109 339,987	\$172,622,488..... \$359,535.....	57.36 76.81
	Piedmont & Northern Railway Co., 422 South Church St., Charlotte 1, N.C.	.....do.....	19,031 common voting.....	(0)	\$2,188,565.....	2.17
	North American Accident Insurance Co.	Sept. 30 1951, through Sept. 30, 1955.....	30,000 capital voting.....	753,750	\$753,750 (Oct. 1, 1954) ²	30
The Field Foundation, Inc., 250 Park Ave., New York 17, N.Y.	Field Enterprises, Inc.....	Sept. 30, 1958.....	184,800 3½-percent non-cumulative preferred non-voting..... 192,000 class A \$2 noncumulative nonvoting.....	7,051,785	\$7,051,785 ³	100
	American Houses, Inc..... Southern Farmer, Inc.....	Sept. 30, 1958..... Sept. 30, 1959, through Sept. 30, 1960.....	37,170 common voting..... 1,200 \$4 nonvoting preferred..... 330 common voting.....	55,755 (1) (1)	\$55,755.....	27.6 100 55
John A. Hartford Foundation, Inc., 420 Lexington Ave., New York 17, N.Y.	The New York Great Atlantic & Pacific Tea Co., 420 Lexington Ave., New York 17, N.Y.	Dec. 31, 1954, through Dec. 31, 1957.....	13,100 7 percent preferred nonvoting.....	1,310,000	\$1,310,000 (Dec. 31, 1957) ²	14.8
W. Alton Jones Foundation, Inc., 60 Wall Tower, New York 5, N.Y.	Surface Combustion Corp.....	Dec. 31, 1951, through Dec. 31, 1954.....	40,990 common voting.....	204,950	\$2,387,667 (Jan. 1, 1954) ²	20.49
	Real Property Owners, Inc.....	Dec. 31, 1951, through Dec. 31, 1953.....	1,000 common.....	100,000	\$100,000 (Jan. 1, 1953) ²	15.94
National Lead Foundation, Inc., 111 Broadway, New York 6, N.Y.	National Lead Co., S.A.....	Dec. 31, 1955.....	127,000 5 percent cumulative preferred nonvoting.....	(0)	(0).....	66.84
1907 Foundation, Inc., 331 East 38th St., room 400, New York 16, N.Y.	Parmac Corp.....	Dec. 31, 1956, through Dec. 31, 1960.....	190,000 5 percent cumulative preferred nonvoting.....	3,530,275	\$3,530,275 (Dec. 31, 1960) ²	100
		Dec. 31, 1959.....	2,000 5-percent cumulative preferred \$100 nonvoting.....	200,000	\$200,000 ²	60.61
		Dec. 31, 1960.....	3,500 5-percent cumulative preferred \$100 nonvoting.....	350,000	\$350,000 ²	60.34
Olin Foundation, Inc., 1 East 44th St., New York 17, N.Y.	Federal Cartridge Corp., Foshay Tower, Minneapolis, Minn.	Dec. 31, 1953, through Dec. 31, 1954.....	10 common voting.....	1,023,512	\$1,023,512 (Jan. 1, 1954) ²	100
Carl & Lily Pforzheimer Foundation, Inc., room 2010, 25 Broad St., New York 4, N.Y.	Petroleum & Trading Corp., 25 Broad St., New York 4, N.Y.	Dec. 31, 1958.....	1,723 preferred nonvoting..... 11,008 class A \$1 cumulative participating preferred nonvoting.....	172,300 338,833	\$172,300 (Jan. 1, 1954) ² \$495,360 (estimated).....	100 13.92
		Dec. 31, 1959.....	do.....	338,833	\$462,336 (estimated).....	14.01
		Dec. 31, 1960.....	do.....	338,833	\$445,824 (estimated).....	14.57
The Richardson Foundation, Inc., 122 East 42d St., New York 17, N.Y.	The Reinsurance Corp. of New York, 99 John St., New York, N.Y.	Dec. 31, 1959.....	180,000 common voting.....	1,297,048	\$2,299,320.....	14
	The Richardson Corp. of Greensboro, Piedmont Bldg., Greensboro, N.C.	.....do.....	1,607 common voting.....	453,776	\$517,454.....	18
Rogovin Foundation, 261 5th Ave., New York 16, N.Y.	Beaunit Mills, Inc.....	Dec. 31, 1954.....	158,652 common voting.....	3,586,708	\$2,340,117.....	12
		Dec. 31, 1955.....	257,657 common voting.....	5,168,570	\$9,146,823.....	19
		Dec. 31, 1956, through Dec. 31, 1958.....	437,269 common voting.....	8,002,401	\$8,690,721 (Dec. 31, 1958).....	22
		Dec. 31, 1959.....	471,752 common voting.....	8,934,229	\$9,906,792 (Dec. 31, 1959).....	24
Samuel Rubin Foundation, Care of Lord, Day & Lord, 25 Broadway, New York 4, N.Y.	Faberge, Inc., 395 South Broad St., Ridgely, N.J.	Dec. 31, 1960.....	480,252 common voting.....	9,108,241	\$8,704,568.....	24.5
		Dec. 31, 1954.....	2,250 preferred.....	(1)	(1).....	50
		Dec. 31, 1955.....	4,500 preferred.....	(1)	(1).....	100
David Schwartz Foundation, Inc., 1407 Broadway, New York 18, N.Y.	Jonathan Logan, Inc.....	May 31, 1960 ⁴	250,000 common class A.....	1,735,068	\$1,735,068 ²	15
NEW YORK STATE						
Fred L. Emerson Foundation, Inc., Auburn, N.Y.	Duncar Corp.....	Dec. 31, 1952.....	500 capital voting.....	125,000	\$125,000 ²	50
		Dec. 31, 1953, through Dec. 31, 1954.....	1,000 capital voting.....	275,000	\$275,000 (Jan. 1, 1954) ²	100
		Dec. 31, 1951, through Dec. 31, 1954.....	2,000 capital voting.....	200,000	\$200,000 (Jan. 1, 1954) ²	100
Ralph E. Ogden Foundation, Inc., Post Office Box 108, Mountainville, N.Y.	Springs Mills, Inc.....	.....do.....	10,000 common voting.....	300,000	\$300,000 (Jan. 1, 1954) ²	14.28
		Star Expansion Exports, Inc.....	Dec. 31, 1956.....	59,163 500 common voting..... 200 preferred nonvoting..... 5,000 common voting.....	\$82,149 20,000 25,000	\$82,149..... \$20,000..... \$158,958 (Dec. 31, 1957).....	100 26.7 100
	Star Expansion Realty Corp.....	Dec. 31, 1956, through Dec. 31, 1957.....	8,020 common voting.....	367,147	\$469,132.....	16.04
		Dec. 31, 1957.....	43,600 class A common non-voting..... 4,366 class B common voting.....	517,968 51,796	\$504,452..... \$50,445.....	17.44 17.44
	Star Expansion Industries Corp.....	Dec. 31, 1958.....	90,000 class A common non-voting.....	1,065,488	\$1,139,400.....	36
		Dec. 31, 1959.....	99,754 class A common non-voting.....	821,296	\$1,042,529.....	28.8
		Dec. 31, 1960.....	87,977 class A common non-voting.....	740,598	\$960,532.....	25.4
	Star Expansion Midwest, Inc.....	Dec. 31, 1956, through Dec. 31, 1957.....	1,250 common voting.....	64,163	\$290,454 (Dec. 31, 1957).....	100

See footnotes at end of table.

SCHEDULE 2—Continued

Subject: Data regarding corporations in which certain foundations failed to report their ownership of 10 percent or more of each class of the corporation's stock. The Internal Revenue Service requires such ownership to be recorded on form 990-A (per instruction 7, p. 4, form 990-A). The following foundations failed to report such stock ownership in the manner prescribed by Treasury Department regulations during the accounting periods indicated in col. 3. Source: Documents submitted to the Select Committee on Small Business by the foundations.

(1)	(2)	(3)	(4)	(5)	(6)	(7)	
Foundation	Corporation in which the foundation failed to report its ownership of 10 percent or more stock	Accounting period for which the foundation failed to report such ownership, year ending—	Number of shares of each class of the corporation's stock which the foundation failed to report ¹	Foundation's book value of the shares of the corporation ¹	Market value, if any, of the corporation's shares owned by the foundation ¹	Percentage of outstanding shares of the corporation owned by the foundation (based on ownership shown in col. 4) ¹	
NEW YORK STATE—continued							
Ralph E. Ogden Foundation—Continued	Star Expansion New York Liberty-Cedar Corp.	Dec. 31, 1957	430 preferred nonvoting	\$43,000	\$43,000	43	
		Dec. 31, 1956, through Dec. 31, 1957	1,200 common voting	44,767	\$124,015 (Dec. 31, 1957)	100	
	Newhall Estate Corp.	Dec. 31, 1956, through Dec. 31, 1958	1,656 common voting	200,000	\$200,000 (Dec. 31, 1958)	25	
	Diamond Expansion Bolt Co.	Dec. 31, 1956, through Dec. 31, 1958	117 preferred nonvoting	11,700	\$11,700 (Dec. 31, 1958)	10.4	
	Star Boston Corp.	Dec. 31, 1957	50 common voting	5,000	\$5,712	100	
	Star Seattle Corp.	do	do	5,000	\$4,984	100	
	Star Chicago Corp.	do	do	5,000	\$5,420	100	
	F-P Trading Corp.	Dec. 31, 1957, through Dec. 31, 1958	do	do	5,000	\$5,346 (Dec. 31, 1958)	100
	Sebco Mountainville Corp.	Dec. 31, 1958 through Dec. 31, 1960	1,000 common voting	100,000	\$23,264 (Dec. 31, 1960)	100	
	Engineers' Oil Shale Co.	Dec. 31, 1959 through Dec. 31, 1960	2,000 common voting	1	\$1 (Dec. 31, 1960)	51.9	
		252 preferred voting	1	do	66.5		
	Star Precision Devices, Inc.	Dec. 31, 1960	225 preferred nonvoting	22,500	\$22,500	22.5	
OHIO							
The Bentz Foundation, 384 Wrexham Ave., Columbus 23, Ohio.	Integrity Supply, Inc.	Oct. 31, 1953 through Oct. 31, 1960	22,280 common voting	316,282	\$839,898 (Oct. 31, 1959) ²	62.6	
	Fixzit System, Inc.	Oct. 31, 1953 through Oct. 31, 1960	200 common voting	87,808	\$351,251 (Oct. 31, 1959) ²	100	
	National Plumbing Stores Corp.	Oct. 31, 1953 through Oct. 31, 1960	6,000 common voting	199,603	\$616,157 (Oct. 31, 1959) ²	100	
	Home Essentials Corp.	Oct. 31, 1953, through Oct. 31, 1960	20 common voting	67,327	\$107,364 (Oct. 31, 1959) ²	100	
	Standard Artware Corp.	do	100 common voting	53,795	\$97,195 (Oct. 31, 1959) ²	100	
	National Plumbing Fixtures Corp.	do	10,000 common voting	267,713	\$386,379 (Oct. 31, 1959) ²	100	
	Merchandising Trucking Service.	Oct. 31, 1953, through Oct. 31, 1958	100 common voting	11,704	\$28,362 (Oct. 31, 1958) ²	66.6	
		Oct. 31, 1959, through Oct. 31, 1960	150 common voting	16,704	\$35,721 (Oct. 31, 1960) ²	100	
	National Plumbing Pottery, Inc.	Oct. 31, 1953, through Oct. 31, 1960	1,000 common voting	200,450	\$407,781 (Oct. 31, 1959) ²	100	
	United States Plumbing Fixtures Corp.	Oct. 31, 1953, through Oct. 31, 1957	250 common voting	146,906	\$227,047 (Oct. 31, 1957) ²	100	
	Oct. 31, 1958, through Oct. 31, 1960	257½ common voting	147,656	\$236,030 (Oct. 31, 1959) ²	100		
Bentz Estate, Inc.	Oct. 31, 1956, through Oct. 31, 1959	200 common voting	2,200	\$24,373 (Oct. 31, 1959) ²	100		
	Oct. 31, 1960	1,100 common voting	2,200	do ²	50		
American Plumbing Fixtures Corp.	Oct. 31, 1956, through Oct. 31, 1960	10 common voting	1,000	\$267 (Oct. 31, 1959) ²	100		
American Home Stores.	do	50 common voting	5,000	\$5,000 (Oct. 31, 1959) ²	100		
Marlemont Builders, Inc.	Dec. 31, 1951	300 common voting	30,000	\$30,000 ²	100		
	Dec. 31, 1953	do	30,000	\$30,000 ²	100		
Westover Coal Co.	Dec. 31, 1951	50 common voting	5,000	\$5,000 ²	100		
	Dec. 31, 1953, through Dec. 31, 1954	do	5,000	\$5,000 (Jan. 1, 1954) ²	100		
Queen City Plumbing & Heating Co.	Dec. 31, 1951	125 common voting	12,500	\$12,500 ³	25		
	Dec. 31, 1953	do	12,500	\$12,500 ³	25		
	Dec. 31, 1954	497 common voting	(1)	(1)	100		
Kroger Co. Charitable Trust, Care of the Kroger Co., 1014 Vine St., Cincinnati 1, Ohio.	Gromarco, Inc., 1014 Vine St., Cincinnati, Ohio.	Dec. 31, 1956, through Dec. 31, 1960	150 6-percent cumulative preferred voting	1,500	\$1,500 (Dec. 31, 1960) ²	100	
Estate of Edward Drummond Libbey, National Bank Bldg., Toledo 4, Ohio.	Scott Properties Corp., Toledo, Ohio.	Dec. 31, 1951, through Dec. 31, 1959	1,000 common voting	5,398,537	\$5,398,537 (Dec. 31, 1959) ²	100	
	Dec. 31, 1960	500 common voting	2,220,930	\$2,220,930 ²	100		
	Dec. 31, 1951, through Dec. 31, 1958	1,500 common voting	(7)	(7)	100		
	Dec. 31, 1958	2,535 preferred voting	50,584	\$50,584 ²	100		
	Dec. 31, 1959	1,111 common voting	50,762	\$50,762 ²	55		
	do	1,109 common voting	do	do	55		
PENNSYLVANIA							
Addison H. Gibson Foundation, 1702 Commonwealth Bldg., Pittsburgh 22, Pa.	Galvez Oil Corp., First State Bank Bldg., Gladewater, Tex.	Dec. 31, 1951, through Dec. 31, 1960	4,746 common voting	320,241	\$320,241 (Dec. 31, 1960) ²	99.92	
Pittsburgh Plate Glass Foundation, 1 Gateway Center, Pittsburgh 22, Pa.	Cavanaugh Co., Youngstown, Ohio	Dec. 31, 1955, through Dec. 31, 1958	202.02 common	213,419	\$273,536 (Dec. 31, 1958) ²	45	
	Dec. 31, 1959, through Dec. 31, 1960	405.84 common	do	213,419	\$366,661 (Dec. 31, 1959) ²	45	
TENNESSEE							
Benwood Foundation, Inc., 521-23 Chattanooga, Bank Bldg., Chattanooga, Tenn.	Coca-Cola Bottling Co. (Thomas), Inc., Chattanooga, Tenn.	Dec. 31, 1951, through Dec. 31, 1960	5,425 common voting	1,289,468	\$7,142,555 (estimated Dec. 31, 1960)	77.5	
	do	do	1,650 common voting	194,271	\$1,285,993 (estimated Dec. 31, 1960)	55	
	Coca-Cola Bottling Works (Thomas), Inc., Chattanooga, Tenn.	do	293½ common voting	26,437	\$129,792 (estimated Dec. 31, 1960)	29½	
	Coca-Cola Bottling Works, 3d, Ind., Chattanooga, Tenn.	do	do	do	do	do	
TEXAS							
The Moody Foundation, National Hotel Bldg., Galveston, Tex.	American National Ins. Co., Galveston, Tex.	July 31, 1960	11,401,018 common	43,769,391	\$95,483,525	34.55	
	East Boulevard Co. of Galveston.	July 31, 1961	11,406,518 common	43,818,792	\$146,117,496	34.57	
	Edgewater Cabanas	July 31, 1960, through July 31, 1961	50 common	50,003	\$50,003 ²	50	
	do	do	100 common	13,556	\$13,556 ²	25	

See footnotes at end of table.

SCHEDULE 2—Continued

Subject: Data regarding corporations in which certain foundations failed to report their ownership of 10 percent or more of each class of the corporation's stock. The Internal Revenue Service requires such ownership to be recorded on form 990-A (per instruction 7, p. 4, form 990-A). The following foundations failed to report such stock ownership in the manner prescribed by Treasury Department regulations during the accounting periods indicated in col. 3. Source: Documents submitted to the Select Committee on Small Business by the foundations.

(1) Foundation	(2) Corporation in which the foundation failed to report its ownership of 10 percent or more stock	(3) Accounting period for which the foundation failed to report such ownership, year ending—	(4) Number of shares of each class of the corporation's stock which the foundation failed to report ¹	(5) Foundation's book value of the shares of the corporation ¹	(6) Market value, if any, of the corporation's shares owned by the foundation ¹	(7) Percentage of outstanding shares of the corporation owned by the foundation (based on ownership shown in col. 4) ¹		
TEXAS—continued								
The Moody Foundation—Continued	Galveston Courts, Inc.	July 31, 1960, through July 31, 1961.	1,200 common	\$123,112	\$123,112 ²	25		
	Gulf Hotel Corp.	July 31, 1961	175 common	146,822	\$146,822 ²	25		
	W. L. Moody Cotton Co., Inc.	July 31, 1960	1,510 common	406,750	\$406,750 ²	50.33		
	Hotel Wade Hampton	July 31, 1960, through July 31, 1961.	503 ³ / ₄ common	61,604	\$61,604 ²	50.33		
	Little Theatre Company	July 30, 1960	4,444 ¹ / ₂ common	252,138	\$252,138 ²	44.44		
	Moody Compress & Warehouse Co.	July 31, 1960, through July 31, 1961.	50 common	250	\$250 ²	50		
	Moody National Bank of Galveston, Tex.	July 31, 1960	do	60,000	\$60,000 ²	20		
	National Hotel Co.	July 31, 1961	1,930 common	386,115	\$386,115 ²	38.60		
	San Angelo Courts, Inc.	July 31, 1960, through July 31, 1961.	19,300 common	386,115	\$386,115 ²	38.60		
	San Antonio Courts, Inc.	do	7,075 common	3,833,739	\$3,833,739 ²	35.38		
	Seaboard Realty Co.	do	250 common	32,225	\$32,225 ²	25		
	Silver Lake Ranches, Inc.	July 31, 1960, through July 31, 1961.	do	32,225	\$32,225 ²	25		
	Sunset Camp, Inc.	July 31, 1960	100 common	157,447	\$157,447 ²	50		
	Texas National Hotel Co.	do	500 common	832,280	\$832,280 ²	50		
	Texwash Corp.	do	50 common	1,001	\$1,001 ²	50		
Robert A. Welch Foundation, Bank of the Southwest Bldg., 20th floor, Houston 2, Tex.	Mound Co.	July 31, 1961	250 common	1,125,015	\$1,125,015 ²	100		
		Aug. 31, 1955	do	1,183,268	\$1,183,268 ²	100		
		Aug. 31, 1956, through Aug. 31, 1960.	5,000 common	778,118	\$778,118	50		
			1,708 ¹ / ₂ common voting	938,666	\$1,509,118 ²	69.76		
			1,181 ¹ / ₂ preferred voting	591,333	\$1,043,619 ²	63.56		
			1,709 common voting	1,221,885	\$2,803,666 (Aug. 31, 1960) ²	69.78		
			1,182 preferred voting	845,096	\$1,939,106 (Aug. 31, 1960) ²	63.58		
			26.35 common voting	18,445	\$12,993 ²	12.55		
			29 common voting	21,098	\$77,771 (Aug. 31, 1960) ²	13.80		
			109.84 common voting	13,729	\$11,886 ²	10.98		
VIRGINIA	Goose Creek Oil Co.	Aug. 31, 1955	129.22 common voting	3,243	\$13,979 (Dec. 31, 1960) ²	12.92		
	Fidelity Oil & Royalty Co.	Aug. 31, 1955	382 ¹ / ₄ common voting	1,530,000	\$2,059,999 ²	63.75		
	Colonial Williamsburg, Post Office Box 516, Williamsburg, Va.	Williamsburg Restoration, Inc., Williamsburg, Va.	Dec. 31, 1951, through Dec. 31, 1954.	100 common voting	1	\$1 (Jan. 1, 1954) ²	100	
			Dec. 31, 1955	31,100 common voting	3,100,001	\$3,100,001 ²	100	
			Dec. 31, 1956	80,000 common voting	7,990,001	\$7,990,001 ²	100	
			Dec. 31, 1957	115,000 common voting	11,490,001	\$11,490,001 ²	100	
			Dec. 31, 1958	140,000 common voting	13,990,001	\$13,990,001 ²	100	
	WASHINGTON		Dec. 31, 1959, through Dec. 31, 1960.	165,000 common voting	16,500,000	\$16,500,000 (Dec. 31, 1960) ²	100	
		Comstock Foundation, care of Paine, Lowe, Coffin, Herman & O'Kelly, 602 Spokane and Eastern Bldg., Spokane 1, Wash.	Spokane Dry Goods Co., 708 Riverside Ave., Spokane, Wash.	Dec. 31, 1955	2,000 common voting	(⁹)	(⁹)	20
			Dry Goods Realty, Inc.	Dec. 31, 1956, through Dec. 31, 1960.	3,566 common voting	884,730	\$1,390,740 (estimated Dec. 31, 1960).	35.06
Medina Foundation, Norton Bldg., Seattle 4, Wash.			Dec. 31, 1955	1,000 common voting	(⁹)	(⁹)	12.5	
		Westward Realty Corp., Anchorage, Alaska.	Dec. 31, 1956, through Dec. 31, 1960.	2,169 common voting	516,635	\$433,800 (estimated Dec. 31, 1960).	27.11	
		Dec. 31, 1952, through Dec. 31, 1954.	7,731 preferred \$1 par	7,731	\$7,731 (Jan. 1, 1954) ²	15.46		
WISCONSIN		Dec. 31, 1955, through Dec. 31, 1960.	12,731 preferred \$1 par	12,731	\$12,731 (Dec. 31, 1960) ²	25.46		
	Patrick and Anna M. Cudahy Fund, 920 East Mason St., Milwaukee 2, Wis.	Patrick Cudahy, Inc., Cudahy, Wis.	Dec. 31, 1955	30,509 common B nonvoting	251,986	\$289,835 (estimated)	12.67	
		Ed. Phillips & Sons Co.	Dec. 31, 1956, through Dec. 31, 1960.	200,016 common B nonvoting	1,947,056	\$2,000,160 (Dec. 31, 1960).	86.06	
	L. E. Phillips Charities, Inc., Eau Claire, Wis.		Feb. 28, 1953, through Feb. 28, 1957.	58,500 common voting	1,082,250	\$1,082,250 (Feb. 28, 1957) ²	23.49	
			Feb. 28, 1958, through Feb. 28, 1960.	117,000 common voting	1,082,250	\$1,082,250 (Feb. 28, 1960) ²	21.35	

ADDENDA

COLORADO						
El Pomar Foundation, Broadmoor, Colorado Springs, Colo.	Broadmoor Hotel, Inc.	Dec. 31, 1957, through Dec. 31, 1960.	1,100 preferred nonvoting	\$82,500	\$82,500 ²	13.75
NEW YORK CITY						
Brookdale Foundation, 30 East 40th St., New York 16, N.Y.	Pontiac Refining Corp., Corpus Christi, Tex.	Dec. 31, 1955, through Dec. 31, 1959.	440 6-percent 1st preferred \$100 par nonvoting	41,800	\$41,800	44.90
		Dec. 31, 1958, through Dec. 31, 1959.	5,450 5-percent 2d preferred \$100 par nonvoting	54,500	\$54,500	10.95
	Pontiac Pipe Line & Export Co., Corpus Christi, Tex.	Dec. 31, 1955, through Dec. 31, 1960.	548 6-percent 1st preferred nonvoting	52,060	\$59,458	44.55
	21-10 49th Ave. Corp.	Dec. 31, 1957, through Dec. 31, 1960.	1 common voting	131,000	\$131,000	100

See footnotes at end of table.

SCHEDULE 2—Continued

Subject: Data regarding corporations in which certain foundations failed to report their ownership of 10 percent or more of each class of the corporation's stock. The Internal Revenue Service requires such ownership to be recorded on form 990-A. (per instruction 7, p. 4, form 990-A). The following foundations failed to report such stock ownership in the manner prescribed by Treasury Department regulations during the accounting periods indicated in col. 3. Source: Documents submitted to the Select Committee on Small Business by the foundations.

(1) Foundation	(2) Corporation in which the foundation failed to report its ownership of 10 percent or more stock	(3) Accounting period for which the foundation failed to report such ownership, year ending—	(4) Number of shares of each class of the corporation's stock which the foundation failed to report ¹	(5) Foundation's book value of the shares of the corporation ¹	(6) Market value, if any, of the corporation's shares owned by the foundation ¹	(7) Percentage of outstanding shares of the corporation owned by the foundation (based on ownership shown in col. 4) ¹
NEW YORK CITY—continued						
J. M. Kaplan Fund, Inc., 55 5th Ave., New York 3, N. Y.	Navajo Corp., 55 5th Ave., New York, N. Y.	Dec. 31, 1954 through Dec. 31, 1957.	567.51 common voting.....	\$1	\$1 (Dec. 31, 1957) ²	100
		Dec. 31, 1960.....	do.....	1	\$1 ²	100
	Old Welch Co., Westfield, N. Y.	Dec. 31, 1955.....	244,681 common voting.....	5,138,483	\$5,138,483 ²	61
Richardson Foundation, Inc., 122 East 42d St., New York 17, N. Y.	Muniseco Corp.....	do.....	1,200 class A common non-voting.	120,000	\$120,000.....	48
Rogovin Foundation, 261 5th Ave., New York 16, N. Y.	Beaunit Mills, Inc.....	Dec. 31, 1953.....	258 class B common voting.	225,480	\$1,190,046.....	10.3
		Dec. 31, 1954.....	30,000 5-percent preferred nonvoting.	2,700,000	\$2,700,000.....	33½
		Dec. 31, 1955.....	25,555 5-percent preferred nonvoting.	2,299,000	\$2,299,000.....	38½
		Dec. 31, 1955.....	15,795 5-percent preferred nonvoting.	1,413,749	\$1,413,749.....	22.7
David Schwartz Foundation, 1407 Broadway, New York 18, N. Y.	Jonathan Logan, Inc., 3901 Liberty Ave., North Bergen, N. J.	May 31, 1956.....	600 class A 8-percent preferred.	60,000	\$60,000 ²	11.10
NORTH CAROLINA						
Cannon Foundation, Inc., Post Office Box 1192, Concord, N. C.	Concord Telephone Co., Concord, N. C.	Sept. 30, 1954, through Sept. 30, 1955.	2,211 5-percent preferred nonvoting.	216,678	\$216,678 ²	61.42
	Albermarle Telephone Co., Albermarle, N. C.	Sept. 30, 1955.....	3,240 5-percent preferred nonvoting.	317,520	\$317,520.....	83.70
	Cannon Mills Co., Kannapolis, N. C.	Sept. 30, 1959.....	108,140 common no par voting.	5,383,108	\$6,542,470.....	10.43
		Sept. 30, 1960.....	121,204 common no par voting.	6,139,322	\$6,787,424.....	11.69
OHIO						
Leon A. Beeghly Fund, care of Union National Bank, Youngstown, Ohio.	Cold Metal Products Co., Youngstown, Ohio.	Dec. 31, 1951, through Dec. 31, 1952.	694 common voting.....	233,801	\$233,801 ² (Jan. 1, 1952).	34.7
		Dec. 31, 1953, through Dec. 31, 1954.	658 common voting.....	198,253	\$198,253 ² (Jan. 1, 1954).	32.9
TEXAS						
Amon G. Carter Foundation, Post Office Box 1036, Fort Worth, Tex.	Basin Brine Co., care of Sid Richardson Gasoline Co., Fort Worth National Bank Bldg., Fort Worth, Tex.	Dec. 31, 1958, through Dec. 31, 1960.	1,616 common voting.....	324	\$324 ²	16.16
	Carter Voting Trust, 400 West Seventh St., Fort Worth, Tex.	Dec. 31, 1960.....	21,000 common.....	1,325,616	\$1,325,616 ²	20
	Carter Foundation Production Co., Post Office Box 1036, Fort Worth, Tex.	Dec. 31, 1954, through Dec. 31, 1960.	1,000 \$100 par common voting.	1,325,000	\$1,325,000 ²	100
	Citizens Hotel Corp., Hotel Texas, Main at 8th St., Fort Worth, Tex.	Dec. 31, 1960.....	6,878 common voting.....	516,038	\$516,038 ²	49.45
	Fort Worth Air Terminal, Inc., Commercial Standard Bldg., Fort Worth, Tex.	do.....	500 common voting.....	25,001	\$25,001 ²	10
	Tarrant Land Co., 400 West 7th St., Fort Worth, Tex.	do.....	60 class B common voting.....	30,000	\$30,000 ²	12
	Texas Bowl, 400 West 7th St., Fort Worth, Tex.	do.....	240 nonvoting retirable.....	743	\$743 ²	12
			500 common voting.....			50
	Winkler Housing Corp., care of Sid Richardson Carbon & Gasoline Co., Fort Worth National Bank Bldg., Fort Worth, Tex.	Dec. 31, 1958, through Dec. 31, 1960.	19.39 common voting.....	3,344	\$3,344 ²	16.61
	Sid Richardson Carbon Co., Fort Worth Club Bldg., Fort Worth, Tex.	Dec. 31, 1954, through Dec. 31, 1957.	73.86 common voting.....	7,386	\$7,386 ²	14.77
	Sid Richardson Gasoline Co., Fort Worth Club Bldg., Fort Worth, Tex.	do.....	161.61 common voting.....	7,386	\$7,386 ²	16.61
WISCONSIN						
Allen-Bradley Foundation, Inc., 136 West Greenfield Ave., Milwaukee 4, Wis.	Allen-Bradley Co., 136 West Greenfield Ave., Milwaukee 4, Wis.	July 31, 1951, through July 31, 1954.	14,280 participating prior preferred, nonvoting.	267,750	\$267,750 ²	64.62

¹ For the period 1951-55, the Internal Revenue Service required foundations to file balance sheets which set forth pertinent information as of the beginning of the year. Beginning with 1955, the Internal Revenue Service rules were changed so that balance sheet reporting was required as of both the beginning and end of the year; however, for the year 1955, many foundations nevertheless continued to report such information as of only the beginning of the year.

² Thus, wherever the dates in col. 3 pertain solely to any part of the 1951-55 period, the figures shown in cols. 4, 5, 6, and 7 usually relate to the beginning of the calendar or fiscal year unless otherwise indicated.

Wherever there is a grouping of accounting periods in col. 3—for example, 1951

through 1954—the figures shown in cols. 4, 5, 6, and 7 relate to the last year (1954) of the col. 3 grouping. Frequently, however, the figures for the last year of a grouping may be the same as those for the earlier years.

³ Foundation's equity in the net assets of the corporation.

⁴ The foundation's book value is used wherever there is no stated market value.

⁵ Such data has not been submitted by the foundation.

⁶ Carried on foundation's books at no value.

⁷ Data for earlier years has not as yet been submitted by the foundation.

⁸ Deficit.

SCHEDULE 3

Subject: Data regarding foundations' ownership of 10 percent or more of any class of stock of any corporation, as reported on the Internal Revenue Service Form 990-A (per instruction 7, p. 4, form 990-A).
Source: Documents submitted to the Select Committee on Small Business by the foundations.

(1) Foundation	(2) Corporation in which foundation reported 10 percent or more stock ownership at the close of calendar or fiscal year 1960	(3) Number of shares of each class of the corporation's stock owned by the foundation at the close of calendar or fiscal year 1960	(4) Percentage of outstanding shares of the corporation owned by the foundation at the close of calendar or fiscal year 1960	(5) Foundation's book value of shares of the corporation owned at the close of calendar or fiscal year 1960	(6) Market value, if any, of the corporation's shares owned by the foundation at the close of calendar or fiscal year 1960
CALIFORNIA					
James G. Boswell Foundation, 510 South Spring St., Los Angeles, Calif.	J. G. Boswell Co.	17,519 capital voting	27	\$3,381,167	\$3,381,167
S. H. Cowell Foundation, care of Thelen, Marrin, Johnson & Bridges, 111 Sutter St., San Francisco 4, Calif.	California Rock & Gravel Co. Roche Harbor Lime & Cement Corp.	500 common 309 common	30.3 39	192,425 77,250	192,425 177,250
Henry J. Kaiser Family Foundation, Kaiser Bldg., Oakland 12, Calif.	Kaiser Industries Corp.	3,513,663 common voting	15.4	14,376,407	31,183,493
William Volker Fund, Post Office Box 113, Burlingame, Calif.	William Volker & Co. of Colorado, Inc. William Volker & Co. of El Paso, Inc. William Volker & Co. of Kansas, Inc. William Volker & Co. of Los Angeles, Inc. William Volker & Co. of Louisiana, Inc. William Volker & Co. of Missouri William Volker & Co. of Nebraska, Inc. William Volker & Co. of Oklahoma, Inc. William Volker & Co. of Oregon, Inc.	857½ common voting 234 common voting 661½ common voting 5,712 common voting 286 common voting 2,583 common voting 1,101½ common voting 343½ common voting 477½ common voting	10.7 11.7 16.5 19.7 11.9 12.9 22 11.4 11.9	81,620 15,580 51,317 561,211 16,242 206,898 130,489 39,681 54,864	81,620 15,580 51,317 561,211 16,242 206,898 130,489 39,681 54,864
	William Volker & Co. of San Francisco, Inc. William Volker & Co. of Texas, Inc., Dallas William Volker & Co. of Utah, Inc. Joanna Western Mills Co.	4,118¾ common voting 3,556 common voting 2,319½ common voting 1,904½ common	17.1 14.8 33.1 22.9	362,440 303,147 254,946 1,457,701	362,440 303,147 254,946 1,457,701
COLORADO					
Boettcher Foundation, 818 17th St., Denver 2, Colo.	Cement Investors, Inc. do.	674 common voting 4,169 6-percent preferred nonvoting	13 24.2	527,733 426,395	994,945 416,900
CONNECTICUT					
Albert A. List Foundation, Inc., Byram Shore Rd., Byram, Conn.	Alberton Corp. do.	137 common voting 976 6-percent noncumulative preferred nonvoting	19.76 23.77	104,257 97,600	104,257 97,600
GEORGIA					
Callaway Community Foundation, La Grange, Ga. Fuller E. Callaway Foundation, Post Office Box 477, La Grange, Ga. Ida Cason Callaway Foundation, Pine Mountain, Ga. Emily and Ernest Woodruff Foundation, care of Trust Co. of Georgia, Atlanta 2, Ga.	Callaway Mills Co. Milstead RR. Co. La Grange Broadcasting Co. The Gardens Industries, Inc. Gardens Services, Inc. Coca-Cola International	12,000 capital common voting 120 capital common voting 33¾ common voting 2,000 common voting 400 common voting 21,811 common voting	100 100 33¾ 100 100 15.21	12,000,000 26,692 3,333 200,000 40,000 21,573,173	34,156,800 34,400 21,456 200,000 40,000 42,073,419
ILLINOIS					
Charles F. Kettering Foundation, 40 South Clay St., Hinsdale, Ill. Wm. H. Miner Foundation 667 the Rookery, Chicago 4, Ill. Joseph and Helen Regenstein Foundation, 330 East Grand Ave., Chicago 11, Ill. Sears, Roebuck Foundation, 333 West Arlinton St., Chicago 24, Ill. Standard Oil Foundation, Inc., 910 South Michigan Ave., Chicago 80, Ill. Wilkie Bros. Foundation (formerly Wilkie Foundation), 254 North Laurel Ave., Des Plaines, Ill. Do.	C. F. Kettering, Inc., care of the Winters National Bank & Trust Co., 40 North Main St., Dayton 2, Ohio. W. H. Miner, Inc. Enterprise Railway Equipment Co. Arvey Corp. Velsicol Chemical Corp. Geo. D. Roper Corp. De Soto Chemical Coatings, Inc. Midwest Oil Corp., Denver, Colo. DoAll Grand Rapids Co. DoAll Carolina Co., Charlotte, N.C. DoAll Cleveland Co. DoAll Central Co., Inc., Indianapolis, Ind. DoAll Philadelphia Co. DoAll Western Co., Los Angeles, Calif.	3,000 capital voting 927 common voting 2,000 common voting 164,000 common voting 202,500 common voting 31,400 common voting 9,600 4½ percent cumulative preferred \$100 par voting 451,000 common voting 301 common 265 common 900 preferred 750 preferred 900 preferred 760 preferred	30 93.1 100 15.44 30.6 11.77 17.65 18.34 24 28.5 90 75 90 76	1,173,347 1,946,700 275,000 731,053 1,750,061 742,650 900,000 15,150,500 10,787 7,714 90,000 75,000 90,000 76,000	44,640,000 1,946,700 1,275,000 1,873,040 5,317,650 625,850 900,000 17,814,500 10,787 7,714 90,000 75,000 90,000 76,000
INDIANA					
Lilly Endowment, Inc., 914 Merchants Bank Bldg., Indianapolis 4, Ind.	Eli Lilly & Co. do.	1,355,510 common class A voting 527,176 common class B nonvoting	45.26 10.40	18,135,832 10,319,692	90,819,170 35,320,725
MICHIGAN					
Josephine E. Gordon Foundation, 2303 East Vernor Highway, Detroit 7, Mich. W. K. Kellogg Foundation, Battle Creek, Mich. W. K. Kellogg Foundation Trust, care of W. K. Kellogg Foundation, Battle Creek, Mich. Kresge Foundation, 2727 2d Blvd., Detroit 1, Mich. McGregor Fund, 2486 First National Bldg., Detroit 26, Mich.	Gordon Baking Co. Kellogg Co., Battle Creek Atlas Properties, Inc. Kellogg Co., Battle Creek, Mich. S. S. Kresge Co. Kresge-Newark, Inc. La Salle Land Co.	28,499 capital voting 77,928 preferred nonvoting 500 capital voting 4,622,060 common voting 1,900,000 capital \$10 par 30,000 common voting 958 common voting	99.99 58 100 51 34 100 100	9,034,183 7,096,395 5,000 33,105,417 58,545,976 3,000,000 8,120	11,431,115 6,078,384 15,000 208,014,790 53,200,000 3,000,000 8,120

See footnotes at end of table.

SCHEDULE 3—Continued

Subject: Data regarding foundations' ownership of 10 percent or more of any class of stock of any corporation, as reported on the Internal Revenue Service Form 990-A (per instruction 7, p. 4, form 990-A).
Source: Documents submitted to the Select Committee on Small Business by the foundations.

(1) Foundation	(2) Corporation in which foundation reported 10 percent or more stock ownership at the close of calendar or fiscal year 1960	(3) Number of shares of each class of the corporation's stock owned by the foundation at the close of calendar or fiscal year 1960	(4) Percentage of outstanding shares of the corporation owned by the foundation at the close of calendar or fiscal year 1960	(5) Foundation's book value of shares of the corporation owned at the close of calendar or fiscal year 1960	(6) Market value, if any, of the corporation's shares owned by the foundation at the close of calendar or fiscal year 1960
MICHIGAN—continued					
Charles Stewart Mott Foundation, 500 Mott Foundation Bldg., Flint 2, Mich.	D. M. Christian Co.	839 common voting	100	\$445,197	\$437,223
	Everglades Corp.	500 common voting	100	3,687	36,319
	J. W. Knapp Co.	900 common voting	100		4,454,551
	L. W. Robinson Co.	1,000 common voting	100	1,393,350	1,968,157
	Smith Bridgman & Co.	2,115 common voting	100		3,354,947
	American Industries Corp.	18,000 common	13.2	90,000	48,780
	United States Sugar Corp.	737,317 common	48.2	7,032,652	26,543,412
	The Wayne Oakland Bank	85,311 common	60.9	669,664	6,505,947
NEBRASKA					
Cooper Foundation, 325 Stuart Bldg., Lincoln 8, Nebr.	Cooper Foundation Theatres of Nebraska, Inc.	100 common voting	100	10,000	10,000
	Cooper Foundation Theatres of Colorado, Inc.	do	100	10,000	10,000
	Cooper Foundation Theatres of Colorado Springs, Inc.	do	100	10,000	10,000
	Cooper Foundation Theatres of Oklahoma, Inc.	do	100	10,000	10,000
	Cooper Foundation Theatres of Omaha, Inc.	do	100	30,000	130,000
	Cooper Foundation Co., Inc.	do	100	10,000	10,000
Cooper Foundation Co. of Omaha, Inc.	do	100	25,000	125,000	
NEW HAMPSHIRE					
Huntley N. Spaulding, Charitable Trust, 95 North Main St., Concord, N.H. Marion Spaulding Potter, Charitable Trust, 95 North Main St., Concord, N.H.	Spaulding Fibre Co., Inc.	83,332 common class A	17.36	2,458,294	2,458,294
	do	123,336 common class A	25.69	3,083,400	3,083,400
NEW YORK CITY					
Altman Foundation, 361 5th Ave., New York 16, N.Y. David, Josephine and Winfield Baird Foundation, Inc., 65 Broadway, New York, N.Y.	B. Altman & Co.	921,600 capital voting	84.50	9,091,870	9,091,870
	Atlas Utilities & Investments Co., Ltd.	100 common voting	100	806,666	806,666
	Beeship Corp.	do	100	394	394
	Coordinated Services, Inc.	25,500 common A voting	100	2,550	2,550
	do	7,426 common B voting	100	742	742
	do	294 1st preferred	100	29,400	29,400
	do	1,275 2d preferred	100	171,835	171,835
	Hugh Lyons Co.	4,500 common voting	50	75,000	75,000
	Lansall Corp.	5,000 common B voting	100	555,000	555,000
	Sebastian Lathe Co.	100 common voting	100	10,000	10,000
	C & C Pan Atlantic TV	49 common voting	49	49	49
	C & C International Film Corp.	124 common voting	10	124	124
	Margate Utilities Corp.	50 common voting	20	50,000	50,000
	Lansall Corp.	5,000 common A	100	791,350	791,350
	Skyline Oil Co.	245,637 common voting	24	1,760,329	2,214,333
O'Henry Productions	210 common voting	100	210	210	
Coordinated Services, Inc.	225 1st preferred voting	100		210	
do	980 2d preferred voting	100			
do	19,600 common A voting	99	43,210	43,210	
do	5,355 common B voting	99			
Standard Die Set Manufacturing Co., Michigan	157 common voting	50	1,570	1,570	
Standard Die Set Manufacturing Co., Rhode Island	280 common voting	50	280	280	
Standard Die Supply Co., Pennsylvania	940 common voting	50	9,400	9,400	
Charles Ulrick and Josephine Bay Foundation, Inc., 1 Wall St., New York 5, N.Y.	Connecticut Railway & Lighting Co.	72,849 5-percent cumulative preferred voting par value \$50	99.25	6,920,655	14,030,762
	do	45,848 common voting par value \$5	51.07	89,635	91,696
	Perkins-Goodwin Co.	2,043 common voting	29	3,573,581	5,107,500
	Top Side Realty Co., Inc.	2,500 common voting	100	25,000	25,000
	Duke Power Co.	6,306,991 common voting	57.24	85,665,408	337,424,018
	do	2,327 7 percent preferred voting	82.02	362,295	351,377
	Piedmont & Northern Railway	19,031 common voting	22.17	(1)	2,188,565
	Ford Motor Co.	31,910,296 class A nonvoting	100	1,499,783,912	2,050,236,518
	do				
	do				
Louis Calder Foundation, 1 Rockefeller Plaza, New York, N.Y. Duke Endowment, 30 Rockefeller Plaza, New York 20, N.Y.	W. T. Grant Co.	616,768 common voting	10.7	9,841,291	17,500,792
	Great Atlantic & Pacific Tea Co., Inc.	7,572,640 common voting	33.98	133,478,975	268,828,720
	S. H. Kress & Co.	995,064 common voting no par	41.9	4,975,320	26,493,600
	Sormir Petroleum Corp. 230 Park Ave., New York 17, N.Y.	62,122 capital voting	75.8	90,494	190,494
	American Chain & Cable Co., Inc., Bridgeport 2, Conn.	203,749 capital voting	17.8	7,556,777	9,678,070
	16 East 34th St., Inc.	10 common voting	100	1,503,703	1,503,703
	Jesmith Corp.	do	100	157,337	157,337
	Federal Cartridge Corp., Foshay Tower, Minneapolis, Minn.	1,723 preferred nonvoting	100	172,300	172,300
	do	10 common voting	100	1,023,512	11,955,483
	International Liquid Heat, Ltd.	625 common voting	(9)	36,227	136,227
	Thermo Chemicals Co., Inc.	500 common voting	(9)	5,000	15,000
	Research-Cottrell, Inc., 405 Lexington Ave., New York 17, N.Y.	17,485 capital	99.9	2,959,394	2,959,394
Richardson Foundation, Inc., 122 East 42d St., New York 17, N.Y.	The Reinsurance Corp. of New York	108,000 common voting	14	1,297,048	2,358,720
	The Richardson Corp. of Greensboro, Greensboro, N.C.	1,607 common voting	18	453,776	528,896

See footnotes at end of table.

SCHEDULE 3—Continued

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NEW YORK CITY—continued					
Samuel Rubin Foundation, 5 West 54th St., New York 19, N.Y.	Fabergé Inc.	4,500 1st preferred nonvoting	100	\$450,000	\$450,000
	do.	21,025 2d preferred nonvoting	70	2,102,500	2,102,500
	do.	2,500 common voting	100	6,000,000	6,000,000
Scriven Foundation, 149 Broadway, 25th floor, New York 6, N.Y.	Leatherstocking Corp.	20,000 capital	100	1,708,100	2,700,000
Wenner-Gren Foundation for Anthropological Research, 14 East 71st St., New York 21, N.Y.	Electrolux Corp.	300,000 capital voting	24.2	1,875,000	5,737,500
NEW YORK STATE					
Fred L. Emerson Foundation, Inc., Post Office Box 87, Auburn, N.Y.	Duncar Corp.	1,000 capital voting	100	275,000	989,000
	The Enna Jettick Corp.	2,000 capital voting	100	200,000	450,000
NORTH CAROLINA					
The Cannon Foundation, Inc., Post Office Box 1192, Concord, N.C.	Amazon Cotton Mills Co.	24,169 common voting	46.04	1,036,555	1,036,555
	Cannon Insurance Agency	3 common voting	100	300	300
	Concord Telephone Co.	7,655 5-percent preferred nonvoting	66.91	750,190	1,750,190
	do.	4,979 common class B nonvoting	35.56	208,740	208,740
	Imperial Cotton Mills	1,172 common voting	39.07	550,840	550,840
	Social Circle Cotton Mills Co.	421 common voting	42.10	566,269	566,269
OKLAHOMA					
The Samuel Roberts Noble Foundation, Post Office Box 870, Ardmore, Okla.	Samedan Oil Corp., Ardmore, Okla.	970 common voting	100	8,413,253	8,413,253
	Noble Drilling Corp., Tulsa, Okla.	468,000 common voting	100	2,437,490	2,437,490
	Lenox Square, Inc., Atlanta, Ga.	500 common A voting	50	5,000	5,000
	do.	7,500 preferred nonvoting	75	750,000	750,000
	Lenox Construction Corp., Atlanta, Ga.	5,000 common A voting	100	50,000	50,000
	B. F. Walker, Inc., Denver, Colo.	1,667 common voting	100	525,000	525,000
	Advance Glass Co., Atlanta, Ga.	700 common voting	100	7,000	7,000
	Chief Motor Co., Santa Rosa, N. Mex.	2,000 common voting	66.4	20,000	20,000
PENNSYLVANIA					
Donner Foundation, Inc., 2500 Philadelphia National Bank Bldg., Philadelphia 7, Pa.	Pittsburgh Steel Co.	4,500 5-percent preferred A voting	10	199,806	270,250
The Pew Memorial Trust, care of the Glenmede Trust Co., 1608 Walnut St., Philadelphia 3, Pa.	Sun Oil Co.	2,782,694 common voting	21.29	1,481,544	132,525,801
The Presser Foundation, 1717 Sansom St., Philadelphia 3, Pa.	Minerals Development Co.	124,000 capital voting	100	1,545,774	1,545,774
Scholler Foundation, Collins & Westmoreland Sts., Philadelphia 84, Pa.	Theodore Presser Co., Bryn Mawr, Pa.	1,100 common voting	22	122,591	122,591
	Scholler Bros., Inc.	9,990 common	100	999,000	999,000
	Scholler Bros., Ltd.	3,965 common	100	399,500	399,500
	Beck's Seafood, Inc.	1,533 common	100	273,365	273,365
SOUTH CAROLINA					
Springs Foundation, Inc., Post Office Box 111, Lancaster, S.C.	Lancaster Broadcasting & Utility Co., Lancaster, S.C.	12,500 common voting	100	125,000	125,000
	Springmaid of the West, Inc., Lancaster, S.C.	1,500 common voting	100	150,000	150,000
TEXAS					
Clayton Foundation for Research, 706 Bank of the Southwest Bldg., Houston 2, Tex.	Alabama-Shepherd Co.	(5)	100	498,493	498,493
	Arcadia Parking, Inc.	(5)	100	546,268	546,268
	Cedar Realty Co.	(5)	100	1,299	1,299
	Clayton Foundation Co.	(5)	100	1,894,953	1,894,953
	Department Realty Corp.	(5)	100	827,741	827,741
	Duarte Corp.	(5)	100	203,788	203,788
	Elrovia Co.	(5)	100	238,595	238,595
	Main & Elgin Corp.	(5)	100	920,579	920,579
	Milam & Gray Corp.	(5)	100	505,669	505,669
	Naomi Realty Co.	(5)	100	826,322	826,322
	Peck Realty Corp.	(5)	100	161,409	161,409
	Sartartia Plantation, Inc.	(5)	100	225,000	225,000
	Tyler Property, Inc.	(5)	100	208,053	208,053
	Winton Properties, Inc.	(5)	100	787,751	787,751
	Weingarten Markets Realty Co.	37,507 common	(5)	9,963	9,963
	Weingarten Main-Rosalie Co.	4,050 common	(5)	162	162
Houston Endowment, Inc., Post Office Box 1414, Houston 1, Tex.	Airline State Bank	7,730 common voting	51.5	257,664	421,285
	Belfort State Bank	1,750 common voting	11.6	58,333	70,000
	Block Fifty Seven Inc.	2,500 common voting	100	25,000	24,202
	Commercial & Industrial Life Insurance Co.	150,000 common voting	100	500,000	1,500,000
	Commerce Co.	29,900 common voting	99.7	12,619,315	18,000,000
	do.	27,660 preferred nonvoting	92.2		
	National Bank of Commerce, Houston	135,285 common voting	23.4	3,658,806	18,939,900
	Park Ave.-65th St. Corp.	10 common voting	100	771,000	5,000,000
	Reagan State Bank	4,918 common voting	28.1	168,082	491,800
WISCONSIN					
Allen-Bradley Foundation, Inc., 136 West Greenfield Ave., Milwaukee 4, Wis.	Allen-Bradley Co.	14,280 prior preferred nonvoting	64.62	267,750	267,750
	Zita, Inc.	6,000 common voting	100	108,760	108,760
DeRance, Inc., 324 North 76th St., Milwaukee 13, Wis.	Miller Brewing Co.	2,900 common voting	29	5,180,000	11,000,000

¹ The foundation's book value is used wherever there is no stated market value.

² Estimated.

³ The foundation owned 37.77 percent of Arvey Corp. common and 49.23 percent of Velsicol Chemical Corp. common as of Dec. 31, 1961.

⁴ Foundation's equity in the net assets of the corporation.

⁵ Aug. 31, 1959.

⁶ Dec. 31, 1959.

⁷ Carried on the foundation's books at no value.

⁸ Such data has not been submitted by the foundation.

⁹ Estimated, Dec. 31, 1960.

Mr. AVERY. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Kansas.

Mr. AVERY. Mr. Speaker, we on this side of the aisle know that the gentleman from Texas has a very important speech to make on the floor of the House this afternoon. I asked the gentleman to yield so that I might ask him, as he progresses with his speech would he prefer not to be interrupted until his whole speech is completed, or would he prefer to reply to certain parts of it from time to time?

Mr. PATMAN. I shall be glad to respond to pertinent parts of the speech from time to time. I have permission that all questions and answers appear after my prepared text. That will not interfere at all.

Mr. AVERY. I understand that, but it might be helpful to those present if we could discuss some of these various points while the gentleman is touching upon them rather than having to refer back to them after the gentleman has completed his speech.

Mr. PATMAN. Brief questions in particular will be welcome.

Mr. McCULLOCH. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Ohio.

EXTENSION OF REMARKS

Mr. McCULLOCH. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks at the end of the speech made by my colleague from Texas [Mr. PATMAN], chairman of the Committee on Small Business.

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

There was no objection.

Mr. PATMAN. Mr. Speaker, this is the first section of an interim report on the Small Business Committee's study of "The Impact Upon Small Business of the Activities and the Conduct of Tax-Exempt Foundations and Charitable Trusts."

Mr. McCULLOCH. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Ohio.

Mr. McCULLOCH. At this point I should like to inquire whether or not the interim report which is about to be presented by the chairman of the committee is an interim report of the gentleman from Texas as an individual?

Mr. PATMAN. It is an interim report by the gentleman from Texas as an individual, but I do not want to deprive the staff and other members of the committee of the advice, cooperation, and help that they have given to me, although I must confess that this report is my own personal evaluation.

Mr. McCULLOCH. I may say properly that this is an individual report. It is not a staff report and it is not a committee report as such?

Mr. PATMAN. Officially, the gentleman is correct. Unofficially, the staff assisted, and members of the committee.

Mr. McCULLOCH. One further question, so that there will be no misunderstanding about your report. This report was not officially considered by the

committee, and for that reason it is not and has not been officially authorized by the committee.

Mr. PATMAN. It is not an official report of the committee.

Mr. AVERY. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Kansas.

Mr. AVERY. At this point I would like to submit an academic question. I have been asked I suppose 25 or 30 times in the last 48 hours upon which basis these particular 500 trusts and funds were selected for this scrutiny out of the 45,124 the gentleman mentioned.

Mr. PATMAN. I shall be very glad to explain to the gentleman. First, there was an effort made to select about 500 just across the board for a sampling. That was ascertained first by determining the number in each State and trying to have about 1 percent in each State sampled. Some States do not have any, hardly, and I think a few States none. Naturally, 1 percent would mean a large number in some States and none in other States, and a small number in others. After getting approximately 500 that way, we found they were interlocking. So in taking up one, you necessarily wanted to explore the activities of the other one that was connected with it from the standpoint of an interlocking relationship and interlocking directorships and in other ways. In that way the number ran up to 522, or over 500, which was really the object at the time.

Mr. AVERY. As I understand the gentleman, then he reviewed these, or the staff reviewed them by States?

Mr. PATMAN. That is right.

Mr. AVERY. And an effort was made to select about 1 percent of those trusts that were officially identified in each of the 50 States?

Mr. PATMAN. That is right.

Mr. AVERY. Then that would really not be a reflection, would it?

Mr. PATMAN. Not necessarily.

Mr. AVERY. May I ask the gentleman from Texas this: In a Midwestern State like my own State of Kansas, or a similar State, 1 percent of the trusts there might be as many as you could put on one hand, I do not know, but moving over into a State like New York or the gentleman's State of Texas, I would assume that 1 percent of the trusts or foundations in those particular States would not even encompass maybe 100 or 1 percent of the trusts that might be there?

I just want to understand it from this standpoint: There was no particular effort to balance this up geographically? It was done strictly on a State-by-State analysis?

Mr. PATMAN. That was the original purpose. But in doing that, by reason of these interlocking directorships, we had to bring others in and thus enlarged the number of them.

Mr. AVERY. I understand that. But permit me to go one step further: Was there any effort made by the staff to establish categorically the size or value or earnings or any other criteria that would denote size on the part of these trusts?

Mr. PATMAN. No; except some of the large ones were selected. Of course, we are not sure that we have the largest ones. We are not at all sure. That would require an examination of all the 45,000 in order to determine that. I am sure we did not consider all the large ones. I am sure of that. We tried to have a cross-section across the board.

Mr. AVERY. If the gentleman will yield further, in view of the gentleman's intense interest in this field and the tremendous number of staff people that have been working on this for a year, if the gentleman attempted to identify the larger ones, I am sure the gentleman was rather successful in that particular effort, even though it might not be a true reflection of the problem as related to small business.

In my judgment it would seem that some of the large trusts might not have the adverse effect on small business, which is really the only justification our committee has for getting into this investigation, as would a very modest trust that might be more directly in competition with the conventional small businessman as we identify him.

Mr. Speaker, I thank the gentleman for yielding.

Mr. PATMAN. Small business has another reason than just the reason outlined by the distinguished gentleman from Kansas. Even a large business, if it is allowed to escape taxation, then places additional burdens upon the small businessman and to that extent the small businessman is concerned and the Small Business Committee would be concerned. There are many reasons why the Small Business Committee is concerned about this. The principal ones have already been mentioned.

Mr. AVERY. If I might return to that just briefly—and I do not want to belabor this point—I think it is important that we establish some of the ground rules, so to speak, when we proceed into this, because we might be here quite a while.

The 1 percent, as I say, in Kansas, 1 percent might be all of them. I do not know. One percent of the total amount might be all the trusts there are in Kansas. But in such a State as the State of New York, could the gentleman enlighten us a little bit as to what criteria he applied in selecting the 1 percent in the State of New York, and in the State of Texas?

Mr. PATMAN. No, 1, it was the decision immediately at the beginning that we could not consider over 500; that it would be impossible to go into 45,000. We wanted to pick out about 500, or about 1 percent. In doing that, of course, we looked over the States and I tried to have a ratio that would have some connection with about 500. I would not like to be held to just 1 percent, because it would not work in some cases at all, such as, for instance, in Arkansas, where I do not think there is a single foundation listed in the books that we have.

Some States do not have any; some none. Therefore we took a figure, 500, deciding that we could not go into more than 500. We tried to take them across the board so that they would be repre-

sentative of all businesses, all classes and all groups, big and small. There are many small ones here.

Mr. AVERY. It was the gentleman's judgment as to what would be representative?

Mr. PATMAN. That is right; it was an arbitrary decision.

Mr. AVERY. Yes; it is important.

Mr. PATMAN. I can see that.

Mr. McCULLOCH. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Ohio.

Mr. McCULLOCH. I should like to inquire of our colleague if those conditions have been in existence, has there not been prostitution of the spirit if not the intent and letter of the law? And is there not a remedy presently available which would prevent that prostitution of the tax-exemption laws for purposes not contemplated in the law itself?

Mr. PATMAN. If we had adequate supervision the gentleman would be correct. But that is one of the points that is made here, that there has not been adequate supervision; in fact, very, very little supervision of any kind whatsoever.

Mr. McCULLOCH. One further question: That lack of supervision, if it be in existence, has been there for three or four or more decades, possibly ever since the income tax and the Federal estate tax and the corporation tax became so burdensome.

Mr. PATMAN. The gentleman is correct—since 1951. Mr. Truman, the President of the United States, complained in 1950 that these charitable foundations "are used as a cloak for business ventures." That was his statement in 1950. The big growth in foundations has taken place since 1951.

Mr. ROOSEVELT. Mr. Speaker, will the gentleman yield?

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

Mr. ROOSEVELT. I have in my hand an editorial from the Washington Daily News of this date which, Mr. Speaker, I ask unanimous consent to insert at this point in the RECORD.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

The editorial follows:

TAX-EXEMPT FOUNDATIONS

For 9 months, a House committee has been combing the records of tax-exempt foundations and the first results of this tedious work have been summed up by the committee chairman, Representative WRIGHT PATMAN, of Texas.

The Congressman said there are 45,124 such foundations—4 times as many as there were 10 years ago. The committee so far has checked the records of only 522, and this fraction of the total had receipts of \$7 billion in 10 years—all out of reach of Federal taxation.

The total of tax-exempt funds held by all 45,124 obviously would be enormous.

Mr. PATMAN said only a little more than a third of the income of the 522 foundations came from gifts—the rest from dividends, sale of assets, interest, rents and royalties, profits from business activities.

Foundations are big business. Their influence on the economy is substantial. They compete, in some cases, against taxing business.

Mr. PATMAN said the information dug out by his committee largely was gained from the foundations themselves, because files at the Internal Revenue Service were inadequate. He said only 5,300 of 570,000 foundation reports filed at IRS between January 1958 and June 1960 had been audited.

The Congressman has asked the Treasury to declare a "moratorium" on granting more tax exemptions to foundations until Congress can overhaul the law. Whether there is a moratorium, the law should be overhauled. It patently is loose and only nominally respected.

Many foundations serve useful purposes. Some are merely frivolous and wasteful. They are not all charitable or devoted to research. The size of some of them, and their heavy engagements in business, suggest a basis for Mr. PATMAN's charge that many "have become a vehicle for trading in securities and dodging the capital gains tax."

What the foundations—or any other tax-exempt groups—don't pay in taxes, the public does. Tax exemption is the same as a subsidy. Those who do pay taxes have a right to know, in detail, why others don't. The Patman inquiry is important and timely, and it should have the full support of Congress.

Mr. ROOSEVELT. It points out, I think, the general background of which the gentleman is speaking and the importance of the inquiry which he has initiated. It concludes:

The Patman inquiry is important and timely, and it should have the full support of Congress.

I should like to emphasize that anyone who has had familiarity with the work of foundations and nonprofit corporations in this field can cite many examples, perhaps going further than the inquiry of the distinguished gentleman from Texas has already gone.

For instance, I was a member of a nonprofit hospital corporation which invested some of its funds in a so-called supermarket area and actually owns the area where that supermarket is in operation and is in competition with supermarkets in a relatively close location.

It simply happens that the law perhaps does today allow this, but the question must arise, Is that the kind of competition, the kind of investment, which the American people and the Government should allow nonprofit corporations to get into? Naturally, being a nonprofit corporation, it is going to run that business on a slightly different basis than will a private corporation which may be in competition with it.

I think the gentleman has done a tremendous service to the country, to small business, and, yes, perhaps to big business, too, in pointing out this matter, not only in areas where there are violations of the law that exist today but where there needs to be a study of exactly the kind of operation and investment which these nonprofit corporations can properly make. I certainly would like to commend my chairman for a most interesting and instructive statement.

Mr. AVERY. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Kansas.

Mr. AVERY. I was going to make this observation just a little bit later, but in

view of the remarks of the gentleman from California I think they should be made at this point.

The minority have had a rather nebulous position on this subject. I think it should be spread on the RECORD as well as it is possible to do it. Generally speaking, the minority recognize the desirability of making an investigation of these tax-exempt institutions, these foundations. Very seriously, the minority, if we include ourselves in this investigation, have some reservations, very serious reservations, as to whether or not the Committee on Small Business has the talent on the committee and the men on the staff to make a very sensitive and a highly specialized investigation such as the one we are discussing here this afternoon.

I see on the floor the distinguished chairman of the Committee on Ways and Means. Perhaps he will recall that last August or September I had a conference with him on this very matter. I was hopeful that the Committee on Ways and Means, with a very competent staff, a staff that has spent a lifetime in dealing with tax matters, would undertake this. Every committee, of course, has a certain amount of pride in its jurisdiction. But, Mr. Speaker, I repeat this is dealing with an extremely sensitive area. Billions of dollars are involved. I think the whole investment community—it does not make any difference whether you are an investor or whether you are paying the investors, but every interest attached to the investment community is going to be affected directly or indirectly by what may come out of this investigation.

This is just the beginning today. I mean this is not a complete investigation nor a complete report. This is just an interim or preliminary report. So I would hope that if this exploration goes to considerably greater depths at least we may be assisted and we may have the counsel not only of our very capable chairman of the Committee on Ways and Means but also of his very capable staff because I think we need guidance. There is not one member of the Committee on Ways and Means on the Select Committee on Small Business.

Mr. ROOSEVELT. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman.

Mr. ROOSEVELT. May I just add to what our friend, the gentleman from Kansas, just said. I think, perhaps it is the duty of the Small Business Committee, particularly in relationship to small business, to develop sufficient facts that can be presented to the distinguished chairman of the Committee on Ways and Means, who is already overburdened, for him to decide what his committee may do. Certainly, we are not a legislative committee. And based upon such facts as our committee can develop, I am sure the gentleman from Arkansas would be delighted and interested in receiving such information as this committee may develop, as he always has been, and as his committee always has been in the past, in proper matters coming from our committee. Similarly, however, Mr. Chairman, is it

not an important fact here that the Internal Revenue Service itself, the Treasury Department, has a function to perform here and it is, perhaps, incumbent upon them to make certain studies and then propose some recommendations for action in this area?

Mr. PATMAN. The gentleman is correct.

Mr. AVERY. I would just like to say to my friend, the gentleman from California, who mentioned the fact that the distinguished chairman of the Committee on Ways and Means was overburdened, we observed that the other body made quite a contribution toward unburdening the chairman of the Committee on Ways and Means just last week.

Mr. ROOSEVELT. I would have to say, unfortunately so.

Mr. EVINS. Mr. Speaker, will the gentleman yield at that point?

Mr. PATMAN. I yield.

Mr. EVINS. The gentleman has indicated that the 522 foundations which the committee has studied have been ranked according to income received. An examination of the gentleman's schedule 1, to which the gentleman referred, lists as No. 1, the largest foundation studied, the Ford Foundation, which, for the 10-year period in interest, received \$88,633,063. Dividends received for the same period were \$748,646,156.

The total gross income for this one Ford Foundation, and I understand there are about seven or more of them, was \$1,167,423,189.

The total receipts, including contributions, gifts, and grants for this one Ford Foundation for the 10-year period was \$1,670,207,497.

Looking further on the schedule, I notice that the second largest foundation listed in order of rank is the Rockefeller Foundation. The tabulations will show the amounts of income. It is recognized that the Ford Foundations and the Rockefeller Foundations, and there are 13 of them, do a great deal of charitable work, make wonderful gifts for education and other charitable purposes.

The gentleman's inquiry, I believe, is properly directed to the matter of the escape of taxes and the need for the plugging of loopholes in this field.

Mr. PATMAN. I thank the gentleman.

Mr. McCULLOCH. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Ohio.

Mr. McCULLOCH. I should like to say again that the unbearable burden of individual income taxes, corporate income taxes, and Federal estate taxes have made it impossible for individuals or families, in many instances, to carry on their educational and their charitable contributions, without the use of tax exempt foundations. Until there is evidence on the record that the income which has just been mentioned by my distinguished colleague from Tennessee is improperly escaping taxation or that the money would be available for education if it came into the till of the National Government, where we have been so extravagant all through the last 20 or 30 years—this includes all administrations—then I do not think we should come to any final conclusions thereon.

I repeat, the trend of the times, the insatiable desire for tax money, particularly at the national level, would, without the foundation, leave many people who have been public benefactors for generations without the money with which to do that which they have been doing for so long.

Do I understand the gentleman from Texas to say that he recommends the Congress now take appropriate legislative action to prohibit the further tax exemption of incomes by foundations that are now organized and now acting in accordance with the law?

Mr. PATMAN. No, the gentleman misunderstood me. I am personally advocating a moratorium to give us an opportunity to take a look at this matter. We have already discovered enough things to indicate that there is something wrong, badly wrong, and we should not permit more of these tax-free foundations at this time—not to interfere with the existing ones at all, but just not to grant any new ones until Congress has an opportunity to look into it.

Mr. McCULLOCH. Mr. Speaker, will the gentleman yield further?

Mr. PATMAN. I yield.

Mr. McCULLOCH. I am very glad to have that explanation of my colleague, the gentleman from Texas. I would like to repeat it, because the news story which I read very carefully two or three times in the Washington Post yesterday morning left the impression that the recommendation of the chairman of our committee was that there be an end to exemptions of income under existing foundations. Such an end would result in a shambles. I am sure the gentleman from Texas did not intend the story to carry that implication, and I am now glad to hear him say that it should not have carried that implication.

And, if the gentleman will yield further, I would like to say that section 503 of title 26 of the Internal Revenue Code provides the conditions under which exemptions of newly created foundations may be granted by the Internal Revenue Department. If the foundation does not proceed in accordance with the definite and particular descriptions in that section of the code, then it is not entitled to exemption, and it should be forthwith denied by the Internal Revenue Service. As I recall, there are at least five paragraphs describing the organizations to which the exemption section applies, and there are some six paragraphs which describe the transactions which are prohibited. So, I think there is a present duty and there has been a past duty upon the Internal Revenue Service to implement the law in accordance with this very language of the law and in accordance with the legislative history thereof.

Mr. PATMAN. The principal reason I am making this recommendation is because the Internal Revenue Service has not adequately supervised these foundations. In my view we should have a moratorium on granting any more until we have at least enough supervision to service and supervise the existing ones and any new ones. And, we should not have any new ones until we can supervise the present ones. That is the basis

for the recommendation of the moratorium; that is the principal basis for the recommendation of the moratorium.

Mr. ROOSEVELT. Mr. Speaker, will the gentleman yield?

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

Mr. ROOSEVELT. While I certainly concur with the gentleman's recommendation, would it not also be in line to urge the Internal Revenue Service to redouble its efforts to secure compliance with the law, which the gentleman's investigation clearly shows has in many instances been ignored, and take away, as the law provides and as the distinguished ranking minority member has stated, from those organizations which do not comply with the law their continued exemption, and do that now or, at least, give them reasonable notice that if they do not rectify their faults, that that will be done?

Mr. PATMAN. Why, certainly. The 1950 act gave us lots of hope. We thought that was the answer. But with less enforcement and no enforcement it has been almost meaningless. Therefore, we should not continue to go ahead and charter and grant more and more tax-exempt foundations every day when we are not properly supervising under the existing law the foundations already having the privilege.

Mr. McCULLOCH. Mr. Speaker, will the gentleman yield further?

Mr. PATMAN. I would be glad to yield to the gentleman from Ohio.

Mr. McCULLOCH. Does the gentleman from Texas know whether or not the Internal Revenue Service has asked for additional personnel with which to carry on its investigations and to enforce compliance with the law?

Mr. PATMAN. I am not familiar with that. I do not know. The Internal Revenue Service will have to speak for itself on that point.

Mr. McCULLOCH. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Ohio.

Mr. McCULLOCH. Referring to the gentleman's suggestion for a moratorium on exemptions, does the gentleman believe that in view of the way the law is written there is any discretion on the part of the Commissioner of the Internal Revenue Service to deny an application for exemption if the facts set forth in the application are in accordance with the law?

Mr. PATMAN. If there is not, of course, the Congress could correct that very easily by the passage of a resolution. Besides, I do not see how the Director of the Internal Revenue Service could be derelict in the performance of his duties were he to say "I am going to devote my time to looking over all these tax-exempt foundations that are now in existence and have also been granted permits before I will have time to take on any additional applications." I would not want him to violate the law, and I am not advocating that. But I think the supervision of the existing ones is more important now than authorizing more to go into business and do the things which we know are in violation of the spirit, at least, of the law.

Mr. McCULLOCH. Would the gentleman yield for one further comment?

Mr. PATMAN. I yield to the gentleman.

Mr. McCULLOCH. Mr. Speaker, while I would be the last to condone the granting of an exemption to an applicant that was not entitled to it, I would be extremely reluctant to urge the Commissioner to refuse an application by an organization that was clearly entitled to the exemption under the law. As the gentleman from Texas knows, I come from a small community and there we have had over a period of half a century, or ever since this law was passed, public-spirited citizens who have from time to time created foundations. The good which has resulted therefrom has been well nigh incalculable in that small area in the Great Miami Valley. So, I would not wish at this time to deny such public-spirited citizens the right to make an application for and be granted an exemption for a foundation which was conceived and organized in accordance with the law of the land.

Mr. EVINS. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman.

Mr. EVINS. I believe the gentleman would also agree with the gentleman from Ohio [Mr. McCULLOCH] as would I, that we certainly do not want to impede the work of charitable foundations to carry out the objectives of the law, as intended. However, the enormous growth in the number of foundations and the tremendous amounts of money that have been put into them, as the gentleman's report shows, and the fact that they are engaged in business operations, is what the gentleman is concerned about in this report.

Mr. Speaker, I think the gentleman is to be congratulated for digging into all the details and for the enormous amount of work he has done in bringing this report to the attention of the Congress. I certainly concur that the Internal Revenue Service and the Treasury Department should take a further look at the gentleman's report and give us some further suggestions in this field.

Mr. Speaker, I commend the gentleman in the action he has taken.

Mr. PATMAN. I thank the gentleman.

Mr. SISK. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman.

Mr. SISK. Mr. Speaker, I have enjoyed a great deal the statement of the distinguished gentleman from Texas regarding this whole problem of foundations and his statement of these organizations that are unfairly escaping their just share of the tax burden, in many cases. I should like to say this on behalf of the Internal Revenue Service; and the record is there to show exactly what their requests were just this year. Because of my own particular personal interest in this situation I asked members of the Committee on Appropriations at the time that the Department of the Treasury appropriation bill was discussed on the floor what the situation was. The Department had asked for a

substantial increase in personnel. It is my belief that we are being penny wise and pound foolish, and I said so at that time, in cutting back continually on appropriations to the Internal Revenue Service with which to do its job in policing such organizations as the distinguished gentleman from Texas is talking about here. I certainly would like to call to the attention of the gentleman from Texas and other Members of the House that we in the Congress have an obligation and a responsibility, if we are going to continue to permit the setting up of this type of organization, to see to it that the Treasury Department and the Internal Revenue Service are given sufficient people and money to do the policing job which is necessary, which is essential in this field, and which, unfortunately, they have been unable to do, not because they have not requested the people to do it and the money to do it, in many instances, but because we have denied them the authority to hire the personnel to do the job.

Mr. Speaker, I want to commend the gentleman from Texas on the outstanding work he has done. I am going to read with considerable interest his report because I know of the great work he has done in this field. I am sympathetic with it. And, Mr. Speaker, I would like to close with this one further comment, and that is in connection with the comment by the distinguished gentleman from Ohio [Mr. McCULLOCH] a little bit ago, that high taxes had caused some of these families and groups to engage in this type of activity. The facts are that while some of these families and groups who are ducking in many cases, and in my opinion doing it illegally, their just share of the tax burden continue to do so, taxes are certainly going to remain high. Billions upon billions, in my opinion, are unjustly escaping taxation and continuing to flow into this type of operation to the benefit of some particular desire of some of these groups to have other people beholden to them because of the charity and other work which they are doing.

I am not against the charitable work that they are doing but when they begin to carry their just share of the burden of taxes, then, in my opinion, we might be able to reduce taxes for the balance of this country. We might be in a position where there would not be a necessity for so many scholarships and so much charitable need.

I thank the gentleman for yielding.

Mr. McCULLOCH. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Ohio.

Mr. McCULLOCH. Of course, I would be forced to agree with the comments of my good friend from California where they apply to people who improperly sought to create a great public image or where they improperly sought to evade taxes or where they were remiss in their public duties or responsibilities. Since there may be 50,000 or more foundations in this country I run the risk of missing thousands that should be named. I am sure those who read know the great good that the Sloan-Kettering Foundation has done in so many fields, particularly in

the field of cancer research and its dreaded effects.

I again wish to refer to the foundations in the vicinity of my home. More than half a century ago the Troy Foundation was created in Troy, Ohio. Within a year or two a citizen of Troy left some \$300,000 to that foundation. The foundation is administered by the officials of the city of Troy. Let us see who gets the benefits from that foundation: Needy children of Troy; the Girl Scouts; the Boy Scouts; Lincoln Community Center; the United Givers Fund; the Troy Library; the Stouder Memorial Hospital, and similar organizations for the public good.

Mr. ROOSEVELT. Mr. Speaker, will the gentleman yield?

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

Mr. ROOSEVELT. I think it is important that all of us who have spoken on this matter be clearly placed on record as understanding the excellent purposes and contributions of many of the foundations in this country but that, I submit to the gentleman from Texas, is no excuse for allowing various indiscretions and violations of law to grow up under the protection and aura of the tremendous amount of good which has been accomplished. Unless I am mistaken, I believe the inquiry of the gentleman from Texas in no way is meant to reflect on the tremendous good which is being done and which will be done in the future.

But, on the other hand, it is really done to protect their good name for fear that the whole purpose for which they are established will be tarnished by the few who, unfortunately, take advantage of the law and take advantage of the laxity in the enforcement of the law.

Mr. PATMAN. The gentleman is correct.

Mr. SISK. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman.

Mr. SISK. I would like to make it perfectly clear particularly to my good friend, the gentleman from Ohio, that I am not against these foundations. I agree there are many instances where they do a great deal of good. I am certainly one who is favorably impressed by the things that many of them do. On the other hand, I think there are many cases where these things have been twisted and distorted and used strictly as tax dodges, and this is one that I am so happy the gentleman from Texas is digging into and taking this opportunity to spread upon the RECORD some of the problems we are concerned with here.

Mr. PATMAN. I will have to ask my colleagues not to ask me to yield for the present because I must get this statement in the RECORD. I think it is important. I do not think there is any special order following my special order and if anyone here desires to be recognized by the Speaker to ask for permission to address the House after I have finished, I will be very glad to yield to him for that purpose because I certainly do not want to deny anybody the opportunity to say anything he wants to regarding this subject.

Mr. EVINS. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Tennessee.

Mr. EVINS. Your report points out that the amount received by these 522 tax foundations for the 10-year period was 16 percent more after taxes than by 50 of the largest banks in the United States. I think that statement alone is significant of the growth of these foundations.

Mr. PATMAN. Yes.

Mr. EVINS. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Tennessee.

Mr. EVINS. Mr. Speaker, I certainly do not wish to delay the gentleman in his excellent report, but sometimes a brief discussion points up the facts. As I understand it, form 990 is not open to the public, and form 990-A is open to the public. As the gentleman from Texas pointed out, could the Internal Revenue Service require the use of a certain form or is the foundation given the option to elect which one it wants to use? Certainly, if they are given an option they are going to file the form that is not open to the public unless there is some supervision and regulation.

Mr. PATMAN. They are not given the option. They just assume the privilege.

Mr. McCULLOCH. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Ohio.

Mr. McCULLOCH. Does the Small Business Committee have in its files any information on the charitable and educational expenditures of those foundations in question?

Mr. PATMAN. I think we have. It will be made known later, any information we have along that line.

Mr. McCULLOCH. It will be made a part of the record some time later?

Mr. PATMAN. Yes. The next report we will have is on the assets of these foundations.

Mr. McCULLOCH. The reason I ask that question is that there will be such great interest in this most interesting report of the chairman that the public should know who benefits from the funds in question.

Mr. PATMAN. I thank the gentleman.

Mr. EVINS. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Tennessee.

Mr. EVINS. Mr. Speaker, I notice one of the examples cited by the distinguished chairman of the committee is Faberge, Inc., which is a perfume importing concern. This perfume company owns 100 percent of the stock of the foundation. Does the gentleman know or has his committee found out what charitable activities this particular company has engaged in?

Mr. PATMAN. I do not have it right here, but I assure the gentleman it will be placed in the RECORD in the future, if we have it.

Mr. EVINS. Wieboldt Stores, Inc., Chicago, has a large department store and they own 96 percent of the voting stock of the Wieboldt Foundation. Has

the committee found out what charitable activities the Wieboldt Stores engage in?

Mr. PATMAN. That will be placed in the RECORD.

Mr. EVINS. The Ford family controls both the Ford Motor Co. and the Ford Foundation. Of course, we know that the Ford Foundation has engaged in many worthwhile charitable activities, but the fact that the company owns 100 percent of the foundation certainly is evidence that they control the foundation.

Mr. PATMAN. Yes, sir. I am not sure that we have the information, but all the information we have will be placed in the RECORD.

Mr. EVINS. Does the gentleman have information about the Pew Oil Co.? Sun Oil Co. owns the voting stock of the Pew Memorial Trust of Philadelphia. What charitable activities have they engaged in?

Mr. PATMAN. Whatever information we have will be disclosed.

Mr. EVINS. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Tennessee.

Mr. EVINS. The gentleman would agree and, I assume, the gentleman's committee would agree that when the Congress authorized the establishment of foundations, it did not do so for the purpose of allowing these tax-exempt foundations to go into the lease-borrower venture business.

Mr. PATMAN. That is right.

Mr. EVINS. Or racetrack operations such as your report indicates some foundations are presently engaged in.

Mr. PATMAN. That is right.

Mr. EVINS. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Tennessee.

Mr. EVINS. It is well known and recognized that some utility holding companies have had an odious image in the minds of the public, but are we developing a situation now where foundations are serving the same purpose as the previous holding companies? In other words, holding companies did not have a good image, but a foundation is accepted as something charitable and well worthwhile when, in fact, in truth and in reality in many instances they are used for tax avoidance and to escape the payment of taxes into the Treasury.

Mr. PATMAN. The gentleman's statement is certainly worthy of consideration.

Mr. McCULLOCH. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Ohio.

Mr. McCULLOCH. I note on page 11 of the statement from which my distinguished colleague is reading a paragraph referring to the Monarch Tribune Tool Foundation of Sidney, Ohio, Sidney being located in the Fourth Congressional District of Ohio. I know the Monarch Machine Co. and most of the officers of the company as well. I have talked with one on the phone since we have been discussing this matter on the floor this afternoon, and I was advised that total contributions to that fund were \$175,-

000. In 1954 they had a capital loss on their transactions of \$70.09. In 1955 they had a capital gain of \$453. In 1956 they had a minor capital loss. In 1957 they had a capital gain of \$46.47. All the net income from that fund goes for public charity, and if there be no abuse of the laws by foundations any place in America worse than in Sidney, Ohio, just no one will be injured.

I wanted to make the record clear because of the fact that that company is located and operates in my own area.

Mr. PATMAN. The gentleman does not deny the statement that is made here, I am sure, about the failure to file returns. You know, the law requires these things?

Mr. McCULLOCH. That statement is true.

Mr. PATMAN. And, we are just bringing out the small ones as well as the big ones. We are not discriminating between the two. We show that there are violations by both big and little. On balance, it seems small.

Mr. EVINS. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Tennessee.

Mr. EVINS. On pages 12 and 13 of the gentleman's statement he makes reference to the Lillia Babbitt Hyde Foundation and indicates a tremendous amount of these foundations are being used for trading in securities and dodging the capital gains tax. In view of the recent enormous disposal of stocks on the market in blocks and the heavy trading in stocks in the securities market, I would suggest in addition to the Internal Revenue Service and the Treasury Department, that the gentleman's report should be called also to the attention of the Securities and Exchange Commission. This Commission is presently investigating why the recent break in the stock market and what effect the disposal of large blocks of shares may have had on the market. I think the gentleman's report may well be of interest to the Securities and Exchange Commission.

Mr. PATMAN. Please keep in mind that this report involves 522 foundations out of over 45,000. Even the Treasury Department could not tell us how many they have. We just do not know. My guess is that the figure is possibly 100,000. I would not be surprised if we had 250,000, and I doubt that the Treasury Department would. I do not know. They do not know, either. It just shows that it has been handled in a very loose, careless way, and something should be done about it. This involves \$7 billion when only 1 percent of the foundations have been scrutinized—\$7 billion tax exempt.

Mr. EVINS. If the gentleman will yield further, in view of the needs of our Treasury and in view of the discussion of possible tax legislation at this time and the overall conditions of the economy, I think the gentleman should call his report to the attention of all three of the enforcement agencies and suggest recommendations to the Congress.

Mr. PATMAN. I thank the gentleman.

Mr. HARVEY of Indiana. Mr. Speaker, during the past year and a half, we have heard and seen repeated attacks

upon business. These attacks have not merely taken the form of pointing out abuses, but they have sought to challenge the very existence and strength of our Nation's free-enterprise system. I need not tell you what these attacks and challenges have done to the country's present-day economic climate.

This apparently is no longer adequate. Now we are faced with a condemnation of the many worthwhile and esteemed foundations that have been established throughout the country. Admittedly, the preliminary report that has been given on this floor speaks in terms of questions to be answered and issues to be resolved.

Can there be shown where one word of respect or appreciation or even recognition of an honest motive has been uttered in the foundations' favor? The general theme of the report was in an unfavorable attitude toward the many families of this country who placed their money in foundations allegedly in order to cheat the taxpayers, avoid taxes, and retain power. Not one word was uttered concerning the humanitarian interests and charitable intentions of these families. Not one iota of recognition has been given that these families, having lived well by this country, wished to contribute to its further advancement. This, to my mind, is an injustice.

I, for one, recognize that man is not infallible nor free of sin, but I do believe that he should not be condemned out of hand. In the case of the foundations I believe that the greatest majority of them have been established by men and women of honor in order to render humanitarian services to the peoples of our Nation. And, until the record has been well documented otherwise, I consider it a great disservice to present the unsupported charges being made.

Unfortunately, this is not all. Not only are charges made without support and accusations hurled without foundation, but we are asked to impose a moratorium on the tax-exempt status of all foundations. The imposition of a moratorium is the harshest sort of punishment, short of total prohibition, that could be recommended. When it is realized that foundations attempt to support and advance every type of worthwhile human endeavor in our society—medicine, science, the arts, economics, social reforms, and many others—a curtailment of their tax-free status should be made only after the most exacting deliberation. It should not be forgotten that only a few short years ago, the National Foundation for Infantile Paralysis led the way in developing a vaccine against that dreadful disease. The Ford Foundation has assisted many bright but needy students to engage in advanced educational studies, including Russian, Chinese, and Middle Eastern, which are vitally required today.

It seems necessary to point out that there are over 45,000 foundations operating in this country today. This, in itself, seems to refute the notion of some that power is being accumulated in a few hands. The total receipts of the 522 foundations studied thus far range from a few hundred thousand dollars to a few million dollars, with the average falling

somewhere in the neighborhood of a few million dollars. Certainly, from these facts it is difficult to conclude that undue concentration exists.

It is necessary to point out also that the number of foundations in existence has risen from approximately 13,000 in 1951 to over 45,000 in 1960. In addition, the annual receipts have increased from \$533 million in 1951 to \$1 billion in 1960. There would seem ample explanation, both from a fiscal and monetary standpoint, why accumulations have increased over this 10-year period—explanations which negate a theory of premeditated abuse of power.

A charge has been made that 106 of the 522 foundations surveyed owned 10 percent or more of the stock of a particular corporation and that this conclusively proves that concentration is rampant. I am compelled to express amazement, not at the large number of foundations owning these percentages of stock, but at the relatively low ratio of those who do. The initial financing of a foundation, whether done by an individual or corporation, is generally accomplished through the donation of stock, usually of one corporation. There is nothing sinister about a practice of this nature.

Another charge has been made that foundation enterprises purposefully operate at a loss in order to drive out competing businesses. There is no evidence of this. I may say, however, that most foundations do not own sufficient stock in any one corporation to impose such business practices. In those that do, however, such as the Ford Foundation, there is every indication that the trustees and officers would last but a short time if they sought to compel the Ford Motor Co. to sell automobiles at a loss.

There is little or no evidence which has been offered to support the charges of concentration and unfair competition among foundations. The tax exemption granted foundations has more than justified itself in recent years through the benefits afforded the citizens of the country. If large business is continually attacked and harassed today, the result will be Government ownership and control—certainly no benefit to the small businessman. And if foundations are now to be condemned and undermined, the result will be governmental succession—certainly no benefit to the citizens of the country.

It is my hope that this investigation will not proceed in an arbitrary or punitive fashion. If there is proven wrongdoing, then the culprits should be punished.

OUR INTERSTATE HIGHWAY PROGRAM, HEADLINES VERSUS FACTS

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

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

There was no objection.

Mr. SCHWENGEL. Mr. Speaker, during our consideration of Federal aid

highway legislation, my attention was called to an excellent editorial in the June issue of Right of Way magazine, "Our Interstate Highway Program, Headlines Versus Facts."

This editorial agrees with many of the same things which I have been saying as a member of the Special Subcommittee on the Federal Aid Highway Program. In fact, I emphasized many of these same points in a letter to the chairman of the subcommittee, the Honorable JOHN BLATNIK, before the Easter recess. In this letter I reviewed my proposal for an on-the-spot congressional inspection team which would travel to the different States and make firsthand inspections of the many interstate highway projects. These inspections would not only help us ferret out wrong-doing, but would also permit us to see if wrong-doing which we have already exposed is being properly corrected.

In my letter I also said:

This would also serve to point up some of the outstanding work that has been and is being done by the various highway departments and by the honest, progressive, and forward-looking contractors. We may find that this kind of policy investigation could save many millions, if not billions, of dollars.

It is my feeling, Mr. Speaker, that until we follow this type of suggestion, we will not be serving the public interest as we are obligated to do. I urge the chairman of the special subcommittee to give heed to this editorial and to also give further consideration to the contents of my letter so that we will not only uncover and expose graft and corruption more effectively, but we will also be in a position to recognize and appraise the much good work which is being carried out in many of the States with respect to the completion of the Interstate Highway System.

Under leave to extend my remarks, the editorial follows:

OUR INTERSTATE HIGHWAY PROGRAM: HEADLINES VERSUS FACTS

We have waited patiently for our top highway administrators and the civil engineering profession to come to the defense of the majority of State highway organizations within the United States which have maintained and established professionally competent, efficient, and ethical organizations. Surely, they are entitled to a sound defense.

Unfortunately, however, and with rare exceptions, certain of the exposures of the Special Subcommittee on the Federal Aid Highway Program, of the House Committee on Public Works, under the leadership of the Honorable JOHN A. BLATNIK, as chairman, have brought about headlines in newspapers, periodicals, and magazines of nationwide circulation.

We do not for 1 minute question the ability and integrity, nor the sincerity of purpose of this special investigating committee. Their desire to render constructive service to the citizens and taxpayers of our Nation is commendable but we know that the headlines publicizing what are purported to be quotes from the members of the Blatnik committee and their staff have substantially lowered the morale of the members of the majority of the State highway right-of-way organizations who are competent, efficient, and honest workmen. Perhaps this condition may be explained by the fact that this important congressional committee has concentrated on those several States where there has been a breakdown in maintenance

of the ethics of the engineering or right-of-way profession, or those limited cases where there has been plain dishonesty.

Let us review a few of the glaring and sensational headlines that have appeared in magazines and in nationwide news service releases:

"OUR GREAT BIG HIGHWAY BUNGLER"

"Haste, waste, mismanagement and outright graft are making a multibillion-dollar rathole out of the Federal highway program. If you want honest value for your tax dollars that are going into this 40,000 mile muddle, now is the time to make yourself heard."

"THE GREAT HIGHWAY ROBBERY"

"Graft in the new road program is stealing your money, and may endanger your life.

"Investigators are finding graft and fraud, thievery and bribery around every curve. They are learning that the broad new highways are paved with waste, inefficiency and boondoggling.

"More pathetically, they are discovering that many property owners have been cruelly victimized and virtually robbed of their homes by ruthless and unfair condemnation procedures."

A House investigator claims: "Half the country's State highway officials ought to be in jail. They have pocketed bribes, winked at shoddy work and thumbed their noses at the taxpayers in appalling fashion."

Counsel for the Blatnik committee adds: "Throw a dart at a map of the United States. Wherever it sticks, we can find something wrong with the new highways."

From the daily press: "Waste, bribery probed"; "Scandals Hit U.S. Road Program"; "U.S. Highway Program Travels Fast Expressway to Corruption."

By this sort of innuendo, the public can quite well assume that there is incompetency, inefficiency, or downright dishonesty which has been uncovered in every State. Possibly, there has been, and perhaps justifiably so, criticism of the right-of-way valuation procedures carried on by independent appraisers and, in several cases, considerable criticism of the competency of right-of-way personnel over the documentary records prepared of the right-of-way proceedings and other important papers of completed transactions.

We find that the hearings of this congressional committee have exposed broad violations of the code of ethics of the engineering profession in New Mexico, Oklahoma, and Florida, with the criminal indictment of one engineer in Oklahoma and serious implications relative to one or two in New Mexico and several engineers in Florida.

With regard to the right-of-way side of the picture, it has been clearly shown that due to very low salary ranges, thoroughly trained, competent, and experienced professional right-of-way acquisition specialists are conspicuous by their absence in some States. It has also been shown that right-of-way personnel in some of the States have been employed strictly on the basis of political patronage and the fulfillment of political obligations rather than having been employed on the basis of competence, efficiency, and experience.

Certainly, no citizen in his right mind could or would attempt to condone some of the inefficient right-of-way operations that were exposed in connection with the Florida investigation, or the sickening situation that has been brought to light in the Commonwealth of Massachusetts where three or four of the right-of-way employees, notwithstanding a merit system requiring civil service examinations to qualify for the position they have filled, have been carried on the payroll of the State for 9 to 13 years on consecutive, temporary appointments. These are the individuals from within the Massachusetts State Highway Right of Way Department,

along with three or four independent appraisers, three or four members of the bar in private practice, and two or three highway officials who stand indicted on criminal counts.

We firmly believe that when temptation is permitted to fall into the path of employees, because of weak policies and procedures within a State organization, that inadequate training and experience plus the lack of proper policies and procedures create the underlying reasons for these irregularities. The blame for this type of situation must be placed squarely on the shoulders of the top administrative officers of the highway department.

It is equally as important that top highway administrative officials recognize that "haste makes waste" and face up to the fact that, in fairness to affected property owners, it is vitally important to properly coordinate the overall highway construction program to the end that adequate leadtime is allowed for the right-of-way acquisition function so that proper consideration is afforded every tenant in possession of affected properties. Our chief highway administrative officers must quit hiding behind their "legal rights" to dispossess tenants in possession forthwith, under this legal right of immediate possession of required right-of-way so that construction operations may be carried on. The taxpayers of our Nation are entitled to this consideration.

While this is a painful situation for the honest, competent, and efficient employees in the highway engineering and right-of-way professions, and while not one of us would attempt to condone this situation, we should urge the citizens of our Nation to also look at the other side of the picture:

We plead with the members of the Blatnik committee to carry on investigations in those States where highway departments are operated in true competency and efficiency, where proper consideration in the right-of-way function is extended to citizens of our country who are affected by the improvement, and where, through sound policies and procedures, there is no shade of suspicion of incompetency, inefficiency, or dishonesty, giving equal publicity to these findings.

The Federal interstate highway construction program is the largest, single public improvement program in the history of man.

Immediately upon enactment of the Federal Interstate Highway Act by the Congress in 1956, maximum pressure was exerted on the State highway departments, from all political and civic directions, to get construction moving full speed ahead.

Some of the highway departments did not have sufficient trained and experienced engineering and right-of-way personnel and the required, established policies and procedures to meet the impact of this heavy increase in workload.

Legal and political practices in some States prevented highway administrative officers from recruiting the necessary additional engineering and right-of-way personnel because of their inability to offer salaries comparable to those paid in other States and in private enterprise, with the result that trained, experienced, and competent professional engineering and right-of-way personnel could not be secured. Therefore, those administrators had to accept the help they could get. (In this day and age, you do not get anything you are not willing to pay for.)

The Federal Highway Administrator and his aids in the Bureau of Public Roads, the American Association of State Highway Officials and the American Right-of-Way Association are fully cooperating in an all-out program to assist all State highway organizations to secure trained, experienced, and competent engineering and right-of-way manpower. State highway administrators want to establish sound, safe, and practical

policies and procedures and to provide for educational intraining programs for engineering and right-of-way personnel to the end that the overall highway construction program in every one of the States can be carried on in an efficient manner. All highway construction programs should allow for ample leadtime for the right-of-way acquisition function, thereby eliminating, insofar as possible, any lack of consideration or inconvenience to affected tenants in possession.

We concede that corrective measures, competent staffing and sound policies and procedures are critically needed in several of the State highway organizations. We also believe that the law of averages proves that, as a whole, the interstate highway construction program is being carried on by honest and sincere employees of the State highway departments, the highway construction fraternity, the equipment and the material people.

We respectfully refer to the statement of the Honorable GEORGE H. FALON, chairman of the Subcommittee on Roads of the House Committee on Public Works:

"The national highway program is being built on a high plane and reports to the Congress of shady dealings, shoddy workmanship and slipshod inspection are the exception rather than the rule."

We believe that with the assistance of the national real estate appraisal organizations, we can improve the right-of-way valuation functions by independent right-of-way valuation experts to the end that the most competent independent appraisers are assigned this function in all of the States, and that the practice of employing real estate appraisers for the right-of-way valuation function, on a political patronage basis, can be eliminated.

Our experience, over 40 years of close association with the highway engineering fraternity, convinces us that our highway engineers and our professional right-of-way acquisition experts are, collectively, as sincere, honest, and conscientious a group of professional men as can be found in the world.

Unfortunately, so long as we are involved with the competency, efficiency, and integrity of human beings, we must always be on our guard against the weakling who succumbs to temptation. We must take every possible step available to us to control dishonesty and be ready and willing to expose the offenders.

We should remember that our national banks and the employees of these institutions are under extremely tight, competent Federal supervision and yet, a very few of the over 2 million human beings employed in our financial institutions succumb to temptation. The percentage of national bank employees who are accused of dishonest acts is much higher than the percentage of those involved in the highway construction program who have been accused. We do not rush down to the bank and withdraw our deposits because of these occasional dishonest acts of bank employees.

We are told that there are approximately 250,000 State highway employees in the 50 States and that there are close to a total of 2½ million people employed in the entire highway construction program; that there are 2½ million citizens in the State of Oregon; that the State of Oregon has one of the lowest crime rates of any State in the Union.

There are 1,876 convicted felons in the two Oregon State penitentiaries at Salem. From information available to us, some 24 people involved in the overall highway construction program have been convicted or stand indicted for criminal actions since the inception of the expanded Federal highway construction program in 1956.

We dare not stand on this record. We, in the right-of-way profession, must fulfill our obligations to our profession and our

country by taking every step humanly possible to eliminate incompetency, inefficiency, and, above all, even a shade of dishonesty in the nationwide State highway right-of-way acquisition program.

The American Right-of-Way Association, as a nonprofit and nonpolitical, professional, educational organization, together with the many other honorable attributes of its code of ethics, continuously seeks to render constructive public service at local, State, or National levels.

It is on this basis that the American Right-of-Way Association pledges its wholehearted support to assist State highway organizations in developing sound and practical right-of-way acquisition procedures; to further assist State highway right-of-way organizations in developing a sound educational intraining program for the benefit of the presently employed right-of-way staff and, equally as important, to properly educate and assist in guiding the training of new employees who are brought into the right-of-way organization, providing the States that need help will, at the administrative level, adopt a policy of employing right-of-way personnel on the basis of competency, efficiency, and integrity and not on the basis of political patronage.

We cannot and will not, under any circumstances, attempt to condone incompetency and inefficiency and our association, under its code of ethics, must condemn those misguided individuals who in their highway right-of-way acquisition functions have committed dishonest acts for which they have been indicted and will be tried under the laws of our Nation. While our sympathies go to the families of these individuals, we must stand on the principle that the most sacred trust that can be imposed upon a man is the trust of the citizens of our Nation that such individuals will, above all other factors, operate with maximum integrity. We cannot too strongly condemn a public employee who has accepted this trust and has been found wanting.

We must recognize that in the haste to get the huge Federal interstate highway construction program underway, there has been some incompetency and inefficiency. There has been some dishonesty. All of us should remember that a few bad apples do not destroy the entire barrel.

OUR FOREIGN AFFAIRS

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

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

There was no objection.

Mr. DERWINSKI. Mr. Speaker, we certainly should not be surprised if the average citizen is completely confused over the inconsistent and weird policies which seem to govern our foreign affairs.

For example, the conference committee on the foreign aid authorization bill completely disregarding the obvious sentiment in both the House and Senate, has produced a weakened, watered-down language dealing with aid to Communist countries; similarly weak, watered-down language in dealing with expropriation, and permits unrestricted aid to India and other neutrals whose position on major issues is often deliberately anti-United States.

Then to compound the inconsistencies, which are becoming increasingly questioned by the public, we find in the

case of Peru and other Latin American countries, immediate violent reaction from our State Department and administration officials, and the President, whenever an internal governmental crisis develops. This interest and eagerness to second guess and criticize any and all Latin American developments is not the policy that is followed in dealing with Eastern European lands which, under Communist domination, have perpetual crises. The silence over internal problems in Albania, Yugoslavia, and other lands is in direct contrast to our untimely meddling in Latin America.

My suggestion, Mr. Speaker, is that we reverse these contradictory policies and stress all Communist internal abuses that the Eastern European dictators perpetuate upon their people by emphasizing our interest in the restitution of freedom to those lands and to the peoples within the Soviet Union proper. In turn, we ought to at least wait for developments in the periodic upheavals in Latin American countries until all the facts of the case are clear, and our comments could not be interpreted as direct meddling in those lands.

The inconsistencies continue when we find aid to Communist countries without any strings attached, without any suggestion to the Communist government that it abandon its tyrannical police-state tactics, and restore personal independence and liberties to its people. However, the slightest development in Latin American countries produces an immediate State Department tirade, claiming another setback for democracy, along with an immediate threat to withhold Alliance for Progress funds.

If it is logical to demand certain preliminary conditions before the granting of aid through the Alliance for Progress, then it is equally consistent to demand certain preliminary conditions from all countries receiving aid, including neutrals and Communists.

In dealing with left-leaning neutralists and outright Communist countries, the preliminary condition should consist of their abandoning all pro-Soviet foreign policy position, and instituting internal reforms that will bring freedom to the citizens in those countries, rather than to blindly perpetuate their socialist or totalitarian practices.

Mr. Speaker, I suppose Members of Congress and the American public, are asking too much to expect logic and elementary commonsense from our State Department policymakers, but we have for too long tolerated these unfortunate inconsistencies, which have become greater in recent months.

Mr. Speaker, the world is crying for political leadership and only the United States has the power to provide it. This leadership has been lacking on our part, and can only be provided with a basic about-face in the administration's conduct of foreign policy.

UNPAID U.S. ASSESSMENTS

Mr. LIBONATI. Mr. Speaker, I ask unanimous consent that the gentleman from Connecticut [Mr. MONAGAN] may extend his remarks at this point in the

RECORD and include extraneous matter and tables.

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

There was no objection.

Mr. MONAGAN. Mr. Speaker, my attention has been called to an article by Mr. Thomas J. Hamilton, entitled "U.N. Crisis on Debt Hinges on Ruling by World Court," which appeared in the July 16 edition of the New York Times.

To an extent, Mr. Hamilton was right. I am pleased, therefore, that the World Court last Friday handed down a decision which should be of considerable help to the United Nations in straightening out its financial affairs. By stating that special U.N. assessments come within the penalty provision of Article 19 of the U.N. Charter, the World Court gave the United Nations what may prove to be an effective weapon for collecting arrearages.

At the same time, Mr. Hamilton's story contains a number of inaccuracies and, judging from the reaction it has produced, it has left many readers with erroneous impressions about the status of unpaid U.N. assessments. For this reason, under permission previously granted, I am placing Mr. Hamilton's story at this point in the RECORD, and I would like to comment on it.

U.N. CRISIS ON DEBT HINGES ON RULING BY WORLD COURT—DECISION DUE THIS WEEK ON WHETHER BALKING NATIONS MUST PAY ASSESSMENTS

(By Thomas J. Hamilton)

UNITED NATIONS, N.Y., July 15.—The International Court of Justice is expected to hand down this week an opinion with far-reaching effects on the future of the United Nations.

The question before the Court is a technical one—whether the assessments for the United Nations Congo Force and the United Nations Emergency Force in Egypt constitute "expenses of the organization" within the meaning of the charter.

However, the decision will have wider ramifications in view of the financial crisis produced by the refusal of the Soviet Union, France and other members to pay their assessments for the Congo force, which costs \$120 million a year.

This crisis has been aggravated by the accompanying failure of many members, including the Arab countries, to pay for their share of the Emergency Force, the annual cost of which is \$19,500,000.

VOTING RIGHTS IN QUESTION

Under the charter, a member nation that is more than 2 years in arrears on its assessments for "the expenses of the organization" loses its right to vote in the General Assembly. Expenses of both the Congo force and the Emergency Force, however, are met from special accounts, not from the regular United Nations budget.

Until now no attempt has been made to deny voting rights to those who have failed to pay these assessments.

The way will be opened for such action if the World Court agrees with the United States and some other members and holds that assessments for the Congo force and the Emergency Force are on the same mandatory basis as those for the regular budget.

On the other hand, the United Nations financial position will become very difficult if the Court agrees with the Soviet position that payment of such assessments is voluntary.

A compilation by the New York Times, based on United Nations reports on payments through June 30, show that 18 of the 104

members have paid all their assessments for the regular budget, the Congo force, and the Emergency Force.

These are Burma, Cameroon, Canada, the Central African Republic, Ceylon, Cyprus, Denmark, Finland, Iceland, Ireland, Ivory Coast, Liberia, the Netherlands, New Zealand, Norway, Sweden, Tunisia, and Turkey. Of these, only Canada, Sweden, and the Netherlands are assessed as much as 1 percent of United Nations expenditures.

The Soviet Union, together with the Ukraine and Byelorussia, which have separate membership although they are part of the Soviet Union, is the largest debtor. As of June 30 the three owed the United Nations a total of \$65,205,699 on the regular budget, the Congo force, and the Emergency Force.

Since then, however, the Soviet Union has paid part of its assessments for the 1962 budget, reducing total indebtedness to about \$60 million.

The United States is the second largest debtor, since Congress does not provide the money for the calendar year until after the start of the fiscal year July 1. As of June 30, the United States owed \$52,355,279. This was reduced a few days ago to about \$33 million by the payment of an installment on the regular budget.

The next largest debtors are: Nationalist China, \$15,865,355; France, \$14,186,015; Brit-

ain, \$5,459,877.50. France, however, has paid her entire assessments for the regular budget and for the Emergency Force. Britain has paid her entire assessment for the Emergency Force and owes a little more than \$1 million on the regular budget.

As these payments indicate, there have been no difficulties about collecting assessments on the regular budget. The United Nations collected 99.99 percent of assessments for the 1959 budget, 99.28 percent for 1960, and 92.68 for 1961.

BONDS TO COVER DEFICITS

However, arrears on the Emergency Force, which was established in 1956, now total more than \$25 million. Arrears on the Congo force, which is 2 years old, total more than \$116 million.

These deficits will absorb most of the \$175 million in bonds that the United Nations expects to sell out of an authorized issue of \$200 million. In addition, the General Assembly still has to vote assessments for the Congo force and the Emergency Force for the period that began July 1.

If the World Court put assessments for the two forces on the same basis as those for the regular budget, a further complication would arise.

The United States, to induce the General Assembly to impose assessments for the Congo force and the Emergency Force, agreed

last year to pay either 50 or 80 percent (depending on a member's financial position) of the assessments of most members.

Thus the United States, in addition to its assessment of \$25,616,000 for this year's expenses of the Congo force, pledged \$11,400,800 to reduce payment by other members.

If assessments for the two forces are merged with those for the regular budget, the question will arise whether the United States will make a similar extra donation. The same problem exists with the payment of interest and principal on the United Nations bonds.

Of the 104 U.N. members, the following, in addition to the United States, have not benefited from the extra U.S. contributions this year: Australia, Austria, Belgium, Byelorussia, Canada, Czechoslovakia, Denmark, Finland, France, Hungary, Italy, the Netherlands, New Zealand, Norway, Rumania, South Africa, Sweden, the Ukraine, the Soviet Union, and Britain.

UNPAID U.N. ASSESSMENTS

UNITED NATIONS, N.Y., July 13.—The following table showing the extent member nations are behind in paying their assessments for the regular United Nations budget and the Congo and Middle East operations was prepared from data in the United Nations statement on collection of contributions as of June 30:

[In U.S. dollars]

Member states	Percent of U.N. budget	Arrears U.N. budget ¹	Arrears Congo ²	Arrears UNEF ²	Total	Member states	Percent of U.N. budget	Arrears U.N. budget ¹	Arrears Congo ²	Arrears UNEF ²	Total
Afghanistan	0.05		34,365.50	39,322.50	73,688.00	Italy	2.24	1,459,906.00	5,108,646.00	215,861.00	6,784,413.00
Albania	.04	29,648.00	33,644.00	34,108.00	97,420.00	Ivory Coast	.04				
Argentina	1.01	1,347,411.10	649,372.00	856,376.00	2,853,159.00	Japan	2.27		906,153.00	108,190.00	1,014,343.00
Australia	1.66	510,355.00			510,355.00	Jordan	.04	26,113.00	33,664.00	34,108.00	93,885.00
Austria	.45	150,622.00	993,847.00	43,390.00	1,187,859.00	Laos	.04	50,859.00	23,977.50	4,457.00	79,293.50
Belgium	1.20	798,899.00	2,876,284.00	158,778.00	3,833,961.00	Lebanon	.05		22,013.00	20,764.00	42,777.00
Bolivia	.04	55,050.00	33,664.00	38,059.00	126,773.00	Liberia	.04				
Brazil	1.03	672,421.00	413,022.50	18,934.00	1,104,377.50	Libya	.04	50,859.00	33,664.00	34,108.00	118,631.00
Britain	7.58	1,196,363.00	4,263,614.50	5,459,877.50	11,919,855.00	Luxembourg	.05		7,949.00		7,949.00
Bulgaria	.20	130,632.00	141,055.00	129,306.00	400,993.00	Madagascar	.04		18,141.25		
Burma	.07					Mali	.04	25,744.00		777.00	40,842.00
Byelorussia	.52	339,552.00	1,108,811.00	443,761.00	1,892,124.00	Mauritania ³					
Cambodia	.04	24,746.00	27,298.00		52,044.00	Mexico	.74	479,015.00	602,331.00	527,028.00	1,608,374.00
Cameroon	.04					Mongolia ⁴					
Canada	3.12					Morocco	.14	290,122.00	117,823.00	29,451.00	397,397.00
Central African Republic	.04					Nepal	.04	29,702.00	23,977.50	26,346.00	80,025.50
Ceylon	.09					Netherlands	1.01				
Chad	.04					New Zealand	.41				
Chile	.26	26,178.00	13,095.98	777.00	39,951.98	Nicaragua	.04	47,804.50	23,977.50	4,628.75	76,410.75
China	4.57	5,929,774.00	5,761,743.50	91,302.00	11,682,819.50	Niger	.04	40,100.00	15,386.50	4,983.00	60,469.50
Colombia	.25	180,645.27	177,825.50	41,732.91	400,203.68	Nigeria	.21	135,151.00	39,590.00	4,082.00	172,813.00
Congo (Brazzaville)	.04	53,273.00	16,452.00	8,745.00	78,470.00	Norway	.45				
Congo (Leopoldville)	.07	27,736.50	11,196.00	1,362.00	40,294.50	Pakistan	.42	414,218.00	66,865.00	7,739.00	488,822.00
Costa Rica	.04	37,231.12	23,977.50	15,628.09	76,836.71	Panama	.04	24,734.00	23,977.50	28,241.00	76,952.50
Cuba	.22	404,464.00	205,598.00	191,001.00	801,063.00	Paraguay	.04	65,959.00	23,977.50	30,346.00	129,282.50
Cyprus	.04					Peru	.10	60,661.00	64,337.50	94,408.00	219,406.50
Czechoslovakia	1.17	723,740.00	2,318,437.00	823,122.00	3,765,299.00	Philippines	.40	253,899.00	148,828.00	47,329.00	450,056.00
Dahomey	.04	27,108.94	6,246.06	1,158.93	34,513.93	Poland	1.28	784,920.00	1,852,915.00	1,269,004.00	3,906,839.00
Denmark	.58					Portugal	.16		161,919.00		161,919.00
Dominican Republic	.05	31,916.00	42,079.00	10,275.00	84,270.00	Rumania	.32	144,083.00	757,181.00	375,230.00	1,276,494.00
Ecuador	.06	27,073.91	34,534.62	17,874.00	69,282.53	Saudi Arabia	.07	45,715.00	52,095.00	55,309.00	153,119.00
El Salvador	.04	23,022.00	28,371.00	15,084.50	56,277.50	Senegal	.05	32,717.00	7,944.00	971.00	41,632.00
Ethiopia	.05		34,365.50	65,874.50	99,450.00	Sierra Leone ⁴					
Federation of Malaya	.13	75,230.00		2,343.00	77,573.00	Somalia	.04	25,744.00	14,321.00	777.00	40,842.00
Finland	.37					South Africa	.53		1,249,477.00	51,043.00	1,300,520.00
France	5.94		14,186,015.00		14,186,015.00	Soviet Union	14.97	9,769,176.00	32,052,762.00	14,218,288.00	56,040,226.00
Gabon	.04	25,744.00	14,321.00	777.00	40,842.00	Spain	.86		771,483.00	867,164.00	1,638,647.00
Ghana	.09	63,574.00	14,341.00	1,676.00	79,591.00	Sudan	.07	45,713.92	37,585.50	71,118.00	154,397.42
Greece	.23	143,400.00	137,869.50	160,116.00	441,385.50	Sweden	1.30				
Guatemala	.05	91,054.00	29,071.00	18,053.00	139,108.00	Syria ⁵					
Guinea	.04	25,682.00	33,664.00	8,219.00	67,565.00	Tanganyika ⁶					
Haiti	.04	69,634.00	23,977.50	14,470.00	108,081.50	Thailand	.16	96,256.00	25,465.00	2,940.00	124,661.00
Honduras	.04	71,014.00	23,977.50	8,408.00	103,399.50	Togo	.05	15,386.50	4,983.00	20,369.50	
Hungary	.56	742,102.00	734,270.00	402,928.00	1,879,300.00	Tunisia	.04				
Iceland	.04					Turkey	.40				
India	2.03	139,969.50	809,925.00		949,894.50	Ukraine	1.98	1,335,928.38	4,237,317.00	1,700,104.00	7,273,349.38
Indonesia	.45	288,950.00	278,534.00	8,245.00	575,729.00	United Arab Republic ⁷	.30	342,671.96	266,110.00	317,409.00	926,190.96
Iran	.20	124,392.00	99,281.50	3,663.00	227,336.50	United States	32.02	23,617,329.00	25,616,000.00	3,121,950.00	52,355,279.00
Iraq	.09	56,999.00	75,744.00	76,598.00	209,341.00	Upper Volta	.04	25,744.00	16,452.00	3,745.00	50,941.00
Ireland	.14					Uruguay	.11	125,655.00	70,332.00	24,983.00	220,970.00
Israel	.15	184,554.00	23,882.00	2,767.00	211,203.00	Venezuela	.52	350,063.00	302,916.00	56,104.00	695,083.00
						Yemen	.04	71,459.00	33,664.00	34,108.00	139,231.00
						Yugoslavia	.38	129,846.00	299,358.00	7,015.00	436,219.00

¹ New members in recent years have been assigned a percentage of this budget without modifying the percentages previously assigned to other countries. Thus, the total percentage is now more than 100 percent.

² Voluntary contributions by various nations, mainly the United States, have reduced the amounts payable to the Congo and Middle East operation by all nations except Australia, Austria, Belgium, Britain, Byelorussia, Canada, Czechoslovakia, Denmark, Finland, France, Hungary, Italy, Mauritania, Mongolia, the Netherlands, New Zealand, Norway, Rumania, Sierra Leone, South Africa, the Soviet Union, Sweden, Syria, Tanganyika, Ukraine and the United States.

³ These countries were admitted to the United Nations during the last session of the General Assembly and they have not yet been assessed for the United Nations budget.

⁴ Since this report was issued the Soviet Union has paid \$5,041,000 and the United States \$19,217,329 as installments to the United Nations budget.

⁵ The allocation between Syria and the United Arab Republic has yet to be determined.

I want to begin by addressing myself to Mr. Hamilton's comments about assessments of U.N. members, and arrearages.

In paragraph 9 of his article, Mr. Hamilton indicates that only 18 of the 104 members have paid all their assessments on the 3 U.N. budgets. Later he goes on to say that, as of June 30, 1962, the United States alone was \$52,355,279 in arrears. The pertinent column headings in his table refer specifically to arrearages.

Now these statements and column headings tend to create a very strong but decidedly erroneous impression; namely, that the amounts owed by the 86 countries, including the United States, should have been paid by now.

The fact is that this is not the case. Mr. Hamilton has confused current dues with bona fide arrears. Under the column labeled "Arrears, U.N. Budget," for instance, he has included 1962 assessments as well as prior year assessments. But the 1962 assessments will not become

arrears until next year. They can be paid any time during the current calendar year—and still be paid on time. It is not only misleading, therefore, but downright erroneous to refer to them as "arrears."

In order to clarify the status of U.N. assessments and arrearages of member states, I wish to place at this point in the RECORD a table containing a summary of 1961 and prior year arrearages owed the United Nations:

Summary of 1961 and prior year arrearages owed the United Nations

[In U.S. dollars]

	1961 and prior year arrearages owed Dec. 31, 1961				1961 and prior year arrearages paid Jan. 1, 1962-June 30, 1962				1961 and prior year arrearages owed June 30, 1962			
	Regular budget	UNEF	UNOC	Total	Regular budget	UNEF	UNOC	Total	Regular budget	UNEF	UNOC	Total
Communist bloc:												
Albania	14,535	33,373	27,298	75,206	11,000			11,000	3,535	33,373	27,298	64,206
Bulgaria	24,986	125,586	109,190	259,762	24,986			24,986	125,586	109,190		234,776
Byelorussian S.S.R.	290,782	393,591	693,207	1,377,580	290,782			290,782	393,591	693,207		1,086,798
Czechoslovakia		709,019	1,283,171	1,992,190					709,019	1,283,171		1,992,190
Hungary	478,283	348,802	286,624	1,111,709	100,000			100,000	376,283	348,802	286,624	1,001,709
Poland	618,569	1,208,150	1,342,070	3,168,789	618,569			618,569	1,208,150	1,352,070		2,550,220
Rumania	70,347	344,414	501,468	916,229	70,347			70,347	344,414	501,468		845,882
Ukrainian S.S.R.	1,113,582	1,509,085	2,654,835	5,277,502	1,070,546			1,070,546	43,036	1,509,085	2,654,835	4,206,956
U.S.S.R.	1,568,843	12,774,084	20,088,253	34,431,180	1,568,843			1,568,843	12,774,084	20,088,253		32,862,337
Subtotal	4,177,927	17,446,104	26,986,116	48,610,147	3,755,073			3,755,073	422,854	17,446,104	26,986,116	44,855,074
Cuba	271,551	186,993	170,609	629,153	75,000			75,000	196,551	186,993	170,609	554,153
France			9,439,414	9,439,414							9,439,414	9,439,414
Belgium	57,212	43,245	1,917,381	2,017,838					57,212	43,245	1,917,381	2,017,838
Arab States	437,238	662,193	556,516	1,655,947	55,680			55,680	381,558	656,621	538,652	1,576,831
China	5,624,484	4,022,703	3,927,969	13,575,156	2,551,523	50,000		2,601,523	3,072,961	3,972,703	3,927,969	10,973,633
All others	2,465,468	4,058,061	11,359,295	17,882,824	1,092,378	1,030,830	2,858,826	4,982,034	1,373,090	3,027,231	8,500,469	12,900,790
Total arrearages	13,033,880	26,419,299	54,357,300	93,810,479	7,529,654	1,086,402	2,876,690	11,492,746	5,504,226	25,332,897	51,480,610	82,317,733

Mr. Speaker, I would like to comment on three other issues raised in Mr. Hamilton's article.

First, regarding the deficits in the financing of the United Nations Emergency Force and of the United Nations Operation in the Congo.

Paragraph 17 of the story states:

These deficits will absorb most of the \$175 million in bonds that the United Nations expects to sell out of an authorized issue of \$200 million.

I am advised that the U.N. has not conceded that only \$175 million of bonds will be sold. It is my understanding that the U.N. is aiming at raising funds to the full extent of the authorization voted by the General Assembly, and that it expects to achieve that goal.

Further, the deficit is not expected to absorb most of the \$200 million bond issue. According to testimony presented before the Committee on Foreign Affairs, only about 25 percent of the bond issue is expected to be used initially to pay back debts.

The same paragraph of Mr. Hamilton's story states, "In addition, the General Assembly still has to vote assessments for the Congo Force and the Emergency Force for the period that began July 1." This is not true. The bond issue proceeds are to cover the expenses of these peacekeeping operations beyond July 1: No assessment remains to be voted for 1962.

Second, regarding Mr. Hamilton's statements about possible effect on U.S. contributions to the U.N. of the advisory

opinion handed down by the World Court:

In paragraph 18, the story states:

If the World Court put assessments for the two forces [UNEF and U.N. operation in the Congo] on the same basis as those for the regular budget, a further complication would arise.

Mr. Hamilton defines this "further complication" as involving the question of special U.S. contributions which, in the past, have made it possible for the U.N. to reduce the assessments of certain other countries for the financing of the two peacekeeping programs. He feels that if the World Court hands down a favorable decision—as it did this morning—the United States may end up continuing its special contribution.

There is no reason why this should happen. Under the terms of the bond issue resolution adopted by the U.N. General Assembly, the costs of the two programs will be financed from the proceeds of the bond issues. There is to be no extra donation on the part of the United States for this purpose.

Further down, the article states:

The same problem exists with the payment of interest and principal on the U.N. bonds.

Here again this is not true: the U.S. percentage is to be 32 percent with no extra donation. This is clearly specified in the General Assembly resolution.

The third and final point relates again to UNEF operations.

Paragraph 4 of Mr. Hamilton's story indicates that the financial crisis of the

U.N. has been aggravated by the "accompanying failure of many countries, including the Arab countries, to pay their share of the Emergency Force." While this statement is in the main true, the Arab States should not all be lumped together: Tunisia has fully paid these assessments through 1961 and Iraq, Lebanon, and Morocco have partially paid their 1957-67 assessments.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mrs. BOLTON (at the request of Mr. BETTS), for the remainder of the week, on account of illness in the family.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to Mr. GEORGE P. MILLER for 20 minutes, on tomorrow.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

(The following Members (at the request of Mr. HALPERN) and to include extraneous matter:)

Mr. FINO.

Mr. ALGER.

Mr. JENSEN.

(The following Members (at the request of Mr. LIBONATI) and to include extraneous matter:)

Mr. SULLIVAN.

Mr. ADDABO.

Mr. CLEM MILLER, to include extraneous matter in his remarks made during consideration of the Point Reyes Park bill today.

ENROLLED BILLS SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 7727. An act to amend title 10, United States Code, to permit members of the Armed Forces to accept fellowships, scholarships, or grants;

H.R. 9273. An act to repeal obsolete laws relating to military bounty land warrants and to provide for cancellation of recorded warrants; and

H.R. 10618. An act granting the consent of Congress to the Southern Interstate Nuclear Compact, and for related purposes.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 2147. An act for the relief of Felipe O. Pagdilao.

BILLS AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills and a joint resolution of the House of the following titles:

H.R. 1811. An act to amend chapter 85 of title 38, United States Code, relating to war orphans' educational assistance, in order to permit eligible persons thereunder to attend foreign educational institutions under certain circumstances;

H.R. 3383. An act for the relief of Joseph Starker;

H.R. 5061. An act for the relief of James L. Merrill;

H.R. 6855. An act for the relief of Leclit A. Sims;

H.R. 7727. An act to amend title 10, United States Code, to permit members of the Armed Forces to accept fellowships, scholarships, or grants;

H.R. 8282. An act to amend section 3203 (d) of title 38, United States Code, to provide that there shall be no reduction of pension otherwise payable during hospitalization of certain veterans with a wife or child;

H.R. 8415. An act to change the classes of persons eligible to receive payments of benefits withheld during the lifetime of deceased veterans while being furnished hospital or domiciliary care;

H.R. 8484. An act to authorize establishment of the Theodore Roosevelt Birthplace and Sagamore Hill National Historic Sites, N.Y., and for other purposes;

H.R. 9273. An act to repeal obsolete laws relating to military bounty land warrants and to provide for cancellation of recorded warrants;

H.R. 9599. An act for the relief of Solomon Annenberg;

H.R. 9844. An act to waive section 142, title 28, United States Code, with respect

to the U.S. District Court for the District of Connecticut for holding court at Bridgeport;

H.R. 10012. An act to waive section 142, of title 28, United States Code, with respect to the U.S. District Court for the Eastern District of Tennessee, holding court at Winchester, Tenn.;

H.R. 10016. An act to waive section 142 of title 28, United States Code, with respect to the holding of court at Decatur, Ala., by the U.S. District Court for the Northern District of Alabama;

H.R. 10068. An act to amend section 742 of title 38, United States Code, to permit the exchange of 5-year term policies of U.S. Government life insurance to a special endowment at age 96 plan;

H.R. 10389. An act to waive section 142 of title 28, United States Code, with respect to the U.S. District Court for the Eastern District of Texas, Marshall division, holding court at Marshall, Tex.;

H.R. 10618. An act granting the consent of Congress to the Southern Interstate Nuclear compact, and for related purposes;

H.R. 10669. An act to liberalize the provisions of title 38, United States Code, relating to the assignment of national service life insurance;

H.R. 11670. An act to postpone by 3 months the date on or before which the Securities and Exchange Commission shall report to the Congress the results of its study and investigation pursuant to section 19(d) of the Securities Exchange Act of 1934, and for other purposes; and

H.J. Res. 714. Joint resolution authorizing the acquisition of certain property in the District of Columbia and its conveyance to the International Monetary Fund, on a full reimbursement basis, for use in expansion of its headquarters.

ADJOURNMENT

Mr. LIBONATI. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 46 minutes p.m.), the House adjourned until tomorrow, Tuesday, July 24, 1962, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2335. A communication from the President of the United States, transmitting an amendment to the budget for the fiscal year 1963 involving an increase in the amount of \$198,000 for the Panama Canal-Canal Zone Government, operating expenses (H. Doc. No. 486); to the Committee on Appropriations and ordered to be printed.

2336. A letter from the Assistant Secretary of the Interior, transmitting a report on the Bostwick Park project, Colorado, pursuant to section 9(a) of the Reclamation Project Act of 1939 (53 Stat. 1187) (H. Doc. No. 487); to the Committee on Interior and Insular Affairs and ordered to be printed with illustrations.

2337. A letter from the Secretary of the Air Force, relative to the number of officers assigned or detailed to permanent duty in the executive element of the Air Force at the seat of government, pursuant to section 8031 (c), title 10, United States Code; to the Committee on Armed Services.

2338. A letter from the Comptroller General of the United States; transmitting a report on the review of selected activities of the Communicable Disease Center (CDC), Public Health Service, Department of Health,

Education, and Welfare (HEW); to the Committee on Government Operations.

2339. A letter from the Comptroller General of the United States, transmitting a report on the examination into the pricing of a subcontract for nuclear components awarded by the Plant Apparatus Department of Westinghouse Electric Corp. to another department of Westinghouse and charged to the Navy under a cost-plus-a-fixed-fee contract; to the Committee on Government Operations.

2340. A letter from the Acting Secretary of the Interior, relative to an application for a loan of \$4,620,000 to the Roosevelt Irrigation District in Maricopa County, Ariz., pursuant to 71 Stat. 48; to the Committee on Interior and Insular Affairs.

2341. A letter from the Chairman, Federal Deposit Insurance Corporation, transmitting the annual report of the Federal Deposit Insurance Corporation for the year ended December 31, 1961, pursuant to the Federal Deposit Insurance Act; to the Committee on Banking and Currency.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. JONES of Alabama: Committee on Public Works. H.R. 12398. A bill to authorize the Administrator of General Services, in connection with the construction and maintenance of a Federal office building, to use the public space under and over 10th Street S.W. in the District of Columbia, and for other purposes; without amendment (Report No. 2026). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. DEROUNIAN:
H.R. 12651. A bill to amend section 4142 (relating to the definition of radio and television components) of the Internal Revenue Code of 1954; to the Committee on Ways and Means.

By Mr. JOHNSON of Maryland:
H.R. 12652. A bill to amend the Library Services Act in order to make areas lacking public libraries or with inadequate public libraries, public elementary and secondary school libraries, and certain college and university libraries, eligible for benefits under that act, and for other purposes; to the Committee on Education and Labor.

By Mr. JOHNSON of Wisconsin:
H.R. 12653. A bill to amend the Consolidated Farmers Home Administration Act of 1961 in order to increase the limitation on the amount of loans which may be insured under subtitle A of such act; to the Committee on Agriculture.

By Mr. MONAGAN:
H.R. 12654. A bill to amend title 38, United States Code, to permit, for 1 year, the granting of national service life insurance to veterans heretofore eligible for such insurance; to the Committee on Veterans' Affairs.

By Mr. O'BRIEN of Illinois:
H.R. 12655. A bill to amend the Internal Revenue Code of 1954 to insure that the communications taxes will not apply to certain private communication services furnished to common carriers; to the Committee on Ways and Means.

By Mr. SCHWEIKER:
H.R. 12656. A bill to amend the Internal Revenue Code of 1954 to allow a taxpayer a deduction from gross income for expenses

incurred for the higher education of himself, his spouse, and his dependents; to the Committee on Ways and Means.

By Mr. SCOTT:

H.R. 12657. A bill to amend section 8 of the National Labor Relations Act, as it relates to picketing; to the Committee on Education and Labor.

By Mr. DEROUNIAN:

H.R. 12658. A bill relating to the marking requirements for imported cigar labels and bands and for other imported labels; to the Committee on Ways and Means.

By Mr. JOHNSON of Maryland:

H.R. 12659. A bill to amend the Internal Revenue Code of 1954 to provide a 10-percent reduction in the individual and corporate income tax for the taxable year 1963; to the Committee on Ways and Means.

By Mr. SPENCE:

H.R. 12660. A bill to extend the International Wheat Agreement Act of 1949; to the Committee on Banking and Currency.

By Mr. ASHMORE:

H.R. 12661. A bill to amend section 9(b) of the act entitled "An act to prevent pernicious political activities" (the Hatch Political Activities Act) to eliminate the requirement that the Civil Service Commission impose no penalty less than 90 days' suspension for any violation of section 9 of the act; to the Committee on House Administration.

By Mr. CELLER:

H.R. 12662. A bill to amend the Immigration and Nationality Act of June 27, 1952, regarding nationals born of American Samoan parents; to the Committee on the Judiciary.

By Mr. JOHANSEN:

H.J. Res. 829. Joint resolution proposing an amendment to the Constitution of the United States guaranteeing the right of any State to establish, through its own constitution, representation in one house of its legislature based on factors other than population exclusively; to the Committee on the Judiciary.

By Mr. KEARNS:

H.J. Res. 830. Joint resolution authorizing the placing of a statue to Dr. Harvey W. Wiley, author and champion of the original pure food and drug law, in the Statuary Hall collection in the U.S. Capitol Building, and for other purposes; to the Committee on House Administration.

By Mr. FRIEDEL:

H. Res. 735. Resolution providing an additional allowance for telephone and telegraph service for certain Members of the House of Representatives; 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 Mississippi, memorializing the President and the Congress of the United States to amend the Federal Copyright laws (title 17, USCA) relative to regulating and alleviating certain abuses being practiced by certain music licensing associations, 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. AUCHINCLOSS:

H.R. 12663. A bill for the relief of Mrs. Mel Lee Wong; to the Committee on the Judiciary.

By Mr. GUBSER:

H.R. 12664. A bill for the relief of Surrender Lal Berry; to the Committee on the Judiciary.

By Mr. JUDD:

H.R. 12665. A bill for the relief of David Yang (serial No. XXXXXXXXX); to the Committee on the Judiciary.

By Mr. KING of California:

H.R. 12666. A bill for the relief of Ugo Voce; to the Committee on the Judiciary.

By Mr. RIEHLMAN:

H.R. 12667. A bill for the relief of Peter Gerhard Kubetschek; to the Committee on the Judiciary.

By Mr. WALTER (by request):

H.R. 12668. A bill for the relief of Jose Jesus Hernandez Miramontes; to the Committee on the Judiciary.

SENATE

MONDAY, JULY 23, 1962

The Senate met at 12 o'clock meridian, and was called to order by the President pro tempore.

The Chaplain, Rev. Frederick Brown Harris, D.D., offered the following prayer:

O Thou kindly light of our pilgrim way,
New mercies each returning day,
Hover around us while we pray.

We come confessing that we live too much in the shallowness and shabbiness about us, and that in the rush and clash of busy hours, too often we forget the heavenly vision that lifts us above mediocrity and lifts our eyes to far horizons.

Whatever this new day or the days ahead may hold for us as they commandeer our strength of mind and body and heart, may their appeals lay hold of our wider sympathy and harness our ability to respond to the needs of Thy children, our brethren.

Put upon the lips of those who here speak for a free people the promise of a brightening future. Send us forth girded with Thy might, until by patience, persistence, and enduring courage we become sufficient for the tasks that in Thy name and in Thy strength we must accomplish for the world's redemption.

We ask it in the dear Redeemer's name.
Amen.

THE JOURNAL

On request of Mr. HUMPHREY, and by unanimous consent, the reading of the Journal of the proceedings of Friday, July 20, 1962, was dispensed with.

MESSAGES FROM THE PRESIDENT— APPROVAL OF BILL

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on July 19, 1962, the President had approved and signed the act (S. 2775) to amend the act of June 30, 1954, providing for the continuation of civil government for the Trust Territory of the Pacific Islands.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, notified the Senate that, pursuant to the provisions of section 1,

Public Law 87-437, the Speaker had appointed Mr. WHITENER, Mr. RAINS, Mr. KITCHIN, and Mr. JONAS, as members of the North Carolina Tercentenary Celebration Commission, on the part of the House.

The message announced that the House had passed a bill (H.R. 12580) making appropriations for the Departments of State, Justice, and Commerce, the judiciary, and related agencies for the fiscal year ending June 30, 1963, and for other purposes, in which it requested the concurrence of the Senate.

The message also announced that the House had agreed to a concurrent resolution (H. Con. Res. 347) tendering the thanks of Congress to General of the Army Douglas MacArthur, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

S. 2147. An act for the relief of Felipe O. Pagdilaog;

H.R. 7727. An act to amend title 10, United States Code, to permit members of the Armed Forces to accept fellowships, scholarships, or grants;

H.R. 9273. An act to repeal obsolete laws relating to military bounty land warrants and to provide for cancellation of recorded warrants; and

H.R. 10618. An act granting the consent of Congress to the Southern Interstate Nuclear Compact, and for related purposes.

HOUSE BILL REFERRED

The bill (H.R. 12580) making appropriations for the Departments of State, Justice, and Commerce, the judiciary, and related agencies for the fiscal year ending June 30, 1963, and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

CALL OF THE LEGISLATIVE CALENDAR DISPENSED WITH

On request of Mr. HUMPHREY, and by unanimous consent, the call of the Legislative Calendar was dispensed with.

LIMITATION OF DEBATE DURING MORNING HOUR

On request of Mr. HUMPHREY, and by unanimous consent, statements during the morning hour were ordered limited to 3 minutes.

COMMITTEE MEETING DURING SENATE SESSION

On request of Mr. HUMPHREY, and by unanimous consent, the Committee on Finance was authorized to meet during the session of the Senate today.

EXECUTIVE SESSION

Mr. HUMPHREY. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF A COMMITTEE

The following favorable reports of nominations were submitted:

By Mr. HART, from the Committee on the Judiciary:

Noel P. Fox, of Michigan, to be U.S. district judge for the western district of Michigan.

By Mr. EASTLAND, from the Committee on the Judiciary:

Donald A. Wine, of Iowa, to be U.S. attorney for the southern district of Iowa.

The PRESIDENT pro tempore. If there be no further reports of committees, the nominations on the Executive Calendar will be stated.

TENNESSEE VALLEY AUTHORITY

The Chief Clerk read the nomination of Frank E. Smith, of Mississippi, to be a member of the Board of Directors of the Tennessee Valley Authority for the remainder of the term expiring May 18, 1963.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

COUNCIL OF ECONOMIC ADVISERS

The Chief Clerk read the nomination of H. Gardner Ackley, of Michigan, to be a member of the Council of Economic Advisers.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of these nominations.

The PRESIDENT pro tempore. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. HUMPHREY. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following communi-

cations and letters, which were referred as indicated:

PROPOSED AMENDMENTS TO THE BUDGET, 1963, FOR DEPARTMENT OF COMMERCE (S. Doc. No. 110)

A communication from the President of the United States, transmitting amendments to the budget for the fiscal year 1963, in the amount of \$17,570,000, for the Department of Commerce (with an accompanying paper); to the Committee on Appropriations, and ordered to be printed.

PROPOSED AMENDMENT TO THE BUDGET, 1963, FOR THE JUDICIARY (S. Doc. No. 111)

A communication from the President of the United States, transmitting an amendment to the budget for the fiscal year 1963, in the amount of \$1,500,000 for the judiciary (with an accompanying paper); to the Committee on Appropriations, and ordered to be printed.

EXTENSION OF INTERNATIONAL WHEAT AGREEMENT ACT OF 1949

A letter from the Secretary of Agriculture, transmitting a draft of proposed legislation to extend the International Wheat Agreement Act of 1949 (with an accompanying paper); to the Committee on Agriculture and Forestry.

CLARIFICATION OF REEMPLOYMENT PROVISIONS OF UNIVERSAL MILITARY TRAINING AND SERVICE ACT

A letter from the Secretary of Labor, transmitting a draft of proposed legislation to amend and clarify the reemployment provisions of the Universal Military Training and Service Act, and for other purposes (with accompanying papers); to the Committee on Armed Services.

APPOINTMENT OF CERTAIN OFFICERS BY THE PRESIDENT

A letter from the Secretary of State, transmitting a draft of proposed legislation to authorize the appointment of certain officers by the President, and for other purposes (with accompanying papers); to the Committee on Foreign Relations.

REPORT ON REVIEW OF AIR TRAVEL AUTHORIZED BY THE WASHINGTON OFFICE, BUREAU OF PUBLIC ROADS

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the review of air travel authorized by the Washington office, Bureau of Public Roads, Department of Commerce, June 1962 (with an accompanying report); to the Committee on Government Operations.

REPORT ON EXAMINATION OF SELECTED ASPECTS OF PRICING AND ADMINISTRATION OF CERTAIN DEPARTMENT OF THE NAVY CONTRACTS

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the examination of selected aspects of the pricing and administration of certain Department of the Navy contracts awarded to Douglas Aircraft Co., Inc., El Segundo, Calif., dated July 1962 (with an accompanying report); to the Committee on Government Operations.

REPORT ON PROGRAM FOR THE PUBLIC LANDS AND RESOURCES

A letter from the Acting Secretary of the Interior, transmitting, for the information of the Senate, a program for the public lands and resources, dated May 1962 (with an accompanying document); to the Committee on Interior and Insular Affairs.

REPORT ON APPLICATION FOR LOAN UNDER SMALL RECLAMATION PROJECTS ACT OF 1956

A letter from the Acting Secretary of the Interior, transmitting, pursuant to law, an application for a loan under the Small Reclamation Projects Act of 1956, to the Roosevelt Irrigation District in Maricopa County,

Ariz., in the amount of \$4,620,000 (with accompanying papers); to the Committee on Interior and Insular Affairs.

REPORT ON BOSTWICK PARK PROJECT, COLORADO

A letter from the Assistant Secretary of the Interior, transmitting, pursuant to law, a report on the Bostwick Park project, Colorado (with an accompanying report); to the Committee on Interior and Insular Affairs.

RESERVATION OF CERTAIN PUBLIC LANDS AT CUDEBACK LAKE AIR FORCE RANGE, CALIF.

A letter from the Assistant Secretary of the Air Force, transmitting a draft of proposed legislation to provide for the withdrawal and reservation for the use of the Department of the Air Force of certain public lands of the United States at Cuddeback Lake Air Force Range, Calif., for defense purposes (with accompanying papers); to the Committee on Interior and Insular Affairs.

AMENDMENT OF IMMIGRATION AND NATIONALITY ACT RELATING TO NATIONALS BORN OF AMERICAN SAMOAN PARENTS

A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to amend the Immigration and Nationality Act of June 27, 1952, regarding nationals born of American Samoan parents (with accompanying papers); to the Committee on the Judiciary.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, and referred as indicated:

By the PRESIDENT pro tempore:

A concurrent resolution of the Legislature of the State of Mississippi; to the Committee on the Judiciary:

"HOUSE CONCURRENT RESOLUTION 102

"Concurrent resolution memorializing the Congress of the United States to amend the Federal copyright laws (title 17 of United States Code Annotated) relative to regulating and alleviating certain abuses being practiced by certain music licensing associations

"Whereas by virtue of section 8 of the Constitution of the United States, the regulation of copyrights is in the exclusive jurisdiction of the Congress of the United States; and

"Whereas the Congress of the United States has enacted the Federal copyright laws (title 17, United States Code Annotated), and has thus preempted this field; and

"Whereas certain music licensing associations are in the nature of monopolies, and are using the Federal copyright laws to exact from radio and television stations throughout the United States exorbitant fees and charges for the performance of copyrighted musical compositions; and

"Whereas radio and television stations are dependent upon copyright owners and their licensing agencies for licenses to the performance rights of musical compositions; and

"Whereas radio and television stations desire to pay reasonable fees to copyright owners and their licensing agents for all copyrighted compositions used in the operation of their businesses; but at the present time certain music licensing associations, by virtue of their monopolistic character, are able to exact fees based on the gross revenue of radio and television stations, when a large proportion of this revenue is derived from programs not containing copyrighted musical compositions, such as religious programs, farm reports and news, sporting events, news programs, weather reports, interviews, and many other nonmusic programs; and

"Whereas the radio and television stations are of necessity compelled to contract with these monopolistic music licensing associations due to the fact that said commercial users are, in many instances, unable to determine the owners, or agents of the owners, of copyrighted compositions, and should said radio and television stations publicly perform a copyrighted musical composition because they are unable to determine the owner of its performance rights the station would be liable for damages under the Federal copyright law, even though said performance was not intended as an infringement; and

"Whereas some copyright owners, authors, composers, publishers, and licensing agents do not give notice of ownership in accordance with the provisions of the Federal Copyright Laws (secs. 10 and 19, title 17, USCA), and therefore the commercial users are unable to determine the ownership of performing rights: Now, therefore, be it

Resolved by the Mississippi State House of Representatives (the State Senate concurring therein), that we respectfully urge and memorialize the Congress of the United States to amend the Federal copyright laws so as to provide for the following:

"1. A provision prohibiting copyright owners, authors, composers, publishers, and their licensing associations from combining in restraint of trade and commerce when the purpose of such combination is to fix fees or charges.

"2. A provision requiring the copyright owners, authors, composers, publishers, and their licensing associations to clearly identify ownership of the performing rights of all copyrighted musical compositions by notice thereon, and providing that failure to comply would extinguish said parties' right to recover damages for infringements.

"3. A provision requiring music licensing associations to publish and make available to commercial users a continuously current list of all musical compositions in their repertoires.

"4. A provision prohibiting any copyright owner, author, composer, publisher, licensing association, or combination thereof, from charging fees not based upon the copyrighted musical compositions actually performed by a commercial user, or not fixed in reasonable relationship thereto.

"5. A provision allowing commercial radio and television users a recourse and relief in addition to that now administered by the Federal District Court for the Southern District of New York; and be it further

Resolved, That a certified copy of this resolution be forwarded by the secretary of state of the State of Mississippi to the President of the United States, the Speaker of the U.S. House of Representatives, the President of the U.S. Senate, and to each Member of the U.S. House of Representatives and the U.S. Senate.

Adopted by the house of representatives May 16, 1962.

Speaker of the House of Representatives.

Adopted by the senate May 18, 1962.

President of the Senate.

A petition signed by 35 Governors in attendance at the National Governors' Conference in Hershey, Pa., favoring the enactment of a constitutional amendment to permit the continuance of recognition to an abiding faith in God in the public schools; to the Committee on the Judiciary.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. JOHNSTON, from the Committee on the Judiciary, without amendment:

S. 2256. A bill to amend section 5 of the War Claims Act of 1948 to provide detention

and other benefits thereunder to certain Guamanians killed or captured by the Japanese at Wake Island (Rept. No. 1749).

By Mr. KEATING, from the Committee on the Judiciary, with an amendment:

S. 2978. A bill to authorize the Foreign Claims Settlement Commission of the United States to investigate the claims of citizens of the United States who suffered property damage in 1951 and 1952 as the result of the artificial raising of the water level of Lake Ontario (Rept. No. 1750).

By Mr. WILEY, from the Committee on the Judiciary, without amendment:

H.R. 10184. An act to amend section 130 (a) of title 28, United States Code, so as to reconstitute the Eastern Judicial District of Wisconsin to include Menominee County, Wis. (Rept. No. 1751).

By Mr. EASTLAND, from the Committee on the Judiciary, without amendment:

S. 3295. A bill for the relief of Mathew Lengyel (also known as Brother Paul, S.V.D.) (Rept. No. 1754);

H.R. 2129. An act for the relief of John Calvin Taylor (Rept. No. 1758);

H.R. 2664. An act for the relief of Mrs. Irena Ratajczak (Rept. 1759);

H.R. 3000. An act for the relief of Lea Min Wong (Rept. No. 1760);

H.R. 3372. An act for the relief of Barbara W. Trousil, Edward G. Trousil, and Robert E. Trousil (Rept. No. 1761);

H.R. 3501. An act for the relief of Mrs. Hasmik Arzoo (Rept. No. 1762);

H.R. 3821. An act for the relief of Ivy Gwendolyn Myers (Rept. No. 1763);

H.R. 3822. An act for the relief of Ahsabet Oyuncuyan (Rept. No. 1764);

H.R. 4718. An act for the relief of Bogdan Kusulja (Rept. No. 1765);

H.R. 6833. An act for the relief of Frantisek Tisler (Rept. No. 1766);

H.R. 9186. An act for the relief of Eladio Aris (also known as Eladio Aris Carvallo) (Rept. No. 1767);

H.R. 9522. An act for the relief of certain members of the U.S. Marine Corps, who incurred losses pursuant to the cancellation of a permanent change of station movement (Rept. No. 1768);

H.R. 10525. An act for the relief of Francis L. Quinn (Rept. No. 1769); and

H.R. 11127. An act for the relief of Ernst Haeusserman (Rept. No. 1770).

By Mr. EASTLAND, from the Committee on the Judiciary, with an amendment:

S. 1781. A bill for the relief of the heirs of Lt. Col. James Murray Bate (deceased) and Maj. Billie Harold Lynch (deceased) (Rept. No. 1753);

S. 3198. A bill for the relief of Renata Lattanzi (Rept. No. 1755);

S. 3215. A bill for the relief of Kim Chong Koo (Rept. No. 1756); and

S. 3228. A bill for the relief of Panagiotis Makris (Rept. No. 1757).

By Mr. CHAVEZ, from the Committee on Public Works, without amendment:

S. 2546. A bill to authorize the naming of the Old River, La., structures in honor of the late Capt. A. A. Humphreys and Lt. H. L. Abbot (Rept. No. 1771);

S. 2660. A bill to designate the lake to be formed by the waters impounded by the Clark Canyon Dam in the State of Montana as Hap Hawkins Lake (Rept. No. 1772);

S. 2988. A bill to change the name of the Big Bend Reservoir in the State of South Dakota to Lake Sharpe (Rept. No. 1773);

S. 3441. A bill to provide for the acquisition of certain property in square 758 in the District of Columbia, as an addition to the grounds of the U.S. Supreme Court Building (Rept. No. 1774);

S. 3476. A bill to change the name of Fort Randall Reservoir in the State of South Dakota to Lake Francis Case (Rept. No. 1775);

S. 3525. A bill to authorize the Administrator of General Services, in connection with the construction and maintenance of a

Federal office building, to use the public space under and over 10th Street SW. in the District of Columbia, and for other purposes (Rept. No. 1776);

S. 3544. A bill authorizing modification of the project for Gloucester Harbor, Mass. (Rept. No. 1777);

S.J. Res. 169. Joint resolution designating the bridge across the Tennessee River on the Natchez Trace Parkway as the John Coffee Memorial Bridge (Rept. No. 1778);

H.R. 8214. An act to permit the use of certain construction tools actuated by explosive charges in construction activity on the U.S. Capitol grounds (Rept. No. 1780);

H.R. 11735. An act authorizing the change in name of the Beardstown, Ill., flood control project, to the Sid Simpson flood control project (Rept. No. 1781); and

H.J. Res. 417. Joint resolution to designate the lake formed by Terminus Dam on the Kaweah River in California as Lake Kaweah (Rept. No. 1779).

By Mr. CHAVEZ, from the Committee on Public Works, with amendments:

H.R. 8181. An act to authorize the construction of a National Fisheries Center and Aquarium in the District of Columbia and to provide for its operation (Rept. No. 1782).

SUSPENSION OF DEPORTATION OF CERTAIN ALIENS—REPORT OF A COMMITTEE

Mr. EASTLAND, from the Committee on the Judiciary, reported an original concurrent resolution (S. Con. Res. 86), and submitted a report (No. 1752) thereon, which concurrent resolution was placed on the calendar, as follows:

Resolved by the Senate (the House of Representatives concurring), That the Congress favors the suspension of deportation in the case of each alien hereinafter named, in which case the Attorney General has suspended deportation pursuant to the provisions of section 244(a) (4) of the Immigration and Nationality Act (66 Stat. 214; 8 U.S.C. 1254):

- XXXXXXXXXX June, Wong Way;
- XXXXXXXXXX Dai, Chew Sin;
- XXXXXXXXXX Lum, Bak-Min;
- XXXXXXXXXX Lee, Kai Suen;
- XXXXXXXXXX Teng, James Wong;
- XXXXXXXXXX Kwan, Chan Chew;
- XXXXXXXXXX Fong, Chin Hoy;
- XXXXXXXXXX Ginn, Annie;
- XXXXXXXXXX Nurmata, Nikolai;
- XXXXXXXXXX Lee, Gar Way;
- XXXXXXXXXX Lee, Won Wah;
- XXXXXXXXXX Lee, Sin Ha;
- XXXXXXXXXX Wiwczar, Michael;
- XXXXXXXXXX Soter, Gus;
- XXXXXXXXXX Gin, Win Gon;
- XXXXXXXXXX Huey, Thick Chu;
- XXXXXXXXXX Jew, Ming Wai;
- XXXXXXXXXX Kim, Duck Lee;
- XXXXXXXXXX Martino, Vincenzo;
- XXXXXXXXXX Quan Bing Kwong;
- XXXXXXXXXX Quan, Dong Guay Yau;
- XXXXXXXXXX Wong, Ngoon Fow;
- XXXXXXXXXX Yau, Chong Lew;
- XXXXXXXXXX Yee, Yat Hung;
- XXXXXXXXXX Keong, Leung;
- XXXXXX Moy, Fay Yen;
- XXXXXXXXXX YOUN, Yin Yu;
- XXXXXXXXXX Chinn, Gwai Bun;
- XXXXXX Yee, Miu Lee;
- XXXXXXXXXX Yee, Moo Tuk;
- XXXXXXXXXX Yee, Mun Moy;
- XXXXXXXXXX Chung, Pak Jow;
- XXXXXX Wong, Gain Yuey;
- XXXXXX Edwards, George Eugene;
- XXXXXX Tom, Wai Yin;
- XXXXXXXXXX Wong, Doo Yen.

Sec. 2. That the Congress favors the suspension of deportation in the case of each alien hereinafter named, in which case the Attorney General has suspended deportation

pursuant to the provisions of section 244(a) (5) of the Immigration and Nationality Act (66 Stat. 214; 8 U.S.C. 1254):

XXXXXXXXXX Marquez-Paez, Raul;
 XXXXXXXXX Pond, James Leo;
 XXXXXXXXX Ochoa, Gilbert;
 XXXXXXXXX Alvanos, Elias;
 XXXXXXXXX Prieto-Guzman, Jesus;
 XXXXXXXXX Contreras, Domingo;
 XXXXXXXXX Wong, Sik Tong;
 XXXXXXXXX Norrito, Mario;
 XXXXXXXXX Gomez, Margarito;
 XXXXXXXXX Jubera-Martinez, Alvaro;
 XXXXXXXXX Tobar-Medina, Manuel;
 XXXXXXXXX Mota, Augustine;
 XXXXXXXXX Wedwick, William Anton;
 XXXXXXXXX Gigliotti, Emilio;
 XXXXXXXXX Hinterberg, Kurt;
 XXXXXXXXX Mosqueda, Rutlilio;
 XXXXXXXXX Sestan, Giordano Bruno;
 XXXXXXXXX Wong, Rose Chan;
 XXXXXXXXX Yee, Soon Hing;
 XXXXXXXXX De La Cerda-Sarmento, Man-

uel:

XXXXXXXXXX Shen, Shih Fang;
 XXXXXXXXX Shen, Wei Fan;
 XXXXXXXXX Veloz-Reyes, Ygnacio;
 XXXXXXXXX Wong, Pon;
 XXXXXXXXX Porras Andres;
 XXXXXXXXX Lew, Kim Yee;
 XXXX Romero-Madrigal, Juan;
 XXXXXXXXX Wittenber, Jan Peter;
 XXXXXXXXX Won, You Hong.

SEC. 3. That the Congress favors the suspension of deportation in the case of each alien hereinafter named, in which case the Attorney General has suspended deportation for more than six months:

XXXXXXXXXX Tsangaris, Constantinos;
 XXXX Kee, Mon.

BILL INTRODUCED

A bill was introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BOTTUM (for himself and Mr. MUNDT):

S. 3564. A bill to provide relief for residential occupants of unpatented mining claims upon which valuable improvements have been placed, and for other purposes; to the Committee on Interior and Insular Affairs.

(See the remarks of Mr. BOTTUM when he introduced the above bill, which appear under a separate heading.)

CONCURRENT RESOLUTION

SUSPENSION OF DEPORTATION OF CERTAIN ALIENS

Mr. EASTLAND, from the Committee on the Judiciary, reported an original concurrent resolution (S. Con. Res. 86) favoring the suspension of deportation of certain aliens, which was placed on the calendar.

(See the above concurrent resolution printed in full when reported by Mr. EASTLAND, which appears under the heading "Reports of Committees.")

RELIEF FOR RESIDENTIAL OCCUPANTS OF CERTAIN UNPATENTED MINING CLAIMS

Mr. BOTTUM. Mr. President, I introduce, for appropriate reference, a bill designed to protect certain property interests of individuals holding unpatented mining claims, which are determined by the Secretary of the Interior to be null and void.

In cases where unpatented mining claims are determined to be invalid this

bill proposes to empower the Secretary of the Interior to convey by purchase to the holder of the unpatented claim land within the claim upon which valuable improvements have been made, providing that the area of the parcel does not exceed 5 acres. Under the terms of this bill only claimants who are seasonal or year-round residential occupant-owners could qualify as purchasers of these improved tracts. The bill also requires that the claimant must have been an occupant-owner as of January 10, 1962.

Mr. President, this bill represents one of the final legislative endeavors of my long-time friend and distinguished predecessor, Francis Case. This bill was introduced by Senator Case as S. 3458 on June 21—just 1 day before his sudden and tragic passing. Senator Case had introduced this measure to provide an equitable basis for dealing with mining claimants, who have lost their mining claims through administrative determination and who stand to suffer still greater losses by reason of the physical impossibility of moving valuable improvements which they have placed on these lands during the years they have developed their claims. Throughout the Black Hills area of South Dakota we have had a good many mining claims declared null and void during the past year or so. The former holders of these claims stand to suffer substantial losses, because of the impossibility of moving cabins and other valuable improvements located on this mining property.

I feel that this proposed legislation developed by Senator Case provides a reasonable method for protecting the very legitimate property interests of mining claimants when the Department of the Interior determines that a claim is no longer valid.

Because of my belief in the soundness of this proposal and so that this proposed legislation will have an active sponsor in the remaining term of the 87th Congress I am reintroducing the Case bill with my colleague, the senior Senator from South Dakota [Mr. MUNDT], as a cosponsor, in the hope that the Committee on Interior and Insular Affairs, on which I am privileged to serve as a member, will take action prior to adjournment.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3564) to provide relief for residential occupants of unpatented mining claims upon which valuable improvements have been placed, and for other purposes, introduced by Mr. BOTTUM [for himself and Mr. MUNDT], was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

FOOD AND AGRICULTURAL ACT OF 1962—AMENDMENT

Mr. ROBERTSON. Mr. President, I submit, for appropriate reference, an amendment to House bill 12391, to improve and protect farm income, to reduce costs of farm programs to the Federal Government, to reduce the Federal Government's excessive stocks of agricultural commodities, to maintain rea-

sonable and stable prices of agricultural commodities and products to consumers, to provide adequate supplies of agricultural commodities for domestic and foreign needs, to conserve natural resources, and for other purposes, to eliminate from the permanent law the requirement for 55 million acres of wheat.

We have a normal annual need of 600 or 700 million bushels. We now have in storage 1,090 million bushels of wheat, which cost us \$2,146 million. We are spending on it \$147,200,000 a year, and I say we cannot go before the taxpayers and justify that kind of program any longer. So, regardless of whether the farm bill is acted on immediately here on the floor, or whether it is referred to the Committee on Agriculture and Forestry—as I think should be done—for appropriate amendment, I think this amendment should be included.

The PRESIDENT pro tempore. The amendment will be received, printed, and referred to the Committee on Agriculture and Forestry.

PROMOTION OF FLOW OF DOMESTICALLY PRODUCED LUMBER IN COMMERCE—ADDITIONAL CO-SPONSORS OF BILL

Mr. MAGNUSON. Mr. President, I ask unanimous consent that the names of Senators CHURCH and MORSE may be added to the bill (S. 3517) to authorize the Secretary of Commerce to establish and carry out a program to promote the flow of domestically produced lumber in commerce. This is the bill which would segregate tariffs and duties on lumber imports to be used for production and marketing research.

The PRESIDENT pro tempore. Without objection, it is so ordered.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on today, July 23, 1962, he presented to the President of the United States the enrolled bill (S. 2147) for the relief of Felipe O. Pagdilao.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. WILEY:

Excerpts from address prepared by him for delivery over Wisconsin radio stations on July 21, 1962, on the need for family farm study.

Text of weekly broadcast over Wisconsin radio stations on July 23, 1962, on the subject of disarmament.

REMARKS MADE AT GOLDEN ROSE AWARD TO SENATOR MARGARET CHASE SMITH, OF MAINE

Mr. AIKEN. Mr. President, on July 19, the Florists' Telegraph Delivery Association presented its first annual Golden Rose Award to Senator MARGARET CHASE SMITH, of Maine. I ask unanimous consent to have printed in the body of the RECORD the remarks made

on that occasion by the majority leader, the Senator from Montana, Mr. Mansfield; the minority leader, the Senator from Illinois, Mr. Dirksen; Senator Margaret Chase Smith, of Maine; and Mrs. Doris H. Remis, president of the Florists' Delivery Association at the time when she presented the award.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

COMMENTS OF SENATORS MADE AT GOLDEN ROSE AWARD CEREMONIES AT CAPITOL ON JULY 19, 1962, IN HONOR OF SENATOR MARGARET CHASE SMITH

SENATOR MANSFIELD'S COMMENTS

I can think of no person more deserving of the honor accorded her today than the distinguished Senator from Maine. I have known MARGARET for over 20 years, since she first served in the House. I have learned much from this gracious lady, who possesses all the New England virtues that a lady should possess.

SENATOR DIRKSEN'S COMMENTS

In recent months we have heard a great deal about culture. The essence of culture is appreciation. We think of culture in terms of the dramatic arts, painting, sculpture, and so forth. Too often we stop there. I like to include horticulture and floriculture. Culture is appreciation of beauty and there is nobody who has excelled Senator SMITH in that field. Ever since I can remember, back to House days, MARGARET has always exemplified the rose and given it a real symbolism in our national life. She always wears a flower—a rose—and by it, contributes to our appreciation of beauty. MARGARET, I salute you.

SENATOR MARGARET CHASE SMITH'S COMMENTS

I am indeed honored by this award and deeply appreciative of this beautiful golden flower. Roses have always meant a great deal to me. This beautiful trophy will have a very special place in my office. President Remis, I do appreciate this, and thank you and your associates for your generosity.

REMARKS OF MRS. DORIS H. REMIS, PRESIDENT, FLORISTS' TELEGRAPH DELIVERY ASSOCIATION ON PRESENTATION OF GOLDEN ROSE AWARD TO SENATOR MARGARET CHASE SMITH OF MAINE

Mr. Vice President, distinguished Senators and Representatives, honored guests, ladies and gentlemen, I am most privileged to greet you today on behalf of the 11,000 members of Florists' Telegraph Delivery Association and to do honor to one of the most prominent women in the United States, the Honorable MARGARET CHASE SMITH, U.S. Senator from the great State of Maine.

Senator SMITH has been justly lauded for her achievements in the field of government by great leaders and renowned organizations. Her brilliant service in the Congress has gained for her the universal respect and admiration of the colleagues, as shown by the tributes tendered to her on the floor of the Senate yesterday by no less than 10 Members of that body and by the respect and devotion of the people of her State who have chosen her 3 times to represent them in the Senate.

We as Americans appreciate Senator SMITH's great work in fashioning the laws of the Nation. We as florists have long saluted her for ornamenting the laws of the Nation with flowers. The quiet beauty of a single rose has been her graceful symbol for more than 22 years. The simple elegance of this single bloom moved one of the distinguished Senators present to say, in response to my invitation for today's ceremony, that "through her tasteful use of flowers to complement her wardrobe, Sen-

ator SMITH daily lends a touch of beauty and cheer to Senate deliberations."

When the board of directors of FTD considered whom to publicly acclaim for their tasteful use of flowers, the charming Senator SMITH was, of course, our unanimous choice.

This will mark the first award of the FTD Golden Rose, a trophy designed and dedicated by our association to honor a citizen who has contributed significantly to public understanding of flowers as objects of beauty, usefulness, and ornamentation in our daily lives.

Madam Senator, you have educated the fashionable women of America. You have inspired the florists who serve her.

This award, from the men and women who devote their careers to arranging flowers to solemnize and beautify life's great and tender occasions, is presented with sincerity, with pride, and with gladness.

Senator SMITH, I am privileged to present to you the beautiful FTD Golden Rose with our sincere good wishes.

THE FREE ENTERPRISE SYSTEM— ADDRESS BY SENATOR TOWER

Mr. HRUSKA. Mr. President, on June 13, Senator JOHN TOWER, of Texas, addressed the National Association of Plumbing Contractors, assembled for their 80th annual convention, in Kiel Auditorium, in St. Louis. On that occasion, Senator Tower discussed the free enterprise system under which the United States has developed and prospered, the fundamental need for economic democracy and political democracy to go hand in hand in our great country, and the duty of citizens to act responsibly to preserve the freedom and opportunity which is our grand heritage.

Mr. President, I ask unanimous consent that Senator Tower's remarks be printed in the RECORD, together with his introduction by G. Allen Briggs, president of the host association.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

THE FREE ENTERPRISE SYSTEM

INTRODUCTION BY MR. G. ALLEN BRIGGS

Senator JOHN G. TOWER is a key Republican member of the two most influential committees of the United States Senate, the Senate Banking and Currency Committee, and the Senate Labor and Public Welfare Committee. In addition, Senator Tower has had the distinction of being the first Senator ever to be named in the powerful Senate Republican Policy Committee during his first term of office. Those of you who read your daily newspapers know that his name has become synonymous with good government and responsibility in fiscal matters.

Speaking personally, I can only comment that, it is my sincere hope that the American people will long have the benefits which accrue from the outstanding leadership of a man of his caliber.

It is therefore a great honor and privilege for me to present the Honorable JOHN G. TOWER, U.S. Senator from Texas.

ADDRESS BY THE HONORABLE JOHN G. TOWER

Thank you, Mr. President, ladies and gentlemen, it is a great honor to be asked to address this great association. I feel I am among like-minded people because I am a great believer in the free enterprise system, and you are the people who make it work.

I should tell you that I am standing on a box and that the Chamber of Commerce of the State of Texas wants me to inform you that I am precisely one foot shorter than

the legal minimum size for Texans. As a matter of fact it is contended by some that the only reason I was elected was so that they could get me out of the State before the tourists got there and saw me. But everything else you read about Texas is true.

I see that there are some stares of disbelief as far as the last statement is concerned, but we Texans are great believers in individual liberty and freedom of choice. I don't feel that we are alone on that. I believe that the majority of the people of the United States prefer to plot their own lives and destinies. They don't want to be told what to do.

Now this is basic to the American tradition. The free enterprise economy has made us the most comfortable people in the world, the most productive people in the world, and at the same time the most self-reliant and resourceful people in the world. There are those who think that the free enterprise system or capitalism, as it is called, or the market-regulated economy, however you want to call it, there are some who believe that it is inadequate to meet the challenge of the cold war and the space age, that modern times demand some new kind of system. But I would challenge those people to show me one regimented or planned economy any place on earth that has provided for its people what the American free enterprise system has provided for its people.

We could cite some rather dramatic examples of what our system has done for our people. For example, the group that is lowest on the socioeconomic scale in this country, the American Negroes who haven't enjoyed a lot of the economic opportunities and benefits that others in this country have enjoyed, there are 18 million of them, and yet they own more automobiles, more television sets, more refrigerators, more homes than all of the 200-million-plus people in the Soviet Union put together. And it is not likely that the people of the Soviet Union are going to get much in the way of consumer goods in the years to come.

What is wrong with a system that produces a relatively high standard of living even for people who are relatively low on the socioeconomic scale?

In 1776 we declared our independence from the country and the Government that was trying to subjugate us economically and we set our own course. The American Revolution was fought primarily against the mercantilism of the British Government, and we established the capitalist or free enterprise system in this country. And look at the great progress we have made.

We might note that our mother country, Great Britain, decided it was a pretty good idea, and they became a capitalist economy eventually. Indeed, all of the great powers in this world, with one notable exception, are capitalistic in their economy.

In the United States it is my belief that economic democracy and political democracy go hand in hand. I don't believe that you can divorce economic democracy from political democracy. I don't think you can have one without the other. There is no democracy like the democracy of the marketplace, and just as a vote cast in an election influences public policy decisions so, too, a dollar spent in the marketplace influences economic decisions. When you spend a dollar you are casting a vote to determine what goods and services American business is going to produce.

Actually all of you who are businessmen are really employees; you are employees of the general public. You do the business that you do because the public elects to buy goods and services from you.

There are those who say that we who advocate the free enterprise economy think more in terms of property rights than in terms of human rights. But isn't the right to own and to exploit property for personal

gain a basic human right? If we did not possess this right then we would be dependent on somebody, wouldn't we? We would be dependent on a strong national government; and it would not be our servant, it would be our master. So the maintenance of the capitalist system is vital to the operation of a democracy. It is vital to the creation of a climate of freedom. A capitalist economy, I think, makes our people better and strengthens their moral fiber because it challenges them.

In our Judeo-Christian system of ethics and theology we have always recognized the value of challenge. Remember that St. Paul said, "We glory in tribulation, knowing that tribulation worketh patience; and patience experience; and experience hope." The free enterprise economy makes us work. It makes us discipline ourselves, to do for ourselves the things that should and must be done.

We have no class structure in the United States. We recognize no classes. Any man in this country can aspire to be whatever his intellect, his drive, his energy, his ability will allow him to be, and can reasonably hope to realize that aspiration. I always get a little mad when I hear people use the term "the common man." I don't believe there are any common men in the United States. I may be common but at least I like to think I can aspire to be, and hope to succeed to be, something greater. But there are those in this country who would like to foment class war for political purposes, and I am not doing any name calling now because such people exist all the way across the political spectrum.

There are those who hold that in your political and economic views you must take one side or the other: You must either be probusiness and antilabor, or prolabor and antibusiness. Politicians, I think, have done a pretty fair job of convincing a lot of workmen in this country, men who work for wages, who work with their hands, that what is good for business is bad for labor. What could be more preposterous than that? When does the working man earn more and enjoy more of the comforts of life? It is when business is prosperous. And if Government creates a climate that is unfavorable to the conduct of business, everybody suffers including the workingman, and he usually suffers more than anybody else.

This is a lesson in economics that we, those of us who believe in this capitalist system, must get across. I can assure you that in the socialistic countries the workingman is certainly not nearly as well off as he is in the United States.

I personally believe that the only system that can meet the challenge of the cold war and the space age is the free enterprise system. How can we presume to be leaders of the free world if we are not prepared both to preserve and to expand on our free institutions? I think that the free enterprise system has proven that it is adequate in any crisis, in any emergency, just like constitutional means have always been adequate to meet crises. We have never had to resort to dictatorship in this country. And don't let anybody kid you into thinking that we need to resort to dictatorship now. The free enterprise system can and will meet the challenge.

Let us not be misled into thinking that the Government can spend us into prosperity. Government spending is so often static spending; it is not dynamic spending. And let us reject forcefully the notion that economic growth is something to be regarded as the function and the duty of the Government of the United States, rather than something to be achieved by a free people.

Now, what happens when the Government spends more than it earns? The dollar is debased, interest rates go up, so the Government is competing with private business for capital and makes capital harder to get.

What happens when we embark on profligate Government spending and taxes remain high and taxation takes away sources of capital? Of course taxation does even more; it is an encroachment on that democracy of the marketplace we have talked about, because the more of the dollar that the Government takes from you, the less free choice you have in determining how that money is going to be spent.

There are those who come back with the answer, "Well, the Government is the people." That is not true. The Government is responsible to the people, but you as an individual don't make a decision about how a government dollar is going to be spent. I have been in the Senate a year now and I have found that I don't make a decision about how it is going to be spent either. I am always voting on the losing side. They are up there now trying to think up new ways to spend your money. I thought they had thought of everything, but they haven't, they'll come up with some more things yet. I know you are overjoyed to hear that.

I think, too, that we are facing a crisis today. Now, I am not going to be partisan here. I am trying to explain a political and economic philosophy or to propound it and advocate it, but I must be critical of a political proposal that is current that taxes be cut without a commensurate cut in spending. I think we desperately need tax relief, and I might sound a little contradictory here because a moment ago I was saying we should have less taxation, but we must have less spending to go along with it. If we are going to spend money for public purposes we must have the revenues to cover it. If this proposal, cutting taxes without cutting expenditures, is implemented, what is going to happen? Further debasement of the dollar, your dollar will not go as far; costs will continue to go up; it is going to be harder for you to get capital; and, too, there is another ominous threat that looms, and that is that foreigners holding American currency will lose confidence in the American dollar, and there might be a run on our currency which would reek an economic havoc in this country and indeed throughout the free world that would curl your hair. So we have got to insist on responsibility.

Of course cutting taxes is popular. I think we would all like to have a tax cut, but we must never be irresponsible. I submit to you that it is not only economically unsound, but it is immoral for us to mortgage the future of generations yet unborn to finance some cradle-to-the-grave security or public works or whatever we want now ourselves today.

Do you realize what our debt is? Some three hundred billions. If we retired that at the rate of a billion dollars a year, paid the principal back at the rate of a billion a year it would take us only 300 years to get rid of the debt, and I don't see any billion dollar surpluses in sight that we can use to retire the debt. Is it right, now, for us to saddle our grandchildren's grandchildren's grandchildren with this massive public debt?

If the free enterprise system is going to continue then we as citizens must be responsible. Because what does the free enterprise system call for? It calls for self-discipline. You see, in a planned economy, or a regimented society there is an external force that disciplines people, but in a system where we are allowed a maximum amount of individual liberty and freedom of choice we are compelled to discipline ourselves. We must have due regard for the future.

Traditionally we have been a responsible people, we have been a courageous people. I think responsibility and courage go hand in hand. We need to have the strength of will and the courage to deny ourselves something if we need to for the sake of passing on to generations yet unborn the same type of wonderful society that has been so good to us, that previous generations passed on to us.

We must have the courage to defend this system against its enemies, both internal and external. We are involved in a cold war, and the contemplation of a thermonuclear holocaust is something that might horrify and terrify all of us. Certainly we don't want to be destroyed by a nuclear bomb, but traditionally Americans have been willing to shed their blood and their treasure in defense of their liberties. We have never flinched.

My generation left the classrooms and went to war. Probably most of you have been to war, but you are not soldiers professionally. But we can be pretty belligerent when our liberties are threatened. We are not basically a warlike people but we are a people who are not afraid. I hope that we don't lose this quality because this threat is so ominous and horrible. But let's remember one thing, the man who died at the Alamo with a bayonet wound or a musket ball in his chest was just as dead as those people who were killed by the atom bomb—just as dead. Like one old fellow said, "It's not dying I mind so much; it is just staying dead so long."

The threat of death has never caused the American people to flinch in a crisis. We must possess great military power. We must have the willingness to use that power if we have to. And when Mr. Khrushchev rattles the saber at us in an effort to shatter our nerves, we must have the courage to rattle the saber right back at him. We are the strongest nation on earth. We have the greatest military capability. But it will not mean a thing to us if we don't have courage. We must draw a line and say, "You shall not cross this line or we will fight you." We must show our determination to fight for the right of men to determine their own destinies to all the world, because if we fail to do this they will not have the courage to stand up to the Communist threat.

The free enterprise system is not just an economic way of life, it is a concept that is basic to our belief in the dignity of the individual and our belief that man is by nature and ought to be free. If we are determined to preserve it, Western civilization will not just survive, it will prosper, and the forces of evil atheistic communism will ultimately be overcome. And then we will be free, I think, unto the thousandth generation.

I thank you for asking me to come to St. Louis to talk to you.

PARTICIPATING IN POLITICS

Mr. MUNDT. Mr. President, to those of us who have been in the political front lines so to speak, it is always gratifying to note an effort by others to encourage political interest and political activity among the people.

I have always felt, and I am certain my colleagues would agree with me, that good government does not come by accident but through the dedicated efforts of many, many citizens through their own activities in politics.

And it is through the extensive participation of many people that our foundation of sound government is further strengthened.

So it is with pleasure that I call to the attention of the Senate an address delivered by Mr. William C. Stolk, chairman of the American Can Co. At the conclusion of the address Mr. Stolk responded to a number of questions and these are included with the remarks.

Mr. Stolk details the effort his company has made in encouraging its employees to take a more active part in

community affairs. What this company is doing is an activity which I would recommend for business concerns throughout America.

Mr. President, I ask unanimous consent that Mr. Stolk's excellent address be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

THE NEGLECTED AREA OF MANAGEMENT RESPONSIBILITY

(Remarks by William C. Stolk, chairman, American Can Co., and summary of discussion at the general management course, American Management Association, Hotel Sheraton-Astor, New York City, May 23, 1962)

It is a pleasure to be here today, as any meeting or discussion pertaining to management is one in which I am tremendously interested. I hope that the few remarks I make will stimulate your thinking about this important subject and that during the question and answer period we may pursue it further.

Recently I read the synopsis of a newly published book entitled "What Makes a Good Manager?" (I have not read the book—the synopsis says it is 937 pages long.) It outlined 12 requisites of good management—from "the art of delegation" to "knowing how to budget."

But missing from the summary of 937 pages on how to be a good manager was any reference at all to what I have chosen to call "the neglected area of management responsibility."

What I am really troubled about is that too many managers are limiting the application of the basic and sound principles of leadership to their own business operations.

For the past 30 years American business has been on the defensive and business management, particularly top management, has been almost apologetic about its performance and leadership in helping to build the greatest industrial nation in the world. I think one of the reasons for this defensive attitude has been the aggressive tactics of the Government. The results indicate very clearly that while we have been "sticking to our knitting" and thinking only of our own business, the politicians have been wooing and winning the loyalty of the man on the street—the voters—many of whom, unfortunately, still look on business with suspicion and distrust.

We have been too willing to believe that politics is for the politician, which is almost as naive and unrealistic as saying that our country is protected from enemy attack by the Atlantic and Pacific Oceans. Let's face it; the politicians and the union bosses have done a better selling job, and what makes it worse is that we are losing the sale by default.

A PROBLEM STILL UNSOLVED

I do not want to get involved in the steel issue, but, for the sake of emphasis, I want to call your attention to the first paragraph of an editorial entitled "Steel: A Problem That Is Still Unsolved," which appeared in the April 21 issue of Business Week:

"When the chairman of United States Steel Corp. told his press conference last week, 'I do not know anything about politics,' he made one of the classic understatement of all time. But he was only reflecting an attitude that has been voiced, often with pride, by a great many American businessmen."

In my opinion, this attitude has to change because industry's only hope is to educate the voter to the true nature of our free market economy, the system of competitive enterprise. We can't win him by printing high-sounding phrases on economics, which even some economists don't understand.

Nor do we make the right impression by having the voter believe that management is selfish, is only interested in personal gain, is out to destroy unionism, and lives in an ivory tower which is very exclusive and expensive. We can win him by encouraging management at all levels to become interested in and take an active part in public affairs at the community, county, and State levels.

In the past several years hundreds of companies have instituted programs in public affairs; our company is one of those. We have clearly stated the responsibility for public affairs as part of the job of managers at all levels. More than 3,000 of our people have taken courses, which we and others have made available, in the art of practical politics and many of them are now working actively in the parties of their own choice.

NEEDED: CREATIVE LEADERSHIP

These things are necessary and good, but the job cannot stop there. In discharging his public affairs responsibility, a manager must initiate constructive change, just as he must in managing his own business operations. The failure has been, in too many cases, reacting to events instead of exercising creative leadership in the improvement of our way of life. By reacting instead of leading, too many business managers have been creating a negative image of business as being against everything except the status quo.

I would not want to give you the impression that we think we have completely solved this problem in our own company. We have not, and we know we still have a long way to go in both learning how to do it and then motivating all managers to want to do it. But two specific examples will help demonstrate the opportunity to do the job better.

A COMMUNITY SUCCESS STORY

We are proud of the success story recently demonstrated by the managers and employees of our large papermill in Alabama. In order to have access to the essential raw materials—trees and water—it was necessary to locate this mill in an area where there were not any large modern schools. To operate the mill, it was necessary to transfer skilled technicians and managers to the Alabama woodlands from other parts of the country. The educational opportunity for their children was severely limited. So, on their own initiative they joined with local people in a political campaign which won the election necessary to increase their own taxes to pay for better school facilities and teachers. Result: all local people benefited.

To get such problems solved requires willingness to devote time and leadership in areas outside the manager's direct business responsibility both at the local and national level.

AN INDUSTRY SUCCESS STORY

The story of "Keep America Beautiful" is, I believe, an example of how businessmen can take constructive action in these areas when it is required.

All of us agree that litter along the highways of America is a serious problem brought about, of course, by the millions of cars carrying Americans on wheels in all sections of the country. The solution, in our opinion, is education of the public. To this end, industry established the Keep America Beautiful organization, financed by industry and dedicated to the proposition that the public must be educated not to throw litter and deface our beautiful countryside.

When the service clubs of America realized that industry was serious about their willingness to finance this venture, they undertook the job of educating the communities and were instrumental in having every State in the Union pass laws against litter and fine people who get caught carelessly distributing it. The momentum and interest

of the public has been a tribute to America. Walt Disney has recently prepared a film called "The Litterbug," which will be shown in theaters throughout the United States and, beginning with the fall semester, will be shown, I hope, in all the schools in America. Industry will finance such distribution.

On most of the political issues on which Americans are divided today, the difference of opinion concerns not the goals, but the best means of achieving them.

Business and industrial managers should be qualified by their knowledge and experience to help make the right choice.

LEAPFROG INTO THE FUTURE

The technologies developed in business and industry have made it possible for us to leapfrog into the future. We have the opportunity to solve our own domestic problems and to assist in the less developed areas of the world in all of the essentials of modern living.

What took decades to accomplish by the pioneers of America can now be done in a matter of years. In place of covered wagons and railways carved through the wilderness, we have airplanes and soon may have rockets. The occasional little red schoolhouse has been replaced by radio and television. Instead of having to string power cables over hundreds of miles to remote areas, we can now place atomic reactors for electric power in the midst of jungles and deserts. Instead of the letter and newspaper by packet ship, we will soon have round-the-world instantaneous communications by space satellites.

Advances in agriculture, food processing, and packaging have made it possible to insure not only adequate nutrition but a high standard of living all over the world.

These are opportunities on a national and global scale. But the same leadership qualities are requisite in every community in which we live and work. Don't you agree this is a golden opportunity for management? I hope that you will seriously consider the application of the basic principles of management to this so far neglected area of management responsibility.

SUMMARY OF DISCUSSION

Question. Mr. Stolk, you stated that participation in public affairs should be a part of management responsibility at all levels. How much time can your executives take away from their direct responsibilities to spend in this political area?

Answer. Well, our plan is to have the individual make that decision himself. Our experience has been that the time an individual spends on this work is not at corporate expense or sacrifice. Usually the time they put in on this is after hours, or weekends, or at lunchtime. I doubt very much if many would take time off their jobs. Their good judgment is the best insurance that the interest of the company will not suffer.

Question. Mine is a followup question on that. Would you give a leave of absence if a man were elected to Congress?

Answer. I sure would. We couldn't pay him, but he would not lose any of his service years if he did. I wouldn't be at all surprised if one of our enthusiastic young men would be running for Congress one of these days and we would welcome the fact. I think it would be proof positive that our program is sound.

Question. I understand that you are associated with the Committee for Economic Development. Could you tell me what kind of acceptance you have had on the CED's school education program and what are your plans for the future with respect to economic education?

Answer. Well, the acceptance has been, in my opinion, very favorable. For example, there are only five newspapers across the United States who came out against the program. I believe that we have got to have

better economic education. And I think we will have to start in the high school. We cannot wait and start in college. This, of course, means that we have a tremendous need to educate teachers because there are not enough teachers in the United States to do the kind of job that needs to be done. It is surprising to me how many schools do not have any semblance of economic education in their curriculum. Incidentally, I heard a president of a college talk on this subject last week and he said that trying to change the curriculum in a school or college was about as practical and emotional as moving a cemetery.

Question. I understand the point that you are making that management has this responsibility to the community. You are saying community participation is in reality part of their job and you encourage them in that direction. Do you provide them any recognition if they do that portion of their job well?

Answer. Yes, sir. We do consider it part of their job. If they do that portion of their job well, it is recognized. In one case I am thinking of, it gave an individual an opportunity to show how good he was outside of the plant. He moved from a plant manager-ship to an assistant general manager of his particular division. Nobody in the company knew that he had the talent for creating enthusiasm in people. He had never before had the opportunity. This fellow had been doing an excellent job of running a plant. Nobody ever dreamed that he had the talent of going outside of the plant and organizing people to become interested in political campaigns.

It is an educational job. I know some people are still reluctant. They don't understand how we in the general office can be quite as enthusiastic as we appear to be. But we are not asking them to follow any set pattern. We just ask that they take an interest in the community and do what they think is right for the community. We will be satisfied with that. It is people in the field who have demonstrated how effective this can be.

Question. Would you add that in employing people for executive positions you would consider an aptitude for activities political and otherwise as a prerequisite?

Answer. I am going to have to answer your question in two ways. First of all so far we have not, as a company, gone outside for executive talent. We have been very fortunate in building from within so that that question has not been asked yet. I for one would be in favor of asking such a person—especially if he were going to be a top executive of the company—how he felt about this. I think it is very important that the American Can Co. continue this policy.

Question. Should there not be more effort in each of our respective companies to educate the employees, to point out the mutual interests that management and labor have in their particular own bailiwick? The profit motive—in other words—when the stockholders of a corporation earn a profit on their investment, this also is an advantage to the individual employees. Isn't it a case of starting the job at home?

Answer. You have to start it at home. Of course, I am assuming that the job is underway. We have in our company, for example, a very serious problem, in that most of the can factories have contracts with the steelworkers union which is the same union the steel industry and the aluminum industry have. We have been trying for the last 3 years to educate all employees through our supervisors, and in group meetings, that you can't compare the steel industry with the can industry. That's like comparing pineapples with bananas. The problems of the industries are different. The competitive conditions are different. We have been conducting educational programs so that all em-

ployees can understand the competitive problems that we are facing. But that's a job that has to be going on at all times.

Question. In line with your policy of encouraging management to take leadership in community and political affairs, do you also advocate that individual companies take a position on issues as a company?

Answer. We do. Of course, we point out why a position we take is good for the country. And, if it is good for the country, it is good for the company. If we stick to the areas of public welfare, we don't think we can be wrong. If we get people to believe the facts that are in the public interest, the American Can Co.'s interests will be taken care of.

Question. Can you give us an example of what you consider a noncontroversial problem?

Answer. Well, the cost of government. We think that the cost of government is entirely too high. We think that the tax structure is too high as a result of the high cost of government. We think the expansion of business is retarded by the high cost of government and the high taxes. We also think that depreciation policies should be changed because this, too, would be in the public interest.

Question. Do you care to comment on the present method of reporting profits? What can we do so that the unions cannot misconstrue and point out the millions of dollars you have made?

Answer. I think the area that needs lots of explaining is the amount of investment that is needed to produce a profit. Now we have been talking for the last few years about the tremendous amount of money that we have been putting into our business to enable us to stay in business. I don't think the problem is so much explaining the profits but explaining what it takes in the way of investment to make the profits.

UNIVERSITY OF CALIFORNIA PLANS ITS FUTURE

Mr. ENGLE. Mr. President, master plans for higher education was charted several years ago by the State of California. I want to commend the University of California on the aggressive interest it has taken to implement the plan. Recently it published a progress report, entitled "A University Plans Its Future." In its report it outlines the steps it has taken to be ready for the great enrollment increases anticipated in the years ahead. By 1975, the university expects that there will be nine University of California campuses, serving the varied needs of the largest State in the Nation for teaching, research, and expert public service.

The university's great vision and drive are clearly reflected in its report, and I take pleasure in calling the following excerpts to the attention of my colleagues:

A great university has a duty to the future as great as its duty to the present. It must do more than serve the society that is its context and that provides its support. It must maintain the heritage of the past; it must try to open new doors. Intellectually it must be both more conservative and more innovative than may be fashionable at any given moment. It must maintain scholars in fields a layman might consider fossils. It must support novel explorations that most people would call speculative. In the interests of future generations, it must take the long view and it may often have to defend the unpopular.

The university, in planning its future, has been concerned to meet the needs as effi-

ciently and economically as possible, while still upholding the high standards of performance that the people and the State of California have come to expect from their university. Growth in itself is not enough. Growth in quality and in variety, as well as in size, will enable the university to make the same important contribution to California's future development as it has made to the great accomplishments of the past 94 years.

I congratulate the University of California on the leadership it has taken in recognizing that the university cannot escape change; that it must change if it is to meet the demands, to solve the problems, and to take advantage of the opportunities of our time.

RESTORATION OF HISTORIC BUILDINGS IN THE WEST

Mr. MCGEE. Mr. President, the history of the settling of the West is a fascinating subject, as every television fan knows. One of the names that frequently pops up on the celluloid dramas is Fort Laramie.

I would like to assure this body that this is a real location with a real and extremely interesting history that can more than match any dreamed up by television writers. And I am pleased to note that this history, of old Fort Laramie, will be preserved for the future generations as an example of "how the West was won."

Yesterday ceremonies were held at the fort for the opening of two more buildings which have been refurbished and restored by the National Park Service. These buildings bring to three the number of structures that have been restored at the national historic site. And I should especially like to commend the generosity of Mrs. Charles S. Hill, of Denver, Colo., who very generously provided the funds for the restoration.

A description of the two buildings restored—the officers' quarters and sutler's store—was printed in the July 19 edition of the Lingle (Wyo.) Guide-Review. I ask unanimous consent that the descriptions be printed in the RECORD.

There being no objection, the descriptions were ordered to be printed in the RECORD, as follows:

REFURNISHED BUILDINGS AT FORT LARAMIE NATIONAL HISTORIC SITE OPENED JULY 22

(By Jack McDermott)

The National Park Service will open two more refurbished buildings in a special ceremony at Fort Laramie National Historic Site on July 22. The sutler's store and officers' quarters A are the second and third buildings to be completely refurbished through funds provided by Mrs. Charles S. Hill of Denver, Colo.

The public is invited to attend formal ceremonies which will begin at 1:30 p.m. and feature an address by Roy E. Appleman, National Park Service Historian, of Washington, D.C. Mr. Appleman is the author of a book on the Korean war recently published.

An added attraction will be the appearance of one of the finest military bands in the United States. The Strategic Air Command Band of Offutt Air Force Base will fly out from Omaha to participate in the ceremony. The 50-piece band will give an abbreviated concert before the formal program gets underway and play several numbers during the ceremony.

Guest of honor will be Mrs. Charles S. Hill, Fort Laramie's benefactor. In 1959, Mrs. Hill endowed the National Park Service with funds to refurbish nine restored historic buildings. Mrs. Hill's interest stems from the fact that her grandmother, Mrs. Seymour Ellis, crossed the plains in 1859-60, stopped at Fort Laramie and enjoyed the protection and comfort the post offered to settlers traveling westward. Her husband, the late Charles S. Hill, was prominent in early Wyoming political life and had extensive oil interests in the State.

The sutler's store is divided into five main sections. Visitors will see the trading post, the business office, the post office, the officer's club, and the enlisted men's bar. The front left portion of the store appeared on the scene in late 1849 or early 1850 and is believed to be the oldest building in the State of Wyoming. The furnishings represent the period 1876 to 1888.

Completed in 1870, officers' quarters A was originally intended for the post commander but always used as a duplex for lower ranking officers. After the Army left Fort Laramie in 1890, the widow of a former post engineer, Mrs. Thomas A. Sandercock, moved her family into the house and occupied it for many years. Tom and Meade Sandercock will be present to dedicate their former home which will be refurbished as of 1871.

The Rebekah Lodge, Platte Valley, No. 3 will serve a lunch beginning at 11:30 a.m. The lunch will cost \$1 per plate and the public is cordially invited to attend. The ladies will also serve sandwiches and pop throughout the afternoon.

WYOMING'S OLDEST BUILDING REFURNISHED (By Donald B. Feser)

Would you be interested in a washboard? A beartrap? Some castor oil? A curry comb or a parasol? You can find such items in John Collins' store at Fort Laramie on Sunday, July 22. For the first time since 1890 the atmosphere will be business-as-usual in the Army post-trader's establishment 3 miles from the present town of Fort Laramie, Wyo. The adobe building, possibly the oldest structure in Wyoming, has been restored by the National Park Service under its Mission 66 program. Some of the original equipment is still in evidence, and other furnishings have been purchased with funds contributed by Mrs. Charles S. Hill of Denver, Colo.

Although the store was the center of interest at Fort Laramie for over four decades, the middle seventies were unusually exciting years. Discovery of gold in the Black Hills in 1874 resulted in the invasion of the hills by gold seekers the following year. Soldiers at Fort Laramie were given the unpleasant and difficult task of chasing them out. In 1876 General Crook and a thousand men left the fort in an unsuccessful attempt to help Custer handle the irate Indians. Afterward the fort was an important stop on the Cheyenne and Black Hills Stage Line. Everyone who passed by the fort, including all the famous personalities, stopped at John Collins' store, and many became personal friends of his.

Collins' father had been a business partner of Jesse R. Grant, the father of Ulysses S. Grant. In 1872, Collins applied to President Grant for the post tradership at Fort Laramie, an appointment worth \$8,000 to \$15,000 a year. Grant recommended Collins to the Secretary of War: "The family I have known from my infancy. They have always been Democrats. But I have no stronger supporter than E. A. Collins and his two sons."

From the beginning John Collins was active in all the family ventures. With his father's backing and with his own considerable experience he did well financially. At the age of 24 he was an expert in judging

the value of gold dust taken from the various gulches around Virginia City, Mont. When he was buying gold dust for a bank in Helena, he was paid \$500 a month in gold (or \$1,250 in U.S. currency). His father's fortune came from the marketing of pig lead and from the manufacture of leather goods used in the cattle industry. John proudly stated that any leather products "with the name 'Collins' from Cheyenne, Omaha, or from our stores along the Northern Pacific in Montana, would always pass as current as gold coins on the range at more than their cost." Theodore Roosevelt was one of his more appreciative and valued customers.

REFURNISHED POST OFFICE AND SUTLER'S STORE OPENS AT FORT LARAMIE JULY 22 (By Jere Krakow)

One of the most interesting buildings to be refurbished at Fort Laramie National Historic Site is the sutler's store complex.

Two of the rooms to be refurbished in the store are the post office and the sutler's office. The two rooms are in the stone section of the store constructed in 1852.

In these two rooms, Jim Bridger spent the winter of 1867-68. Upon visiting this section one can always say "Jim Bridger slept here."

In the post office, refurbished to the year 1883, one will see an old desk, postal scales, guide, salary schedule, ledger, canceling stamp and box. The post office had the distinction of having a number of postmarks. At various times these read "Oregon Route," "Idaho Territory," "Dakota Territory," "Nebraska Territory," and "Wyoming Territory."

The meteoric pony express and Cheyenne-Black Hills stage stopped to deliver and pick up mail at the post office, and many a letter from home was received by soldier and civilian here. Unclaimed letters and newspapers were advertised by placing manuscript lists of the names of persons, arranged alphabetically, in the conspicuous places. The most accessible location for these lists was the lobby of the post office.

The sutler's office contains a safe that post trader John London purchased in 1883 from Lieutenant Eaton. The safe was securely fastened to the wall of the office and is one of the original furnishings in the room. It was in this room that orders for merchandise were made as well as posting of ledgers in regard to the many business transactions conducted in the store. This room will also reflect the year of 1883 and will be formally opened July 22 at 1:30 p.m.

THE CHANGING FACES OF SUTLER'S STORE (By Tom White)

The sutler's store, one of the most historic structures at Fort Laramie National Historic Site, was constantly remodeled and renovated to suit the immediate needs of the sutler during the entire 41-year military history of Fort Laramie. The newly refurbished sutler's store will be opened to the public during dedication ceremonies on Sunday, July 22.

As this building stands today, it is an architectural conglomerate. The actual details of the construction of the various parts of this building are quite obscure because it was not a military building. Although it was always shown on official and semiofficial ground plans, the official military correspondence and reports are almost completely void of any detail. We depend, therefore, on contemporary diaries kept by those who were either stationed at Fort Laramie or were passing through on one of the numerous emigrant routes.

The adobe portion of this structure, which houses the trading post, has a very valid claim to being "one of the three oldest standing buildings in Wyoming." This section was erected in 1849 but perhaps was not

completed until early spring of 1850. Construction was under the direction of John S. Tutt, who along with Lewis Dougherty was appointed Fort Laramie's first sutler.

As the activity at the post increased, so did the activity around the sutler's store. They found it necessary to expand and about 1852 a sandstone addition was placed on the north end of the building. Apparently the exterior was completely covered with adobe plaster at this time.

By 1863, the sutler had added enough shops and storage rooms to give the sutler's complex a U shape with a courtyard in the center. During the 1850's it housed the post office and the sutler's residence part of the time. Although the post office was retained in the building, the sutler completed a separate residence located about 100 feet north of the store. Because it was a private building, it did not conform to the usual military architecture and therefore was unique among the buildings at Fort Laramie. The building had a steep gabled roof featuring three ornate dormers and an abundance of decorative scroll-work trim which gave it the appearance of a Swiss chalet.

During the 1860's and 1870's, the sutler's complex maintained the familiar U shape. At first the secondary buildings were of rough framing and slabs, but late in the 1870's they were replaced by more substantial buildings of logs and more refined frame construction.

The main section of adobe and stone had a sod roof during this time; however, it was replaced with a gable roof sometime in the 1880's.

Finally sometime between 1881 and 1885, all the adjoining temporary buildings to make room for the erecting of a new one-family officer's quarters next door to the south. To accommodate such things as the officers' billiard club and storage for the sutler, a new "grout" or lime-concrete addition was constructed on the west side of the original section about 1883 by sutler John London. These three parts—the 1849 adobe, the 1852 stone, and the 1883 grout—are those which a visitor will see today at Fort Laramie National Historic Site.

TONAWANDA, N.Y., MINISTER TO HAVE PULPIT IN MOSCOW

Mr. KEATING, Mr. President, a young couple from upstate New York is embarking on a mission which I believe deserves national recognition and support.

At the present time, our American colony in Moscow numbers 280, of which 235 are with the U.S. Embassy. About 10,000 American tourists and other visitors pass through Moscow annually. In the past, the only Protestant services held in Moscow in English have been at the British Embassy under the monthly leadership of a visiting Anglican priest.

The Reverend Donald V. Roberts, minister of Tonawanda's First Presbyterian Church, was appointed on Sunday, July 15, by the National Council of Churches to fill a new interdenominational post in Moscow as chaplain to American residents. Mr. and Mrs. Roberts will leave for Moscow in October. The establishment of this post has great significance for the worldwide Christian community, and I am sure that Mr. and Mrs. Roberts will provide true inspiration and gratifying spiritual leadership amidst all of the great tensions and pressures of the cold war.

I ask unanimous consent to have an editorial from the Buffalo Evening News

on Reverend Roberts' mission to Moscow printed at this point in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

PULPIT IN MOSCOW

A Buffalo area clergyman, the Reverend Donald V. Roberts, has been given a most unusual assignment by the National Council of Churches. At 35, he has been named the first Protestant chaplain for American residents in Moscow since the Bolshevik revolution in 1917.

Since 1957 Mr. Roberts has been minister of the First Presbyterian Church in Tonawanda. He and his family deserve good wishes as they prepare for their historic mission. Being a clergyman is a challenging career anywhere; being one in the heart of the Communist empire must surely add a special dimension to that challenge.

CALL OF THE ROLL

Mr. HUMPHREY. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

[No. 131 Leg.]

Alken	Fong	Miller
Allott	Goldwater	Monroney
Anderson	Gruening	Morse
Bartlett	Hart	Moss
Beall	Hartke	Mundt
Bible	Hayden	Muskie
Boggs	Hickenlooper	Neuberger
Bottum	Hickey	Pell
Burdick	Hill	Prouty
Bush	Holland	Proxmire
Butler	Hruska	Randolph
Byrd, Va.	Humphrey	Robertson
Byrd, W. Va.	Jackson	Russell
Cannon	Johnston	Scott
Carlson	Jordan	Smathers
Case	Keating	Smith, Mass.
Chavez	Kefauver	Smith, Maine
Church	Kerr	Stennis
Clark	Kuchel	Symington
Cooper	Lausche	Talmadge
Curtis	Long, Mo.	Thurmond
Dirksen	Long, Hawaii	Wiley
Dodd	Magnuson	Williams, N.J.
Douglas	Mansfield	Williams, Del.
Dworshak	McCarthy	Yarborough
Eastland	McClellan	Young, N. Dak.
Ellender	McGee	Young, Ohio
Engle	McNamara	
Ervin	Metcalfe	

Mr. HUMPHREY. I announce that the Senator from Tennessee [Mr. GORE], the Senator from Louisiana [Mr. LONG], the Senator from Rhode Island [Mr. PASTORE], and the Senator from Alabama [Mr. SPARKMAN] are absent on official business.

I further announce that the Senator from Arkansas [Mr. FULBRIGHT], and the Senator from Colorado [Mr. CARROLL] are necessarily absent.

Mr. KUCHEL. I announce that the Senator from Utah [Mr. BENNETT], the Senator from Indiana [Mr. CAPEHART], the Senators from New Hampshire [Mr. COTTON and Mr. MURPHY], the Senator from New York [Mr. JAVITS], the Senator from Kentucky [Mr. MORTON], the Senator from Kansas [Mr. PEARSON], the Senator from Massachusetts [Mr. SALTONSTALL], and the Senator from Texas [Mr. TOWER] are necessarily absent.

The PRESIDING OFFICER (Mr. BURDICK in the chair). A quorum is present.

Morning business is in order.

Mr. HUMPHREY. Mr. President, is a quorum present?

The PRESIDING OFFICER. A quorum is present.

Mr. HUMPHREY. Mr. President, is the Senate in the morning hour?

The PRESIDING OFFICER. It is.

CONGRATULATIONS, LABOR AND MANAGEMENT

Mr. HUMPHREY. Mr. President, I wish to call the attention of the Senate to a matter of grave importance for our national defense. For the past several months, labor negotiations have been going on between many of our major manufacturers in the aerospace industry and the principal unions in this industry. This week, I am happy to report, a settlement was reached between the Douglas Aircraft Co. and the two unions, International Association of Machinists and the United Auto Workers.

This agreement at Douglas demonstrates that the issues in dispute in this vital industry are not insoluble. It demonstrates that responsible and competent management and responsible and competent union leadership can arrive at a peaceful settlement of differences without interrupting production in this all-important industry.

The Secretary of Labor Goldberg has told us that this settlement is noninflationary and in the public interest.

The New York Times has commented editorially on the Douglas settlement, as follows:

LABOR PEACE IN SPACE

The wage agreement reached by the Douglas Aircraft Co. and two major unions should help set a noninflationary pattern for the entire missile, plane, and spacecraft industry. This is a welcome development after the union muscle flexing, which had led to threats of a strike against the major weapons producers next Monday. Of special significance was the unions' decision to be content with pay increases of slightly less than 3 percent a year, in line with President Kennedy's productivity formula.

At the convention of Walter P. Reuther's United Automobile Workers in Atlantic City last May there had been much talk of catchup increases well in excess of the normal annual rise in industrial productivity. Apparently the auto union and the International Association of Machinists, the other principal union in the missile and aerospace field, finally recognized the truth of the President's warning that "no financial sleight-of-hand can raise real wages and profits faster than productivity without defeating their own purpose through inflation." This maxim, of course, had double pertinency in an industry in which the Government purchases 90 percent of the product and thus would have to pay the lion's share of the bill for inflationary wage increases. The administration, the company and the unions all have served the Nation well by the moderation of the settlement.

Also, it may be said that the Douglas settlement sets no new precedents or establishes no new standards that have not already been accorded to employees of other major industries.

I would like to point out that the issues between the Douglas Co. and its unions are virtually identical with the issues between the other producers and these same unions.

There is no valid reason, no excuse at all, why responsible and competent management and responsible and competent

union leadership cannot find a way to avoid interruption of the production which is so vital to this Nation.

May I point out that it takes two to keep the peace in labor relations just as in anything else. The time is short; the peril is great. I call on management and labor in this crucial industry to be realistic and to find some way to settle their differences so that our missile, space, and manned aircraft production can continue.

Mr. GOLDWATER. Mr. President, will the Senator yield at that point?

Mr. HUMPHREY. I yield.

Mr. GOLDWATER. I believe the Senator is aware that proposed legislation has been introduced in this body to outlaw strikes in the defense industry. Is that correct?

Mr. HUMPHREY. I believe legislation has been introduced by the Senator from Mississippi [Mr. STENNIS].

Mr. GOLDWATER. And the Senator from Arkansas [Mr. McCLELLAN].

Mr. HUMPHREY. Yes; the Senator from Arkansas.

Mr. GOLDWATER. The Senator understands enough about labor law, I am sure, to know that the measure would require compulsory arbitration.

Mr. HUMPHREY. Yes.

Mr. GOLDWATER. Compulsory arbitration is in complete contradiction to what the leaders of labor believe in and what the leaders of management believe in. I wonder if the Senator has some comment as to any knowledge he may have with respect to the position of the Secretary of Labor relative to proposed legislation of a type which would call for compulsory arbitration.

Mr. HUMPHREY. I have not. I know that the Secretary has been very concerned over some of the disputes that have taken place, particularly in the missile and aircraft industries, because of their effect upon national security. The burden of responsibility is upon the trade unions and management to find a way to settle disputes in normal negotiations. If they do not, they will have to face up to the possibility of some type of congressional action.

I should like to see the processes of free collective bargaining followed. With proper encouragement from the Government I believe it can be done. But the public becomes a little short tempered over constant interruptions and disputes between labor and management in the vital field of which we have spoken.

Mr. GOLDWATER. As the Senator knows, on the Pacific coast the big argument in the aircraft and missile industries is the fact that, with the exception of Douglas, I believe, which has now recognized the agency shop, the major industries do not have the union shop.

Mr. HUMPHREY. The Senator is correct.

Mr. GOLDWATER. That result has been achieved by proper collective bargaining between labor and management. Down through the years, with one or two minor exceptions, industries on the west coast have done remarkably well without interference of Government. My concern in that field is that the Secretary of Labor dissociate himself with any desire on the part of the unions to

have a union shop installed in such industries by compulsory arbitration. I would hope that the leadership on the other side of the aisle, being perfectly aware of the ramifications of compulsion, would dissociate themselves from any attempt to create compulsion in bargaining that so far has been working very well.

Mr. HUMPHREY. I am sympathetic toward the statement of the Senator from Arizona. I believe he knows that from our previous discussions. In the main I do not subscribe to compulsory arbitration or compulsion in any form. The Government ought not to take sides on such issues. It would be better to try to encourage a pattern such as we see in the Douglas Aircraft Co., which I have mentioned today, and to encourage free collective bargaining.

Mr. GOLDWATER. As I understand, the Douglas agreement came about with the agency shop.

Mr. HUMPHREY. Yes. The Senator is correct. There is a difference.

Mr. GOLDWATER. There is a difference. But the difference is that an employee does not have to join a union. He merely must pay his dues.

Mr. HUMPHREY. The Senator is correct.

Mr. GOLDWATER. There is some question as to whether that is freedom of expression. I hope the leadership on the other side will keep that in mind.

Mr. HUMPHREY. I thank the Senator.

DEGREE OF FREEDOM IN YUGOSLAVIA

Mr. PROXMIRE. Mr. President, in today's New York Times there was published an article entitled "Yugoslav Liberals Warned To Heed Party Line," by Paul Underwood. During our recent foreign assistance debate those who opposed the Proxmire amendment, which would have suspended our aid to Yugoslavia for 1 year, argued that Yugoslavia now enjoyed liberalization, the new outlook, more freedoms than ever.

If there was such a tendency, it is obviously being reversed very rapidly since the Senate conferees folded and acted to permit another \$10 million of economic aid to Yugoslavia.

In the course of the article, Mr. Underwood stated:

The speech was part of a drive started by the leadership 3 months ago to tighten discipline within the party's ranks.

I ask unanimous consent that the article published in the New York Times to which I have referred be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

YUGOSLAV LIBERALS WARNED TO HEED PARTY LINE—TITO AID TELLS COMMUNISTS DEVIATION IS BARRED; RANKOVIC PRESSES CAMPAIGN TO ENFORCE DISCIPLINE

(By Paul Underwood)

BELGRADE, YUGOSLAVIA, July 22.—A top Yugoslav Communist warned today that ideological deviations and "liberalist conceptions" would no longer be tolerated in the Yugoslav party organization.

Speaking at the opening session of a 2-day meeting of the party's executive committee, Aleksander Rankovic, the party's secretary and one of Yugoslavia's four vice presidents, emphasized that complete adherence to party doctrine would be demanded of every member.

For members to have "different conceptions and different political attitudes on a single important field of activity or on a big social problem and to put them forward and defend them publicly without harmonizing them in the forums to which they belong" is absolutely impermissible, he declared.

The speech was part of a drive started by the leadership 3 months ago to tighten discipline within the party's ranks. Today's session was called to analyze the results of this effort and to study what could be done to inject new vigor in the nation's limping economy.

Three reports on economic questions, representing the most important part of the committee's work, will be given tomorrow by top officials of the regime of President Tito. The decisions reached will determine the line the party and the Government will take in the coming months.

M. Rankovic's report was concerned solely with party matters. In addition to his demand for tight discipline, he complained that some members were resisting implementation of the idea of rotation of jobs.

The Tito regime recently in the party and Government adopted the idea that jobs should be held only for a definite term and then passed on to someone else. The leaders view this as a way to give younger party members a chance at jobs and administrative training while at the same time keeping older members from getting in a rut.

Asserting that the principle of rotation must be adopted "more widely and in all fields of our social life," M. Rankovic said putting older officials with revolutionary experience together with promising younger men would insure continuity of work and would rejuvenate "the leading bodies in a democratic way from top to bottom."

He also declared that recent discussions in basic party organizations has disclosed many errors by members, including neglect of criticism and ideological orientation, lack of discipline and a tolerant attitude toward the faults of other members.

Misunderstanding of the nature of the party's leading role had been reflected in "liberalist conceptions and a tolerant attitude toward various deviations," he added.

THE PRUDENT MAN TEST FOR INCOME TAX DEDUCTIONS

Mr. PROXMIRE. Mr. President, in Sunday's New York Times appears a delightful and devastating indictment of the amendment which was adopted by the Finance Committee on business expense accounts. The article, entitled "On the Artful Tax Dodger, or Prudent Man," was written by the head of the Times bureau, Mr. James Reston. Mr. Reston shows how the prudent-man doctrine can have a devastating effect in trying to collect taxes. He said:

This obviously has possibilities. Suppose a citizen of the Great Republic absolutely has to go to Paris on business or to New York or anywhere else where the women are recklessly beautiful. In the situation a prudent man, in the exercise of his sound judgment, would obviously take along his wife and write her off as a prudent deduction.

There are many other examples, some of them frivolous, but many of them serious.

I ask unanimous consent that the column may be printed in the RECORD, at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ON THE ARTFUL TAX-DODGER OR PRUDENT MAN (By James Reston)

WASHINGTON, July 21.—Gentle reader, get the prudence. For the Senate Finance Committee has just proclaimed a new doctrine for the new expense account age. It is the doctrine of "the prudent man," and it lets you deduct from your income taxes any business or entertainment expense that might be incurred by "a prudent man in the exercise of his sound judgment."

This obviously has possibilities. Suppose a citizen of the Great Republic absolutely has to go to Paris on business, or to New York, or anywhere else where the women are recklessly beautiful. In this situation a prudent man, in the exercise of his sound judgment, would obviously take along his wife and write her off as a prudent deduction.

Webster's New International Dictionary defines prudence as "practical wisdom * * * the wisdom that conduces to moral virtue." No doubt this is precisely what the Senate Finance Committee had in mind, for nothing conduces to moral virtue in a traveling salesman more than having his wife along on his travels.

APPLIED SELF-INTEREST

The same dictionary also defines prudence as "skill or sagacity in the management of practical, especially business affairs—sometimes with an implication of self-interest."

This opens up to the artful tax dodger golden opportunities for legitimate chiseling. It shifts the emphasis from the tax collector's interest to the taxpayer's self-interest, and provides a means of solving many modern problems heretofore regarded as insoluble.

Consider the agony of living in the same world with both Nikita Khrushchev and Mortimer M. Caplin, the new Commissioner of Internal Revenue. No less an authority than President Kennedy has told us that this is a dangerous time. Khrushchev has said that he now has an intercontinental ballistic missile that can hit a "fly in the sky" and cannot be brought down by anything in the arsenal of democracy.

In such a world, equipped with such ghastly flyswatters, a prudent man would surely provide some means of escape for his family—say a yacht well stocked and lubricated with provisions capable of maintaining life for a considerable period of time. Or a hideaway in the mountains equipped with a large deep pool of water for protection against radiation. And these would, of course, have to be maintained and kept in running order by periodic use, say on the weekends.

President Kennedy does not favor the prudent-man doctrine. He prefers the doctrine of the honest man. His tax bill would have ruled out all general business deductions and then permitted, maybe, some specific exceptions. The Ways and Means Committee of the House of Representatives was a little more lenient, but it insisted that deductions had to be demonstrably related to the business activity of the taxpayer. It was then that the Senate Finance Committee came along with this lovely loophole of the prudent man.

Every age has its fashions in men. There was, for example, the forgotten man of Herbert Hoover's time, whose "chief business in life is to pay." Then there was the common man, so dear to the heart of Franklin Roosevelt, but these are now out of style, and the coming thing is clearly the prudent man.

AN OUNCE OF PRUDENCE

If he has business associates who love good wine and food (and who doesn't), he

will be prudent about having an adequate supply of same always on hand.

If he has a lovely wife, and especially if he doesn't, he will certainly be prudent enough to see that she does not go out with him on what the Finance Committee calls "business-oriented occasions" looking as if she had been slipcovered, but will instead fit her out like Jackie, and care for her gently as a prudent man should, and see that she gets a good, long, business-oriented rest both winter and summer.

Finally, if "an ounce of prudence is worth a pound of gold," no prudent man will kill himself with work at the office or imagine that the country has a brain tumor every time the stock market develops a little fever—not when, "in the exercise of his sound judgment," he can take a good, long, prudently deductible rest with a couple of agreeable business associates and their wives.

Of course, the Congress has to approve the doctrine and somebody has to make the provision for the prudent woman, and President Kennedy, if the bill passes, must not veto it. But he wouldn't dare. He's in enough trouble already.

THE EASY MONEY POLICY

Mr. PROXMIRE. Mr. President, Bernard D. Nossiter, the staff financial expert of the Washington Post, has a comment and analysis this morning on the Federal Reserve Board's tight money policy. I should like to quote briefly the four arguments which he makes against the tight money policy at this time:

Another reason for the tighter money might be the paradoxical argument that easy money will discourage, not encourage borrowers. This odd line of reasoning runs that if money were easier, potential borrowers, seeing interest rates go down, would expect more of the same and so hold off a little.

Few economists would accept this reasoning. They would argue that Europe's central bankers have as much stake in the dollar as this country because they hold some portion of their reserves in the very dollars that might be devalued.

Secondly, the experts would point to the improvement that has taken place this year in the Nation's balance of payments.

Thirdly, they would contend that private European "bears" should not be an overwhelming prey for the consortium of European central banks, if the consortium wants to act.

Fourthly, there is a variety of ways of shrinking the deficit in the Nation's balance of payments without turning the credit screw.

I ask unanimous consent that this excellent analysis by Mr. Nossiter, which is one of the first that I have seen appear in daily newspapers critical of this paradoxical and destructive policy of the Federal Reserve, may be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

RESERVE SOFT-PEDALS EASY MONEY POLICY (By Bernard D. Nossiter)

The Federal Reserve System has quietly shifted its emphasis away from easy money and thereby has taken a calculated economic and political risk.

The central bank has moved to a stance of less easy credit at the very time that the economy is sluggish.

The monetary authorities can make out an ingenious case for their new position. But if the current level of output and income persists or tails off into a decline in

the next 6 months the Fed's shift could touch off a barrage from Democrats and professional economists that might drastically reshape the way the central bank does business.

Chairman William McChesney Martin of the Fed's Board is a man of deep conviction who is not unused to fire. There is no sign that he is flinching, and it is a safe bet that he fully appreciates the risks he is running.

For the past 6 weeks the Fed has let the supply of money decline a little. Interest rates, the price of money, have been moving up slowly. From the beginning of June to mid-July, the price that the Government has had to pay for 90-day loans has advanced from 2.656 to 2.974 percent; the yield on long-term Government bonds has moved up from 3.89 to 4.02 percent.

When business is slow, conventional theory calls for increasing the money supply and pushing interest rates down to bring out more borrowing, which in turn means more spending.

The monetary authorities can argue that they are doing the reverse in a very modest way for several reasons.

The most important, they argue, is the outflow of gold. Some qualified persons insist that European bankers are showing increased fear that the dollar will be devalued and that some speculators are mounting small raids in an effort to force devaluation.

The Fed's actions could be taken as a warning to Europeans that the central bank here will resist this outflow vigorously. Martin's remarkable public threat to prevent any antirecession tax cut from enlarging the money supply could be another such message to Europe.

Another reason for tighter money might be the paradoxical argument that easy money will discourage, not encourage borrowers. This odd line of reasoning runs that if money were easier, potential borrowers, seeing interest rates go down, would expect more of the same and so hold off a little.

Few economists would accept this reasoning. They would argue that Europe's central bankers have as much stake in the dollar as this country because they hold some portion of their reserves in the very dollars that might be devalued.

Secondly, the experts would point to the improvement that has taken place this year in the Nation's balance of payments.

Thirdly, they would contend that private European "bears" should not be an overwhelming prey for the consortium of European central banks, if the consortium wants to act.

Fourthly, there is a variety of ways of shrinking the deficit in the Nation's balance of payments without turning the credit screw.

The argument that easier money might postpone borrowing also would carry little weight with economists. They would retort that the cheaper the price of money, the more of it will be "bought" in the form of loans.

If the economy turns up again later this year—and apparently the Fed is betting that it will—the central bank and Martin will look very wise indeed. In recent years, the Fed has batted .500, late in easing money for the 1957-58 recession but well in advance of the 1960 downturn.

If the Fed is wrong this time, it will be blasted not only by such perennial foes as Representative WRIGHT PATMAN, Democrat, of Texas, and the other persistent, cheap-money Democrats. Many economists as well as less dogmatic politicians will raise serious questions about the desirability of curbing the central bank's powers.

THE LATE LLOYD WHITEBROOK

Mr. HARTKE. Mr. President, a great and dedicated leader in the field

of political communications was lost to us over the weekend. I refer to Mr. Lloyd Whitebrook, of New York, who is well known to many of us and who had worked closely with several of us on this side of the aisle.

Mr. Whitebrook had only recently been retained by the Democratic National Committee, the Democratic Congressional Campaign Committee and the Democratic Senatorial Campaign Committee, which it is my pleasure to chair, for the campaign ahead. Mr. Whitebrook had worked with the candidates from our party for election to the Senate last week and collapsed on Friday while working at this task. He died Saturday night in George Washington University Hospital.

Warm, friendly, competent, dedicated, and always willing to lend a helping hand, Lloyd Whitebrook won allies wherever he went and wherever he worked. There are a few in this body whose success was partly due to Mr. Whitebrook. Men with talent are rare. Those who use their talent in accord with the highest ethics and for noble purpose are even more rare. Lloyd Whitebrook was such a man.

THE ASSIGNMENT OF DEFENSE CONTRACTS

Mr. LAUSCHE. Mr. President, several days ago a group of Ohio Members of Congress met with the Secretary of Defense, Mr. McNamara, to inquire why research and development contracts are all being awarded on the east and west coasts. It was pointed out to the Secretary that Ohio is receiving 2.3 percent of the defense research contracts.

After some discussion, the Secretary of Defense made the sweeping indictment—and I call this to the attention of Senators from the Midwestern States—that the Defense Department is sending its contracts to the States where the brains are located. The Midwest does not have the brains to do the job, and therefore, he said, the assignments go to the east and west coasts. The Secretary of Defense then went on to say to the Ohio Members of Congress that Ohio stands 42d among the States in the percentage of total State expenditures devoted to State colleges and universities.

He took his figures from a statistical compilation issued by the National Education Association.

What Mr. McNamara did not know when he made that statement was that Ohio has 47 institutions of higher learning not financed by the State. In Ohio there are 53 institutions of higher learning. Six of them are financed by the State government, and 47 by private endowments. Of the 47, 3 are financed by municipal governments.

If Mr. McNamara had examined the compilation from which he read, he would have found this interesting information. Ohio is 42d on the basis of the money that it spends to finance colleges and institutions of higher learning, but private contributions and municipal contributions finance 47 colleges. He did not look into that report very carefully.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. LAUSCHE. May I have 3 additional minutes?

The PRESIDING OFFICER. Without objection, the Senator may proceed.

Mr. LAUSCHE. If he had examined the report he would have found that New York is last on the list. If he had looked further, he would have found that Massachusetts is second to last on the list. The question might be asked why is Massachusetts second to last and New York last on that list. The answer is that in Massachusetts and in New York there are similarly privately endowed institutions not financed by taxpayers' money. I do not know whether the Senators from the Midwest are familiar with the statement that was made, that research and development contracts are not going to Illinois, Michigan, Indiana, and Ohio and other States in the Midwest because we do not have the brains.

The Secretary also forgets that there has been a migration of scientists and a pirating of them from the Midwestern States by the States to which these grants have been made, and that with the grants they have the money and equipment, and with that start on the Midwestern States they of course keep snowballing along at the expense of the Midwestern States.

I respectfully call to the attention of the Secretary of Defense a very interesting editorial published in the Post and Times Star of Cincinnati, Ohio, in its issue of Wednesday, July 18.

Mr. KUCHEL. Mr. President, will the Senator yield?

Mr. LAUSCHE. I yield to the Senator from California. I was looking at him and speaking to him while I was making my statement.

Mr. KUCHEL. The Senator from Ohio used words like "pirating." I wonder whether the Senator from Ohio is accusing the Secretary of Defense and the Government of the United States of any fraud or chicanery or favoritism in the awarding of research and development contracts for the defense of the American people.

Mr. LAUSCHE. I ask the Senator from California what the population of his State is.

Mr. KUCHEL. The Senator may answer the question or not, as he chooses.

Mr. LAUSCHE. I submit that it is prima facie wrong to have California, with perhaps 10 percent of the population of the country, getting 24 percent of the procurement contracts. I say those facts do not go hand in hand.

Mr. KUCHEL. The Senator may answer the question or not.

Mr. LAUSCHE. Perhaps the warm climate is some inducement or a partial explanation of why the contracts are awarded in California. However, it cannot be the basic reason. I ask the Senator to explain how it is that California gets 23 percent of the contracts, when it has a population of only 10 percent of the entire country.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. KUCHEL. I ask that we may proceed for 2 more minutes.

The PRESIDING OFFICER. Without objection, the Senator may proceed.

Mr. KUCHEL. I asked the Senator a question, and he has not answered it. He has a right to refuse to answer. However, let the Record be clear and let it show that the Senator has not answered the question. I will repeat the question. Does the Senator from Ohio accuse the Secretary of Defense and the Government of the United States of any fraud or chicanery or favoritism in awarding research and development contracts?

Mr. LAUSCHE. I take the position that the National Science Foundation and the Defense Department have not utilized to the fullest advantage the potentiality by way of the brains and equipment which exists in the Midwestern States of our country. I take the position that the matter of climate has been given too much consideration.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. KUCHEL. I doubt very much that any useful purpose would be served in my attempting to make further comment on what has been uttered on the floor by the Senator from Ohio. We deal, when we discuss research and development contracts, with a matter of deep concern to the defense and security of the American people.

The PRESIDING OFFICER (Mr. PELL in the chair). The Senator from California has 2½ minutes remaining.

Mr. KUCHEL. Mr. President, the Senator from Ohio goes through paroxysms of great fear. He has a duty to defend the gallant people of the State of Ohio and to point with such pride as he deems appropriate to the interests of the people of his State in the processes of education.

He speaks glibly of piracy taking place. I do not know by whom, because he did not say who, in his opinion, was pirating. But the point is that he has failed to answer my question whether Secretary of Defense Robert S. McNamara, in the awarding of research and development contracts, is in the Senator's opinion, guilty of any fraud or chicanery. The obvious answer is that he is not.

The Secretary of Defense is an able, patriotic American. I have stood on the floor of the Senate before when other Senators have undermined him and his integrity. The fact is that the Secretary of Defense is doing that which he ought to do and which, in his own best judgment, he has determined to do with respect to the defense needs of the people of the United States, any comments by the distinguished Senator from Ohio to the contrary notwithstanding.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the Senator from Ohio be permitted to speak for not to exceed 3 minutes, if he wishes to reply to the Senator from California.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. LAUSCHE. If Ohio were getting some semblance of 23 percent of the assignments—

Mr. KUCHEL. The Senator from Ohio cries and whines.

Mr. LAUSCHE. I would be here defending Ohio, just as the Senator from

California is now defending his State. It is not necessary to prove fraud. It is not necessary to prove chicanery. The fact is that contracts began going to California early. Money and equipment went there early. The Middle West has an immense background which the Far West is taking from her. California has taken scientists trained in the Midwestern States.

Mr. KUCHEL. Mr. President, will the Senator from Ohio yield?

Mr. LAUSCHE. Certainly; I yield.

Mr. KUCHEL. What does the Senator from Ohio quarrel with? Does he quarrel with the decisions the Secretary of Defense has made simply because those decisions happen to result in research and developments contracts being awarded to a part of the country other than Ohio? Is that the burden of his comment?

Mr. LAUSCHE. No, that is not the burden of the argument of the Senator from Ohio. I am of the opinion, as I have already stated, that it is rather odd that, allegedly, as stated by the Secretary of Defense, all the brains are in California, Massachusetts, and New York. I do not believe it. [Laughter.]

Mr. HUMPHREY. Mr. President, will the Senator from Ohio yield?

Mr. LAUSCHE. I yield.

Mr. HUMPHREY. I do not desire to make any accusations; but some 2 or 3 weeks ago I spoke on this subject in the Senate. I spoke on it with respect to my State of Minnesota. I said I believed the Department of Defense had not utilized the research talent of the country as it could throughout the entire Nation. I am not complaining because the East or the West may get a disproportionate share of research and development contracts. I am complaining, however, because there has been such a paucity, such a small amount of research and development work done in the Midwest particularly. I believe something ought to be done about that. It seems to me that the burden of proof is upon the Department of Defense. Senators cannot tell me that the great universities and technical laboratories in States such as Ohio, Minnesota, Wisconsin, and Indiana—we could name them all—have not something more to contribute than the Department of Defense has asked them to contribute thus far.

Mr. McCARTHY. Mr. President, will the Senator from Ohio yield?

Mr. LAUSCHE. I yield.

Mr. McCARTHY. The Senator from Ohio has made a real contribution to this discussion. If the Secretary of Defense is using the table of statistics published by the National Education Association to justify his awarding of contracts to Massachusetts and California, then certainly his position should be challenged.

Mr. BUTLER. Mr. President, will the Senator from Ohio yield?

Mr. KUCHEL. I believe the Senator from California has the floor.

The PRESIDING OFFICER. The Senator from Ohio has the floor. He has 1 minute remaining.

Mr. LAUSCHE. I yield to the Senator from Maryland.

Mr. BUTLER. I express my gratification to the number of supporters who are now taking up a question which I raised on the floor of the Senate 3 years ago, when I submitted a resolution to the Committee on Armed Services to have this subject looked into. I agree wholeheartedly with the Senator from Ohio and other Senators that there are some brains in places other than Massachusetts, New York, and California. I also say, from the standpoint of dispersal alone, that something should be done about California.

Mr. LAUSCHE. I thank the Senator from Maryland.

Mr. KUCHEL. Mr. President, I ask unanimous consent that I may proceed for the next 5 minutes.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. KUCHEL. First, I wish to speak to my able friend, the Democratic whip.

Mr. HUMPHREY. I am listening.

Mr. KUCHEL. In the Cabinet of the President, no one has distinguished himself as a great American more than the Secretary of Defense, Bob McNamara. I might, if I wished, recall that he is a member of my party; but that is irrelevant to these comments. We are all in the same boat together so far as the perpetuation of our country is concerned. I should imagine, however, that the Secretary of Defense ought to look to the members of the party represented by the President of the United States in the U.S. Senate and House of Representatives to defend him against some of the rather loose comment of the Senator from Ohio.

Here are the facts: Only a few weeks ago the U.S. Senate once again, as it has done for several years, passed a defense appropriation bill which specifically included a provision against using defense moneys to cure the problem of unemployment which has regrettably plagued some of the depressed areas of our land. Why did the Senate do that? It did so because the defense of the country is paramount to any other problem which we have. It did so because in its wisdom, urged to do so by the Secretary of Defense himself, it refused to saddle upon the Secretary of Defense any other responsibility than to determine how best the defense moneys may be utilized, most efficiently and most economically, for the defense and security of the American people.

What are the results? Every time any contract is awarded anywhere in the country, it is awarded on the basis of the judgment exercised by the Secretary of Defense and the people who aid him as to where the cheapest and most efficient hardware and weapons systems may be purchased, or may be developed, for the defense of the Nation. If, in the absence of fraud or favoritism or political chicanery the Secretary of Defense makes his decision to place anywhere in the United States research and development contracts or any other kind of contracts, no Senator ought to be heard in the Senate to denounce it.

I said some time ago to the Senator from Ohio that if the Secretary of Defense saw fit to spend every single nickel

with people living in Ohio, and if he did so because his good judgment dictated that, that was what he ought to do in the defense and security of the American people, then no Member of the Senate ought to be heard to criticize or to carp at the Secretary of Defense.

I am one Senator who believes that every U.S. Senator ought to be guided by one basic truth: That all he has a right to ask of the Government of the United States in the expenditure of public moneys is that the law be followed and that the Secretary of Defense and the other members of the President's Cabinet, in awarding contracts of any kind, be guided in their judgment by fair play and fair treatment of what is in the best interests of the United States. The Senator from Ohio should not try to rule California out of the Union.

I salute the good people of Ohio. Ohio is a great State. So is Minnesota. So is Maryland. So is every one of the 50 States. But the Senator from Ohio should not denounce my State, because he comes perilously close to abusing the very rules under which the Senate conducts its business.

Mr. GOLDWATER. Mr. President, will the Senator from California yield?

The PRESIDING OFFICER (Mr. MUSKIE in the chair). Does the Senator from Arizona yield to the Senator from Arizona?

Mr. KUCHEL. I yield.

Mr. GOLDWATER. Mr. President, it is very rare that an Arizonian rises to defend California. We, ourselves, have been trying for many, many years to abuse California, but we have been quite unsuccessful about it.

I think there are some things that Members of this body overlook when they rise to complain about the amount of Department of Defense contracts which are awarded to California firms. After all, California has been outstanding in its work in connection with the development and production of aircraft. That began many years ago. I can remember, for example, when the Douglas Co. had only one hangar and employed just a few men. Similarly, I can remember when stock in the Lockheed Co. could be bought for 15 cents a share. Likewise, I can remember when Convair was in its very beginning.

If other States want some of that business, let them find men with the courage and the foresight to invest their funds in those developments.

The only other place in the United States outside of California where aircraft were manufactured in large quantities was Maryland; I refer to the old Martin plant, in Baltimore.

California's outstanding position in connection with the aircraft industry has not been because California was favored; it was because it was the only place in the United States where men had the fortitude and the courage and the foresight to invest their funds in such developments at a time when most people in the United States did not think there was any particular future in the airplane.

The development of that industry in California has been accompanied by the

development of many fine institutions of learning there—some of them outstanding among all such institutions in this country. Among them is the California Institute of Technology. Also located in California is the world's largest telescope, which is extremely valuable in connection with research allied with the development of aircraft and in connection with astronomical observations, which are most important in connection with the operation of aircraft. In California are also located the Air Force Test Center and the Palmdale Test Center.

These developments have occurred in California because Californians had the courage and the fortitude to invest their funds in the construction of aircraft and the development of the aircraft industry at a time when no one else in the country seemed very much interested in that field.

So I rise to defend California, as I defend my own State and the rest of the West, when representatives of other States see the goose laying the golden eggs and want to get some of those for their own States. I stress the point that Californians ventured courageously into that field at a time when no one else in the country had the foresightedness to do anything about it.

Mr. KUCHEL. Mr. President, I am grateful to the Senator from Arizona for his comments, because they represent a complete statement of the truth with respect to this problem.

Mr. LAUSCHE. Mr. President, will the Senator from California yield?

Mr. KUCHEL. I yield now to my beloved friend, the Senator from Ohio.

Mr. LAUSCHE. Mr. President, the Senator from Ohio did not intend to cast any reflections upon California. The Senator from Ohio has been meticulous in his observance of the rule that he does not ask for Ohio anything that he would not be willing to have granted to another State. The fact is that on the floor of the Senate this Senator has opposed assignments to Ohio when he believed they were economically wrong.

But I do want to ask for Ohio what Ohio is justly entitled to; and I say Ohio is entitled to have its potentials by way of brains and equipment used when that will be in the interest of the economy and the taxpayers of the United States and will be in furtherance of justice.

The PRESIDING OFFICER. Under the 3-minute limitation, the time available to the Senator from California has expired.

Mr. KUCHEL. Mr. President, I ask unanimous consent that I may proceed for 3 additional minutes.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. KUCHEL. Mr. President, I yield further to the Senator from Ohio.

Mr. LAUSCHE. Mr. President, I have listened to the Senator from California protest; and, in the words which Shakespeare put into the mouth of one of his players, the Senator from California "doth protest too much" about the injustice that supposedly is done to his State.

Mr. KUCHEL. Mr. President, all I wish to say is that the Department of Defense spends the funds available to it under standards which have been approved by the Congress. The Senator from Ohio simply dislikes those standards and the honest judgment of the Secretary of Defense in applying those standards.

Let me ask the Senator from Ohio how he would change the standards. Would he want the standards changed in such a way that the people of Ohio would participate in this program, if that cost the people of the United States more money?

Mr. LAUSCHE. No. The Senator from Ohio only wants the abilities and the potentialities of Midwest to be recognized. I am not speaking alone of Ohio. In my judgment it is wrong to say that sufficient brains are not to be found in the Midwest. If the Senator from California wishes to arrogate to himself the vanity that California alone has the brains in the United States, I shall not object to his taking that position.

Mr. KUCHEL. Mr. President, I close simply by indicating again in this record that the Senator from Ohio has not—to his credit—charged the Secretary of Defense with any fraud or chicanery or favoritism. All that the Senator from Ohio is doing is crying and whining and raising Cain on this floor because he feels that the people of his State have been aggrieved.

Mr. President, that is all I have to say on this occasion.

Mr. HART. Mr. President, we have just now listened to one of the series of incidents which occur periodically in this Chamber in regard to who should get what, and under what rule.

I hope we shall always follow the rule which will best serve our country's cause in connection with the various developments which occur under the stars. I believe it would be well that all of us ask ourselves whether it would be wise for the Senate Committee on Rules and Administration to give serious and favorable consideration to taking action on a resolution which I and a number of other Senators have submitted. I refer to a resolution which calls for the establishment of a Senate select committee to evaluate the economic impact of defense procurement and to ascertain whether in 1962 the guidelines are as precise as we would like to have them be.

I hope this situation will serve to remind us that whenever a particular State fails to obtain some Department of Defense contract which it would like to have obtained, the Senators from that State often—out of a spirit of sectionalism and political survival—immediately rise and make speeches about the matter; but thereafter everything is forgotten until the next sorry incident occurs.

I suggest that we develop a series of blueprints which will enable us intelligently to evaluate the action of the Department of Defense. I believe that the proposal which I have had pending for a long, long time might be the answer.

RESEARCH FOR NEW INDUSTRIAL USES FOR AGRICULTURAL COMMODITIES

Mr. MILLER. Mr. President, during the last few minutes so much attention has been focused on a special kind of research and development, that I believe it would be well to point out that there is another kind which is of great importance to the country. I speak of research and development for the purpose of ascertaining new industrial uses for agricultural commodities.

Yesterday there was published in the Omaha World-Herald an article, written by Dale Ohrtman, the World-Herald farm editor, under the caption "USDA Dragging Feet on Products Research." In the article, Mr. Ohrtman recounts a conversation with Mr. J. Leroy Welsh, an Omaha grainman who served on President Eisenhower's committee to find additional uses for agricultural products. Mr. Welsh makes a very strong indictment of the Department of Agriculture for failing to carry out the policies which he says Congress has long established for conducting research and development to find new industrial uses for agricultural products; and Mr. Welsh adds that he would like to see a congressional investigation, to find out who is and who has been for many years stopping agricultural utilization and research.

Mr. President, there is no question but that the future of agricultural surpluses can be decided favorably by this type of program. It may not take effect immediately, but in the long run the finding of additional industrial uses for agricultural commodities may be the best answer to the agricultural-commodity-surplus problem.

Coming from Iowa, I must say that I am very much interested in these statements by Mr. Welsh; and although at this moment I am not calling for a congressional investigation, I believe it would be well for the Department of Agriculture to make clear just what its policies and programs with respect to this subject have been and are.

I ask unanimous consent that an excerpt from the article to which I have referred be printed at this point in the RECORD.

There being no objection, the excerpt from the article was ordered to be printed in the RECORD, as follows:

USDA DRAGGING FEET ON PRODUCTS RESEARCH (By Dale Ohrtman)

Someone in the Department of Agriculture is, and has been for several years, dragging his feet in seeking new uses for farm products.

That is the opinion of J. Leroy Welsh, Omaha grainman who headed President Eisenhower's committee to find additional uses for agricultural products.

"The situation is getting desperate now," Mr. Welsh said.

He said this is not a political thing, adding that both major political parties are equally guilty.

The use of the Department of Agriculture's laboratory at Peoria, Ill., is one of the most serious offenses against farmers in the Nation, Mr. Welsh said.

"That laboratory was created in the mid-1930's by the Congress of the United States to, and I quote from the bill which authorized it, 'find new uses for farm products.'

CITES AN EXAMPLE

"Somebody has been diverting the actions of the people employed there to other purposes. They have not spent 10 percent of their funds on finding new uses for farm products," Mr. Welsh charged.

The Omaha grain dealer cited an example of how agricultural utilization research has been curbed.

During a visit to the Peoria laboratory in 1956, Mr. Welsh was told grain starch could be added to paper to improve its quality.

Mr. Welsh carried the idea back to Washington, got the approval of the Secretary of Agriculture to go ahead with the research, a committee chairman was appointed to be in charge of the work and the research supposedly was started, the Omahan said.

BIG ANNOUNCEMENT

"They told me at the lab that the work could be completed in 6 months to 2 years at a maximum cost of \$2 million," he said.

"But 7 months after the work was supposed to have started, the man who was supposed to be in charge of the project asked me casually, 'Whatever became of that research?'"

This spring the Department of Agriculture came out with a big announcement it has found a means of improving the quality of paper by adding grain starches to it, he added.

"This is the same process they were talking about back in 1956," Mr. Welsh said.

And what can be done about the situation?

THIRTY-YEAR SITUATION

"I would like to see a congressional investigation to find out who is, and who has been for many years, stopping agricultural utilization research," Mr. Welsh said. "I would like to know who has been diverting funds for finding new uses for farm products from that purpose for 30 years."

The utilization research program started in Nebraska is commendable and should have some influence on the national research, Mr. Welsh said.

But, to be fully effective, such research should be conducted on a national level, he said. If other farm States join and coordinate their efforts with those of Nebraska, a great deal of progress can be made, the grainman added.

TAXPAYERS, SWEAT ON

Mr. YOUNG of Ohio. Mr. President, American taxpayers may have to sweat considerably more, even though to date the summer has not been quite as hot as usual. The reason is that unless we in Congress are able to muster enough votes to clobber some of the excessive demands coming upon the American taxpayers, they may find that the financial demands made upon them will become much heavier. For example, unless we are careful, the taxpayers will find that they will be paying \$70,000 for the construction, in Kampala, Uganda, for a house for the U.S. Ambassador. Mr. President, until recently I had never heard of Kampala. I have never been there, and I never expect to be there. But I am told that it is an African city with a population of approximately 55,000; and I am told that the U.S. Ambassador there—the personal representative of the President of the United States—should have a handsome residence. It is proposed to spend \$70,000,

to be taken from the pockets of U.S. taxpayers, for the initial construction of that residence; and I am informed that the total cost will be much more than that.

Also, Mr. President, our taxpayers will be expected to sweat somewhat more, and they will, when they know that in Ouagadougou, capital of Upper Volta, in Africa, it is proposed that 30 relaxed Americans, feeding at the public trough, and living "high on the hog," as we say in Ohio, will occupy 10 buildings as offices or residences. In other words, 10 buildings are being constructed to house all of 30 Americans, and they will be very relaxed Americans, because—oh, yes—these buildings will be air conditioned.

Mr. President, one more piece of information: an appropriation of \$622,000 is being asked to house and "adequately" furnish residences for 10 Americans in Libreville, capital of Gabon in Africa—\$62,200 for each American is proposed to be spent. It seems to me this is more than keeping up with the Joneses. I assert it is an excellent circumstance that we are in session, and will probably continue to be in session, so that we can scrutinize with great care such requests as this. I think it is high time that we used the meat cleaver on some of these matters.

DEFEAT FOR ALL AMERICANS

Mr. YOUNG of Ohio. Mr. President, it is unfortunate that medical care for the elderly under social security was defeated in the Senate, and that this meritorious legislative proposal is on the committee shelf in the House of Representatives. Years ago I served as a member of the Committee on Ways and Means of the House of Representatives, and I regret very much indeed that this legislation has not been voted out of that committee, and will not be voted out during the present session of the Congress, so that the other body may have an opportunity, as we had last week, to vote upon it.

The defeat last week of the proposed hospital care for the elderly amendments was a serious defeat for every American family. There are more than 17 million Americans over 65 years of age. Of course, of these millions, there are many millions who are less able to pay hospital bills than they were in their younger years, when they had higher earnings, or at least some earnings.

Furthermore, all Americans, regardless of age, who have parents likely to be ill—I refer to young Americans who have growing children—suffered a serious setback when these amendments were defeated. These families desire—in fact, they find it necessary—to save for their children's education and for other necessary future expenditures. If prolonged illness afflicts a parent, father-in-law, mother-in-law, or other elderly relative, average American families should not be compelled to incur colossal debt or pay out from savings accumulated for other purposes.

The vote last week in the Senate, to be sure, was a victory for the American Medical Association. It was a defeat for many, many American families. The

need for hospital and medical care for our elderly will continue to exist.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. YOUNG of Ohio. I ask unanimous consent to proceed for a few more minutes.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. YOUNG of Ohio. The need for hospital and medical care is presently unsatisfactorily met with, and has been over the past few years.

Reference has been made recently to the Kerr-Mills bill which was signed by President Eisenhower. It is a personal, happy recollection that my vote was cast against the enactment of that bill in 1960. The fact is that not one elderly individual in Ohio has been aided by the operation of the Kerr-Mills Act.

However, under that law, the Kerr-Mills Act, taxpayers in 50 States, regardless of whether any elderly person within a State is aided, must bear the total cost. The administration medical care bill on which we voted in the Senate last week provided that the cost would be paid from social security premiums. No additional tax burden would have been imposed had the administration's hospital care for the elderly proposal been enacted into law.

Defeat of this meritorious legislative proposal, I assert, Mr. President, was an affront to the conscience of the country. Unfortunately, our needy elderly now have a political issue instead of a response—a needed response—to their legitimate claims. I regret this very much indeed. A new Congress will meet next January, for the welfare of the Nation, and I hope for the peace of the world. Powerful though the American Medical Association lobby is, has been, and will be, hospital and medical care for the elderly within social security may be a reality by July 1963, at the latest.

SENATOR RANDOLPH SAYS LEGISLATIVE BRIBERY CHARGES ARE INACCURATE

Mr. HUMPHREY. Mr. President, the Senator from West Virginia [Mr. RANDOLPH] wishes to speak beyond the time limitation of 3 minutes. I ask unanimous consent that the Senator from West Virginia may be given 25 minutes.

The PRESIDING OFFICER (Mr. HICKEY in the chair). Is there objection to the request of the Senator from Minnesota? The Chair hears none, and it is so ordered.

The Senator from West Virginia is recognized.

Mr. RANDOLPH. Mr. President, a column by Drew Pearson, first brought to my attention by newspaper friends in West Virginia last Saturday, appeared in print this morning in the Washington Post and Times Herald and other newspapers under the headings, "Medicare Versus Windfall." Mr. Pearson wrote as follows:

MEDICARE VERSUS WINDFALL

A smart little piece of legislative "bribery" was what really caused the defeat of the medicare bill. The bribery was put across by

Bible-pounding Senator BOB KERR, the Oklahoma oil millionaire and the richest man in the Senate, who sits on the strategic Senate Finance Committee.

Inside that committee he tried to put across an amendment to the public welfare bill which would give the State of West Virginia \$11 million and might eventually add up to \$21 million, due to the fact that West Virginia had illegally used Federal funds for dependent children.

Secretary of HEW Ribicoff discovered this illegal expenditure by West Virginia and was in the process of cracking down on it. But BOB KERR came to the rescue. In a secret deal with West Virginia's Senator JENNINGS RANDOLPH, he agreed to get the money voted for West Virginia retroactively, all the way back to July 1, 1961, on condition RANDOLPH would vote against medicare.

A retroactive vote of this kind is almost unheard of, and the Senate Finance Committee turned it down. So the sly Senator from Oklahoma waited until July 3, when many Senators were away for the Fourth of July holiday, then took the amendment up on the Senate floor. Describing it as an unimportant little amendment, KERR slipped it by a sleepy Senate.

Having done this favor for Senator RANDOLPH, KERR held him to the deal. That was why, despite phone calls from President Kennedy, Vice President Johnson, Gov. William Barron of West Virginia, Gov. Dave Lawrence of Pennsylvania, plus various others, RANDOLPH stuck to his deal. His vote killed medicare; for Senator CARL HAYDEN, of Arizona, was ready to vote for medicare if it had a chance of passing.

NOTE.—Two years ago, Senator KERR persuaded Senator Allen Frear, of Delaware, to go along with him in opposing the first medical care bill. That blind act of friendship caused Frear's defeat at the following election, and the politicians are watching to see whether Senator RANDOLPH also committed hara-kiri. The old folks, the politicians say, never forget and the doctors never remember.

Mr. President, Mr. Pearson's references to the so-called West Virginia amendment are inaccurate and his accusations against both the senior Senator from Oklahoma [Mr. KERR] and the Senator from West Virginia now speaking are equally inaccurate. His story does not square with the facts.

There was no "legislative bribery." The amendment to which Mr. Pearson refers originated in the Department of Health, Education, and Welfare—not with Senator ROBERT S. KERR, of Oklahoma, and not with the Senator from West Virginia. In agreeing to offer the amendment, the Senator from Oklahoma [Mr. KERR] made no demands on me and I made no pledge to him concerning how I would vote on his July 17 motion to table the Anderson health care amendments to H.R. 10606, a general welfare reform measure.

Mr. Pearson evidently did not read, or misread, page 12668 of the RECORD for July 3, 1962. The amendment was not rejected in the Finance Committee and it was not "slipped by a sleepy Senate." It was cleared by the senior Senator from Oklahoma with the majority leader, the minority leader, the chairman of the Finance Committee, and the ranking minority member of the committee. The other Democratic members of the Finance Committee also cleared the amendment, the Senator from Oklahoma [Mr. KERR] reported.

As will be pointed out, HEW Secretary Ribicoff had approved the plan under which West Virginia administered the ADCU program during fiscal year 1962. It was HEW auditors who filed a so-called "audit exception" against the Federal fund expenditures in West Virginia. In essence, the exception was more an intra-HEW controversy than one between HEW and the State of West Virginia.

There was no secret deal between the Senator from Oklahoma [Mr. KERR] and Senator JENNINGS RANDOLPH, as Mr. Pearson inaccurately wrote. The Senator from Oklahoma [Mr. KERR] agreed to sponsor the amendment at a meeting attended by both Senators from West Virginia in company with the welfare commissioner from our State, W. Bernard Smith. Also present at the same conference were Dr. Wilbur J. Cohen, Assistant Secretary of HEW for Legislative Affairs, and Commissioner Robert M. Ball of the Social Security Administration. Subsequently, I shall discuss this meeting in more detail.

Following the vote on the Anderson amendment, I stated in this forum the reasons why I voted to table it. Those reasons are printed on pages 13871 and 13872 of the RECORD for Tuesday, July 17, 1962. Drew Pearson's inaccurate column will not change them.

Certainly I was interested in having the Congress as a whole act favorably on the amendment to which Mr. Pearson referred. I did not wish to have the State I represent penalized \$11 million or more simply because auditors in the Department of Health, Education, and Welfare seemed to be in disagreement with the then Secretary of that Department or others who had approved the West Virginia ADCU program.

But I did not vote solely to settle a controversy within HEW and a potential controversy between HEW and the State of West Virginia—and I underscore the word "potential," because no actual claim or statement of exception had been filed with or against the State of West Virginia, but we were alerted that it was in the offing.

The amendment under discussion, which made the community work provisions of the act retroactive to July 1, 1961, was considered to be a technical corrective-type amendment because there never was any question concerning the eligibility of the individuals for whom ADCU benefit payments were made in West Virginia.

Acceptance of the amendment by the Senate Finance Committee, by the Senate in formal action on H.R. 10606, by the Senate-House conference committee, and finally by each House of the Congress in adopting the conference report, indicates quite clearly that it did not move through that many steps of the laborious legislative process under a subterfuge. Neither was it, by any stretch of one's imagination, a windfall for West Virginia.

I repeat that I did wish to see this amendment become a part of public law for reasons which will be expanded as I discuss its history and its background in more detail. But it was not my prin-

cipal reason for voting to table the Anderson amendment.

It was my considered opinion that the whole group of welfare amendments in the measure faced indefinite delay—really, in my judgment, total defeat—if the Anderson health care amendment remained a burning controversy in the Congress this session. I felt with deep conviction that there would not be a social security type health care for the aged plan adopted by the 87th Congress because of known powerful opposition in the other body. Thus, I believed a welfare law extending ADCU, and providing other significant improvements in the public assistance programs under the Social Security Act, was much to be preferred and much more in the public interest than a stalemate under which no American would benefit. I have been and continue to be a believer in the need for a program of health care for the aged within the framework of the social security system. But I am a realist. I worked for an attainable law—not for an empty gesture to our senior citizens, and not for a political issue while dependent children and their unemployed parents suffer.

Now, Mr. President, I shall turn again to the subject of the inaccurate charges against the senior Senator from Oklahoma [Mr. KERR] and the Senator from West Virginia who now speaks in this forum.

A staff writer for the Charleston, W. Va., Gazette, Thomas F. Stafford, was in Washington last week. He is perhaps as conversant as is any West Virginia citizen with the evolution of the ADCU program in our State. His dispatch from Washington last Wednesday was published in the July 19, 1962, issue of the Gazette.

Mr. President, I quote from the article and request consent to have printed in the RECORD as part of my remarks pertinent and important explanatory paragraphs from Mr. Stafford's dispatch, as follows:

A Senate-House conference committee agreed Wednesday, July 18, on a report that promises early resumption of West Virginia's emergency public works program and solves an \$11 million headache for the State. This agreement will clear the way for passage of the program of aid to dependent children of unemployed parents (ADCU). Approximately 12,500 have been employed by the State under ADCU.

By agreeing to an amendment in the conference report, Congress will further make the community work and training provisions of the bill retroactive to July 1, last year, when West Virginia turned ADCU into a work program for its unemployed.

This clears up a possible conflict between the Federal and State Governments over the legality of \$11 million in Federal ADCU matching grants that were spent in West Virginia between July 1 last year and June 30 this year.

At this point, Mr. President, I invite the attention of my colleagues to the following background explanation Mr. Stafford included in the dispatch to his newspaper—and he wrote authoritatively because he was on the scene when the events he described took place:

The public works plan as developed in West Virginia was approved by former HEW Secretary Abraham Ribicoff and had the sup-

port of the Kennedy administration. But in spite of this authorization, the Department's [HEW] auditors held that the expenditure was illegal.

Ribicoff, Governor Barron (of West Virginia), Senator Randolph, Senator Robert C. Byrd, State Welfare Director W. Bernard Smith, and House Speaker Julius Singleton (of the West Virginia House of Delegates) came to an agreement on the works program at a meeting last year (1961) at Mont Chateau State Park.

The meeting to which Mr. Stafford referred was held near Morgantown, W. Va., on May 22, 1961, when former Secretary Ribicoff was in that area to address the Elkins Chamber of Commerce annual dinner meeting. I verify the fact that there was such a meeting and that I attended and that a basic understanding was reached whereby West Virginia could integrate its ADCU participation into its State emergency employment program in a manner within the spirit and intent of existing law.

Following that meeting with Secretary Ribicoff these developments occurred, as Mr. Stafford wrote for last Thursday's Gazette:

Governor Barron called the (West Virginia) legislature into special session and got authority for matching State funds with the Federal grants.

ADCU as a works program is an outgrowth of the emergency employment program, which was authorized by the legislature in January 1961, as a totally State-financed makework device. By making the shift, and getting 70 percent Federal financing, the works force was increased from fewer than 2,000 to 12,500.

So, Mr. President, the fact is that the ADCU community work program in West Virginia was approved by the Secretary of Health, Education, and Welfare and was likewise helpful in a very real way because it first, provided useful work for 10,500 more unemployed fathers than the State had been able to take care of under its prior program; and second, it provided a pilot plan experience under the type of community work program which Congress has approved through passage of H.R. 10606. I repeat: It provides useful work on constructive community projects for unemployed parents of dependent children—not a dole.

Every participant in the ADCU program in West Virginia was an eligible participant under the law. Thus, it is wrong to charge that the benefits were paid illegally by the State for two reasons: First, the participants were eligible; and second, the State administrative plan for the ADCU program had been approved by the Department of Health, Education, and Welfare within a framework which I am informed the legal division of HEW must have considered to be a grant of administrative authority to the Secretary.

It is important to emphasize, Mr. President, that West Virginia did not participate in ADCU under a subterfuge. The program authorized by the State legislature was of the type agreed to between appropriate State and Federal officials.

And the State of West Virginia was not granted a "windfall." The amendment making the community work authorization retroactive to July 1, 1961, did not

award an extra penny to West Virginia beyond that for which the State qualified under the law and administrative interpretation during fiscal year 1962. The amendment, in fact, said that community work programs since July 1, 1961, in West Virginia and elsewhere, including parts of California and New York, met the basic requirements established by Congress in H.R. 10606 for community work activities in the future under the ADCU provisions.

Meanwhile, I believe Members of Congress are entitled to a further explanation of the evolution of the so-called retroactive community work authorization amendment. In reciting these facts I invite a thorough investigation of their validity by any committee or subcommittee of either House of the Congress or by the Comptroller General.

The report of the Senate Finance Committee on H.R. 10606—Public Welfare Amendments of 1962—was ordered printed June 14, 1962, and a copy of the printed report was brought to my attention a day later. In reading the report, I was disturbed to find on page 3, subsection C-4, under the title "Community Work and Training Programs," the interpretation that—

The bill H.R. 10606 would provide that beginning October 1, 1962, for a period of 5 years, Federal matching funds would be available in cases where payments are made under work programs which are a part of the ADC program and meet certain standards.

It disturbed me especially that authority for ADCU work programs would not be effective until October 1, 1962, and then I read the next sentence of the report which declared:

Under interpretation of existing law there can be no matching as to payments made for work by a welfare agency.

I had earlier noted that the ADCU extension for 5 years was to be effective July 1, 1962. This was gratifying because I had visions of the ADCU work program in West Virginia being continuous on the assumption that Congress would consider and pass H.R. 10606 before the June 30, 1962, expiration date of the original temporary ADCU program. I hoped there would not be any interruption of benefits to needy unemployed families.

But I could not understand why the work program authority of the administration bill would be deferred until October 1, 1962, and why the report should state that under existing law there can be no matching as to payments made for work in connection with the ADCU program. This was in direct conflict with the fact that the administration had approved the West Virginia ADCU community work program and that, as of June 15, 1962, it had been in operation successfully and helpfully for 11½ months. I caused these problems to be called to the attention of the West Virginia Commissioner of Welfare, W. Bernard Smith, and requested that he study them and make a report of findings and recommendations to me.

Thereafter, developments began occurring with more rapidity and with obvious overtones of urgency.

At 9:20 a.m., Monday, June 18, 1962, I received a telephone call from Dr. Wilbur J. Cohen, Assistant Secretary of HEW for Legislative Affairs, who informed me that "an audit exception" had been lodged by HEW auditors against fiscal 1962 payments to West Virginia under the ADCU program of its community work features.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. RANDOLPH. Mr. President, I ask unanimous consent that I may proceed for an additional 5 minutes.

The PRESIDING OFFICER. Without objection, the Senator may proceed.

Mr. RANDOLPH. Mr. President, my colleague, Senator ROBERT C. BYRD, was apprised and we agreed to a conference in my office at 4 p.m. that same day. Immediately, we contacted State Welfare Commissioner Smith and urged him to come to Washington from Charleston in time for that meeting. It was held as scheduled, with Senator Byrd, State Welfare Commissioner Smith, and I representing West Virginia and Assistant Secretary Cohen and Commissioner Ball of the Social Security Administration representing the Department of Health, Education, and Welfare.

There was agreement that West Virginia had conducted its program under a plan of administration which had been agreed to by the HEW Department. But it was recognized that the auditors had questioned the legal status of the HEW approval. We agreed, too, that the House of Representatives, by passing H.R. 10606 with its community work authorizations and provisions, already was on record approving the type of program which HEW auditors questioned. And the Senate Finance Committee had recommended favorably these provisions to the Senate. We came to mutual agreement that it would be the part of wisdom to discuss the problem with the Senator who had reported H.R. 10606 to the Senate from the Committee on Finance—namely, Senator KERR—who would be manager of the bill in its course through the Senate. While the conference group was still assembled in my office, I made an engagement with Senator Kerr's appointment secretary for the same group—Dr. Cohen and Commissioner Ball for HEW, Senator Byrd, Welfare Commissioner Smith, and I—to meet with Senator Kerr in his office the following morning, June 19, for a discussion of the subject.

The conference with Senator KERR was held as scheduled. Dr. Cohen and Commissioner Ball presented a copy of a proposed amendment to H.R. 10606 which they believed would be appropriate and adequate. This amendment did not originate with the Senators from West Virginia. After much discussion of the situation, Senator KERR said he would offer the amendment, when the measure would come before the Senate for action. He also requested that HEW provide a more detailed explanation of the proposed amendment. On June 20 or 21, HEW Assistant Secretary Cohen

sent the new explanatory memorandum to Senator KERR and forwarded a copy to my office on June 21.

Subsequently, Senator KERR informed us that he had cleared the proposed retroactive community work authorization amendment with the chairman and most members of the Senate Finance Committee and that they had no objection to it being considered a committee amendment.

I had no agreements with the Senator from Oklahoma [Mr. KERR] that others in the conference group did not have. He had consented to handle the amendment because, as I construed his views, he believed it was an agreed amendment between the administration and the Senators from West Virginia. It was, he indicated, a proper amendment because of prior-plan approval by HEW, not only for West Virginia, but for other localities or States, as well, and because the House and the Senate Finance Committee already had approved the community work concept under the ADCU extension provisions.

The Senator from Oklahoma [Mr. KERR] did not, as Mr. Pearson inaccurately wrote, extract a pledge from me. In fact, he made no demands on me, and I made no promises to him. He presented the amendment under discussion on July 3, and it was adopted without any opposition.

There followed days of debate on the Anderson health care amendment and the substitutes which were offered. The debate on this controversial subject dominated the consideration of H.R. 10606, and, with the 1-year temporary ADCU program not legally extended beyond June 30, it was a matter of much concern to me and to West Virginia officials and citizens that the program in our State had to be permitted to lapse for 7,500 unemployed fathers on July 1, and for the other 5,000 participants on July 9. State funds were inadequate without Federal matching.

My concern for the welfare of the more than 12,500 families in West Virginia—approximately 50,000 persons relying on the ADCU program—increased with each additional day that H.R. 10606 failed to make any substantial progress toward becoming a public law. Distress was deepening among our dependent children and their unemployed parents.

Yes, I discussed these problems from time to time with the manager of the bill, the Senator from Oklahoma [Mr. KERR] and, I should add, with the Senator from New Mexico [Mr. ANDERSON] the chief sponsor of the health care amendment. Both knew of my concern. The Senator from New Mexico introduced a bill (S. 3521) to extend for an emergency 60-day period the ADCU program and others covered by H.R. 10606 which had expired on June 30. I co-sponsored this measure with my West Virginia colleague Senator ROBERT C. BYRD, the senior Senator from Illinois [Mr. DOUGLAS], and the senior Senator from New York [Mr. JAVITS]. But this temporary extended bill was not acted on by the Finance Committee.

Finally, when the hour arrived on July 17 to vote on the Kerr motion to table

the Anderson health care amendment, I recorded my vote on the basis of my own decision as to the proper course for me to take in the light of all facts as I understood them. I had made the personal evaluation that the Anderson amendment attached to H.R. 10606 would delay or defeat the whole measure. I chose the course that led to the speedy passage of a vitally needed bill rather than the course that seemed to me to lead only to stalemate and probably chaos and much misery in the State I represent, in part, in this body.

I repeat in conclusion, Mr. President, that the article written by Mr. Pearson is inaccurate as to the so-called West Virginia amendment. It is equally inaccurate in reference to a "secret deal" between the senior Senator from Oklahoma [Mr. KERR] and the senior Senator from West Virginia.

FOOD AND AGRICULTURAL ACT OF 1962

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

The Chair lays before the Senate, for a second reading, the bill (H.R. 12391), the so-called farm bill. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 12391) to improve and protect farm income, to reduce costs of farm programs to the Federal Government, to reduce the Federal Government's excessive stocks of agricultural commodities, to maintain reasonable and stable prices of agricultural commodities and products to consumers, to provide adequate supplies of agricultural commodities for domestic and foreign needs, to conserve natural resources, and for other purposes.

Mr. ELLENDER. Mr. President, I object to any further proceedings on H.R. 12391.

Mr. DIRKSEN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Illinois will state it.

Mr. DIRKSEN. Is it mandatory under the rule when objection has been made to further proceedings on the bill now laid before the Senate, and on which there has been the second reading, that the Chair refer the bill to the calendar?

The PRESIDING OFFICER. It is mandatory under rule XIV unless a point of order is raised on the effect that that has in this particular situation.

Mr. DIRKSEN. Mr. President, a further parliamentary inquiry?

The PRESIDING OFFICER. The Senator from Illinois will state it.

Mr. DIRKSEN. In my judgment, the objection that has been made by the chairman of the Committee on Agriculture and Forestry, the distinguished Senator from Louisiana [Mr. ELLENDER], does not require a unanimous-consent request to make it, but at least I think I should ask the question in order to round out the record.

The PRESIDING OFFICER. Unanimous consent is not required to make such an objection.

Mr. DIRKSEN. Further in the parliamentary field, has the Chair actually, in view of the objection by the distin-

guished Senator from Louisiana, made a commitment of the bill to the calendar?

The PRESIDING OFFICER. The Chair has not made that decision. The Chair is awaiting a point of order which would delay further proceedings.

Mr. DIRKSEN. While I am quite familiar with the last paragraph of rule XIV, with particular reference to a House bill or resolution which is sent to the Senate, and on which there has been a second reading, that on objection to the further consideration of the measure it should go to the calendar upon action by the Chair. But I direct the Chair's attention to the fact that in the Legislative Reorganization Act of 1946, in which we prescribed the standing committees of the Senate and set forth in great detail the jurisdiction of those committees, it is also recited that bills and resolutions shall be referred or committed to the committees where the jurisdiction has been defined.

In my judgment, in the instant case the bill should be referred to the Committee on Agriculture and Forestry rather than to have it placed on the calendar. I point out that there is a conflict as between Rule XIV and the jurisdictions which are set forth in rule XXV. One who would protest is at something of a disadvantage if his protest and a point of order were considered as an appeal from a ruling of the Chair.

I wish to make a point of order, and I shall make it after the Chair has made his ruling, which I think that would be the appropriate time, so that the Senate itself may take action on the matter and determine whether the bill should be placed on the calendar or should be referred to the Committee on Agriculture and Forestry.

I make one other point: that this question is debatable and that a point of order would be debatable also.

The PRESIDING OFFICER. In accordance with the decisions made on two separate occasions, one in 1948 and one in 1957, and following that precedent, it would be the Chair's intention to submit the point of order of the Senator from Illinois to the Senate.

Mr. DIRKSEN. I am familiar, of course, with the proceedings had in 1948. That was the celebrated Oleomargarine case. The issue there was simple. I can readily understand the Senate's action.

The 1957 case was the Civil Rights case. I am aware of the fact that the measure in that case was the civil rights bill, under which the Civil Rights Commission was created. The Senate also considered other matters.

I am aware also that awkward and sometimes embarrassing moments come. But, as has been so often said, a foolish consistency is the hobgoblin of little minds. At that time the Senate was confronted with an emotional issue; and over a long period of years we had encountered filibusters or, shall I say, extended periods of expression which somehow made it difficult to secure action on a bill in the civil rights field. I think I can comfort myself with the fact that while that measure, particularly, was limited in scope, the measure which is

now before us actually touches and vitally touches every State of the Union. For that reason, it ought to have committee consideration.

Not the least of the items referred to in the recent debate on the medicare proposal was the fact that it was a broad-gauge problem which the Department of Health, Education, and Welfare contended would cost probably \$1,100 million, but which the experts contended would cost perhaps twice that much, and which would affect millions of wage earners all over the country.

The PRESIDING OFFICER. Let the Chair call attention to the fact that the point of order must be made before 2 o'clock.

Mr. DIRKSEN. Mr. President, I make the point of order.

Mr. HUMPHREY. Mr. President, let me call attention to the fact that it is now 2 o'clock.

PAYMENT OF EXPENSES OF ATTENDANCE OF GOVERNMENT EMPLOYEES AT CERTAIN MEETINGS

The PRESIDING OFFICER. The hour of 2 o'clock having arrived, the Chair lays before the Senate the unfinished business, which will be stated.

The LEGISLATIVE CLERK. A bill (H.R. 6374) to clarify the application of the Government Employees Training Act with respect to payment of expenses of attendance of Government employees at certain meetings, and for other purposes.

Mr. HUMPHREY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. DIRKSEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The VICE PRESIDENT. The Senator from Illinois has asked unanimous consent that further proceedings under the call be suspended. Is there objection? The Chair hears none, and it is so ordered.

FOOD AND AGRICULTURAL ACT OF 1962

Mr. DIRKSEN. Mr. President, with respect to the question that was before the Senate before the absence of a quorum was noted, I had lodged a point of order with respect to procedure after the second reading of the farm bill. I am now prepared to withdraw the point of order. I defer to the distinguished chairman of the committee, the Senator from Louisiana [Mr. ELLENDER], for a statement on the subject.

Mr. ELLENDER. Mr. President, after consultation with many Senators, I am now prepared to move that H.R. 12391 be referred to the Committee on Agriculture and Forestry with instructions that the bill be reported to the Senate not later than Monday, July 30.

The VICE PRESIDENT. As the Chair understands, the Senator from Illinois has withdrawn his point of order.

Mr. DIRKSEN. That is correct.

The VICE PRESIDENT. Under the rule, the bill would then go to the calendar. The Senator from Louisiana has moved that the bill be referred to the Committee on Agriculture and Forestry with instructions to report the bill to the Senate not later than July 30.

The question is on the motion of the Senator from Louisiana.

Mr. DIRKSEN. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. DIRKSEN. As I understand, there must first be a motion to consider the bill before the bill can actually be referred.

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

Mr. McCLELLAN. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. McCLELLAN. If a motion to consider were made and agreed to, would not such action set a precedent by bypassing a committee?

The VICE PRESIDENT. The Parliamentarian has answered that inquiry by saying that such action would not prevent the making of a motion to refer the bill to a committee.

Mr. McCLELLAN. The question is, Would not the action set a precedent of bypassing a committee, unless a motion were made to refer the measure to a committee and that motion were agreed to?

The VICE PRESIDENT. The Parliamentarian has informed the Chair that in his opinion the inquiry is not a proper parliamentary inquiry.

Mr. McCLELLAN. Mr. President, am I to understand the Chair to rule that it is not a proper parliamentary inquiry for me to ask whether a motion to consider a bill that is in the status of the bill about which we are speaking at present would not be tantamount to bypassing the committee to which the bill would normally be referred?

The VICE PRESIDENT. The Parliamentarian has informed the Chair that the question is one of interpretation.

Mr. McCLELLAN. I am asking for an interpretation.

The VICE PRESIDENT. The question is one that the Senate has reserved to itself. Normally the Presiding Officer does not pass on such questions.

Mr. McCLELLAN. Mr. President, a further parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. McCLELLAN. I preface my inquiry by making the statement that in agreeing to the arrangement which I understand has been arrived at, a motion will be made immediately to refer the bill to a committee, to which I have no objection. With that understanding and with that arrangement, I shall not object. But I want the Record clearly to show that in agreeing to the arrangement under these circumstances, I am not, so far as I am personally concerned, agreeing to set any precedent to permit such action to become a practice. I would not agree to the action except that

I understand that some satisfactory arrangement has been made.

Mr. HUMPHREY. Mr. President, a parliamentary inquiry—

Mr. DIRKSEN. Mr. President, I believe I have the floor.

The VICE PRESIDENT. The Chair recognizes the Senator from Illinois.

Mr. DIRKSEN. Mr. President, a further parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. DIRKSEN. Is it in order to move to consider and at the same time couple in that motion a second provision to refer the measure to committee? Under the rule, then, the motion would be in the first part a motion to consider and, in the second part, a motion to refer to a committee. Such action would be on the basis, of course, of the understanding that the measure would be referred to the committee.

The VICE PRESIDENT. The Senator from Illinois has correctly stated the situation.

Is there objection to the present consideration of the bill?

Mr. HICKENLOOPER. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. HICKENLOOPER. I believe that the question asked by the Senator from Illinois, which, as I understand, he changed slightly before the Chair answered, was as follows: Is it proper to make a motion consisting of two provisions: First, to consider and, in the same motion and as an integral part of it, to refer the measure to a committee?

The VICE PRESIDENT. The Parliamentarian advises the Chair that under the precedents it is not.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. HUMPHREY. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. HUMPHREY. When a point of order is withdrawn after the second reading of a bill has taken place, does not the Chair automatically place the bill on the calendar?

The VICE PRESIDENT. The Senator is correct.

Mr. HUMPHREY. When the bill is on the calendar, a motion to consider the bill is then in order, and a motion to refer to a committee with instructions would likewise be in order.

The VICE PRESIDENT. After the bill is before the Senate.

Mr. HUMPHREY. After the bill is before the Senate.

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

Mr. RUSSELL. Mr. President, I do not like to prolong the controversy, but there have been a great many statements in the Senate with respect to bypassing committees. In my viewpoint the present action is not in any sense a bypassing procedure.

Rule XIV, subsection (3), which appears on page 14 of the Standing Rules of the Senate, specifically provides the

procedure. As I understand, at present the bill is on the table. It has been read twice. Objection was made to proceeding further on the bill.

Then a point of order was made by the Senator from Illinois. That did not put the bill on the calendar. I understood that the bill had been taken off the table and brought before the Senate. Now the Senator from Illinois has withdrawn his point of order. The Senator from Louisiana [Mr. ELLENDER] then moved to refer the bill to the Committee on Agriculture and Forestry with instructions.

I do not wish to belabor the point, but I wish to read the portion of the rule to which I have referred:

No bill or joint resolution shall be committed or amended until it shall have been twice read, after which it may be referred to a committee; bills and joint resolutions introduced on leave—

I interpolate here to call the attention of the Senate to the following language—

and bills and joint resolutions introduced on leave, and bills and joint resolutions from the House of Representatives, shall be read once, and may be read twice, on the same day, if not objected to, for reference—

Objection was made to reference— but shall not be considered on that day nor debated, except for reference, unless by unanimous consent.

I insist that if the English language means anything, the motion to refer made by the Senator from Louisiana, would be in order, even though the bill had not gone to the calendar.

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

There being no objection, the Senate proceeded to consider the bill (H.R. 12391) to improve and protect farm income, to reduce costs of farm programs to the Federal Government, to reduce the Federal Government's excessive stocks of agricultural commodities, to maintain reasonable and stable prices of agricultural commodities and products to consumers, to provide adequate supplies of agricultural commodities for domestic and foreign needs, to conserve natural resources, and for other purposes.

Mr. ELLENDER. Mr. President—
The VICE PRESIDENT. The Senator from Louisiana is recognized.

Mr. ELLENDER. Mr. President, I renew my motion.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Louisiana to refer the bill to the Committee on Agriculture and Forestry with instructions to report the bill to the Senate not later than Monday, July 30.

Mr. AIKEN. Mr. President, I should like to address a question to the distinguished Senator from Louisiana [Mr. ELLENDER].

If the bill is reported to the Senate not later than Monday, July 30, when does the Senator contemplate bringing the bill before the Senate for action?

Mr. ELLENDER. Not earlier than Wednesday of next week.

Mr. AIKEN. Not earlier than Wednesday of next week?

Mr. ELLENDER. That is correct.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Louisiana.

Mr. PROXMIRE. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. PROXMIRE. If the bill is referred to the committee, does the Senator from Louisiana have any idea when the committee would consider the bill?

Mr. ELLENDER. The day after tomorrow, if we can, since that is our regular meeting day.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Louisiana.

The motion was agreed to.

THE ACHIEVEMENTS OF THE AIR NATIONAL GUARD IN THE BERLIN CALLUP

Mr. KEFAUVER. Mr. President, much has already been said concerning the Berlin callup and especially the magnificent achievements of the Air National Guard last October in deploying over 200 jet aircraft across the Atlantic Ocean without an accident. Two squadrons, whose aircraft, the F-104 Starfighter, had to be dismantled and flown across the ocean in transport planes because of its short range, are doing a magnificent job for the 86th Air Division at Ramstein Airbase, Germany.

These men, from the 197th Fighter Interceptor Squadron, of Phoenix, Ariz., and from the 151st, of Knoxville, Tenn., have been getting their way to the Iron Curtain border on training missions so fast that Communist jets are at times barely off the ground when the F-104's are already on the way back to home bases.

Maj. Gen. H. R. Spicer, commander of the 17th Air Force, has said:

The 197th Fighter Interceptor Squadron from Phoenix and the 151st from Knoxville have strengthened my command tremendously. They are not only well trained but they have a wonderful attitude toward being called to active duty.

I am confident that the senior Senator from Arizona [Mr. HAYDEN] joins me in this tribute. The commanding officer of the 197th from Phoenix is Lt. Col. Thomas H. Barnard. The commanding officer of the 151st from Knoxville is Lt. Col. Robert W. Akin.

The men of the 151st from Knoxville, Tenn., have dramatically demonstrated that they deserve the praise given them by General Spicer. This unit has only 18 aircraft compared to the 25 assigned to most units of this type. Despite this fact, during the month of May, these men flew their F-104's more than 836 hours, exceeding the Air Force record number of hours for 1 month flown by the temperamental Starfighters by more than 100 hours, and also that of all types of aircraft in the 86th Air Division. This is a tremendous achievement of maintenance and operation. Yet, at no time

did they forget the need to observe all types of safety precautions.

The greatest danger to safety was fatigue and hurry. Starting slowly at the beginning of the month, the squadron upped the number of missions when it was discovered that its morale and maintenance was better than it had ever been. Even at the height of their activity they permitted their pilots to make only two flights per day and maintenance and support personnel agreed that they had worked less during this record month than any previous month since they had deployed to Europe. The easy success of this record-breaking achievement is attributed to the excellent quality of the maintenance performed on the Starfighters and the extremely high morale of the men of the squadron.

On May 31, the 151st was released from alert in order that they might make a fly over with all 18 aircraft. And to show how well pleased the division is with both the men of the 151st and 197th, the division has recommended both squadrons for a Distinguished Unit Citation. I hope that this well-deserved recommendation will be approved.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had passed, without amendment, the bill (S. 2321) to encourage and aid the development of reconstructive medicine and surgery and the development of medico-surgical research by authorizing the licensing of tissue banks in the District of Columbia, by facilitating antemortem and postmortem donations of human tissue for tissue bank purposes, and for other purposes.

The message also announced that the House had agreed to the amendments of the Senate to the bill (H.R. 6967) to provide for the incorporation of certain nonprofit corporations in the District of Columbia, and for other purposes.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 11038) making supplemental appropriations for the fiscal year ending June 30, 1962, and for other purposes; that the House receded from its disagreement to the amendments of the Senate numbered 4, 12, 22, 42, and 53 to the bill, and concurred therein, and that the House receded from its disagreement to the amendments of the Senate numbered 2, 7, 10, 16, 23, 25, 28, 43, 47, and 48 to the bill, and concurred therein, severally with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House had agreed to a concurrent resolution (H. Con. Res. 505) authorizing the Clerk of the House of Representatives to make changes in the enrollment of H.R. 11038, an engrossed House bill, in which it requested the concurrence of the Senate.

SECOND SUPPLEMENTAL APPROPRIATIONS, 1962 — CONFERENCE REPORT

Mr. HOLLAND. Mr. President, before Senators leave the Chamber, I should like to announce that the conference report the Senate is about to consider involves some very unusual procedures, and perhaps Senators who have some interest in it may wish to remain, because we do not want to bring up anything in the absence of a Senator who has an interest.

Briefly, the situation is this: Because of the long lapse of time, there were a great number of items in the second supplemental for 1962 which are now out of date, because fiscal year 1962 has now ceased to exist.

Even though items were in the same amount in both versions of the bill, a device which is unusual in the Senate had to be used to eliminate such items. There are other items in which one House allowed a certain amount and the other a lesser amount, and the final amount was less than either.

This situation called for unusual treatment, which will be described.

Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 11038) making supplemental appropriations for the fiscal year ending June 30, 1962, and for other purposes. I ask unanimous consent for the present consideration of the report.

The VICE PRESIDENT. The report will be read for the information of the Senate.

The Chief Clerk read the report.

(For conference report, see House proceedings of today.)

The VICE PRESIDENT. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. HOLLAND. Mr. President, I note that the distinguished Senator from North Dakota [Mr. YOUNG] is present. He is the ranking minority member of the subcommittee and also on the conference committee. After making a preliminary statement I shall yield to him, unless he wishes to have me yield to him now.

Mr. YOUNG of North Dakota. I merely desire to say that the report was signed by all the conferees, both Democratic and Republican, and the agreements reached were quite satisfactory.

Mr. HOLLAND. I thank the distinguished Senator.

I think it will be helpful to the Members of the Senate if I make a few preliminary remarks with respects to the procedure that will be followed in connection with H.R. 11038, the second supplemental appropriation bill for fiscal year 1962.

This bill passed the Senate on April 16, and the committee of conference did not meet until July 20—a lapse of 3 months. The cause of this delay is well known and there is no necessity for a discussion of that matter at this time.

However, this lapse of 3 months has resulted in a situation whereby some of the funds included in the bill are no longer required. In those instances where such funds were included in a Senate amendment, the matter is treated in the report of the conference committee and amendments in disagreement. This is in accord with the usual procedure of conferences.

However, in those instances where there were no differences in the House and Senate bills and there is no longer a requirement for such funds or a portion thereof, the committee of conference could not in its report make changes in the bill. Therefore, it was determined by the committee of conference that a concurrent resolution would be offered to authorize and direct the Clerk of the House of Representatives to make the necessary changes in the enrollment of the bill. The House of Representatives has passed such a resolution—House Concurrent Resolution 505—a copy of which is on each Member's desk.

Mr. President, in view of this unique procedural situation, I ask unanimous consent that when the report of the conference committee and amendments in disagreement are disposed of the Senate immediately proceed with the consideration of House Concurrent Resolution 505.

THE PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. HOLLAND. Mr. President, I will turn now to some of the major items in the second supplemental appropriation bill.

The first amendment was \$3 million recommended by the Senate for the Agricultural Research Service, including funds for the screwworm eradication program in the Southwest. The House had recommended \$2½ million for this purpose and the conference committee agreed upon a figure of \$2,750,000. Although the fiscal year expired June 30, 1962, the second supplemental appropriation bill had provided for these funds to remain available until June 30, 1963.

In the hearing it was shown that the livestock industry of the affected areas had put up matching funds in a very commendable effort to come to grips with that problem.

The next item in the bill was \$425,000 for marketing research and service. The House and Senate had each allowed \$425,000 for this purpose and, consequently, there was no Senate amendment under this heading. However, since the fiscal year had expired and these funds were for use during fiscal year 1962, there was absolutely no need to appropriate this amount. Consequently, this entire amendment has been included in the concurrent resolution to which I have previously referred and, accordingly, no funds for this purpose will be included in the bill as it is written into law.

I believe that clearly explains the difficulties occurring in this particular conference. Several other items have also been dealt with in this manner.

The Senate had provided \$50 million for the direct loan account of the Farm-

ers Home Administration. The conference committee agreed that \$10 million would be sufficient for this purpose, inasmuch as additional funds will be made available in the very near future in the regular Agricultural Appropriation Act for fiscal year 1963.

The Senate had provided \$15 million for U.S. participation in the New York World's Fair, which was a reduction of \$2 million under the \$17 million recommended by the House. The conference committee agreed on the figure of \$17 million recommended by the House in the first instance. The conference committee also adopted the Senate amendment providing for a U.S. Commissioner for the fair to be appointed by the President at a salary of \$19,500 per annum.

The purposes of having such a Commissioner, to safeguard the Federal Government's investment, is clearly evident to all.

The bill includes \$20 million for operating differential subsidies as in the House-Senate versions. That is in the maritime field. These subsidies were due in fiscal 1962, and they are still due; so the amount remains in the bill.

The Senate had included under the appropriation heading "Corps of Engineers," \$3.9 million, an increase of \$2 million over the House bill, for needed emergency restoration of navigational facilities damaged by the storms which battered the Atlantic coast from North Carolina to New York in the period from March 6 through March 10, 1962. The Corps of Engineers had borrowed funds from its regular maintenance accounts to proceed with this work, and the sums included in this bill will enable the Corps of Engineers to repay these accounts.

The conference committee approved the \$25 million which had been included in the bill by the Senate and the House for disaster relief.

Incidentally, we were advised by the Office of Emergency Planning that some \$16 million of that amount was already allocated to the storm-hit States along the Atlantic.

The conference committee likewise approved the \$15,707,000 for payments to school districts. However, it deleted the sum of \$7,092,000 for school construction, since this amount can be included in the regular 1963 appropriation for the Department of Health, Education, and Welfare.

The Senate will recall that only a few days ago, in considering the regular appropriation bill for the Department of Health, Education, and Welfare, both of these items affecting impacted area schools were placed in that bill. The operational item was past due because it had to do with past entitlements. That is included in this bill; whereas the facilities item will appear, as we understand, in the annual appropriation bill soon to be enacted.

For the National Aeronautics and Space Administration for research and development, the conference committee approved the sum of \$82,500,000. These funds are to remain available until expended.

The conference committee also approved the \$71 million previously in-

serted in the bill by the Senate for the construction of facilities for the Space Administration.

For the Small Business Administration, the Senate had earlier recommended an appropriation of \$90 million, an increase of \$5 million over the House figure. After considerable discussion, the conference committee agreed upon a figure of \$40 million. The Senate conferees were of the opinion that in view of the backlog of applications in the Small Business Administration, the sum should be larger. However, this was about the best that we could do under the circumstances.

Under the legislative establishment, the conference committee agreed on language providing for an increase in the basic clerk hire for each Senator of \$3,000. On the date that this bill is signed into law, this basic \$3,000 increase will be available to all Senators.

This item called for some change in the original bill, which would have called for payment in fiscal 1962; but the committee has adequately provided for the future by this needed change.

The conference committee also included the necessary funds to make payments to the widows of Senators Bridges, Schoepel, and Case.

The bill in its final form includes \$2½ million for salaries and expenses, Department of State, and \$25,616,000 for the U.S. share of the assessment for the estimated expense of the U.N. operation in the Congo through June 30, 1962, as in the House and Senate versions of the bill.

There are many appropriation items in this bill to which I have not referred. I have complete details with me, and it is my intention to ask unanimous consent to include in the RECORD a table which will show the House and Senate versions of the second supplemental appropriation bill and the final amounts agreed upon, taking into consideration the concurrent resolution. Should any of the Members of the Senate have any desire for additional information, I shall be glad to explain any of the items.

Mr. PROXMIRE. Mr. President, will the Senator from Florida yield?

Mr. HOLLAND. I yield to the Senator from Wisconsin.

Mr. PROXMIRE. Was the provision for funds to construct a Federal building at the New York World's Fair included in the supplemental bill? How was that item handled?

Mr. HOLLAND. It was included. The Senator will remember that the House provided \$17 million. The Senate reduced that amount to \$15 million, but added a provision requested by the administration to allow the appointment of the U.S. Commissioner, at a stated salary, to supervise the use of the Federal funds.

In conference the \$17 million, which was in the House bill, was agreed to, and the provision placed in the Senate bill with reference to the U.S. Commissioner was accepted. So those two provisions, from the two bills, are included in the final conference agreements.

Mr. PROXMIRE. Obviously, it is too impossible to amend the conference report; and there are provisions in the report which I think are very good. But I

simply wish to register my emphatic opposition to anything like \$15 million for a Federal building at the New York World's Fair, let alone \$17 million. I think it is already obvious in the Record, to those who opposed this provision, that there was a firm commitment on the part of New York that it would not ask for this sum. But to increase it by \$2 million, and to request \$17 million for this project, is away out of line.

Milwaukee has one of the most beautiful athletic stadiums in the country, the huge County Stadium. It is a permanent stadium. Its cost was in the neighborhood of \$8 or \$10 million. I understand the magnificent stadium recently built in Washington, D.C., was constructed at a cost of \$20 million. It is a permanent stadium. But the request before us is to have the Federal Government construct a temporary building, which can last for only 2 years. Moreover, as I understand, its use will be confined to the New York World's Fair, and then title in the building will be given up by the Federal Government to New York City. It will be built at a cost of \$17 million. It seems to me that this is an extravagant proposal. I deeply regret that the conference committee had to go as high as the House figure.

Mr. HOLLAND. I appreciate the statement of the Senator from Wisconsin. He will recall that this item was debated vigorously by the Senate, and the Senate agreed upon an amount of \$15 million. We also agreed to an amendment with respect to the U.S. Commissioner, which I have mentioned.

Nothing will preclude the Senator from Wisconsin or any other Senator from objecting if requests are made for additional funds, as was indicated during the debate. My understanding is that the amount provided by this bill is to cover not only the construction of the building, but also the operation of the exhibit for 2 years by our Government. I also understand that the amount of the appropriation for the building seems to be less than that which some other nations have provided, particularly the Soviet Union. So it seemed to the conference committee that we were charged with retaining this item in the bill. The only question was whether \$15 or \$17 million should remain, and also whether the Senate should prevail on the item with reference to the Commissioner to supervise the building and the expenditure of Federal funds for the operation of our exhibit during the period of the fair. I do not feel that the conference committee went astray in any particular; but I fully recognize the position of the distinguished Senator from Wisconsin. As I recall, he took that position rather vigorously when this question was debated by the Senate at an earlier date.

Mr. PROXMIRE. That is correct. I have further questions, but they do not relate to this item.

Mr. KEATING. Mr. President, will the Senator from Florida yield?

Mr. HOLLAND. I yield.

Mr. KEATING. It seems to me that an equitable adjustment was made. The

Senate yielded to the House on the amount involved, and the House yielded to the Senate on the provision for a Commissioner.

Mr. HOLLAND. Both of those situations are not disagreeable to the Senator from New York, I take it.

Mr. KEATING. No; I find them both entirely acceptable. I am particularly pleased about the amount provided, but I agree that both items constitute a real victory for commonsense.

The time is already late. The world's fair authorities indicated to me some weeks ago that they would have to get started with their work on a U.S. pavilion by the 15th of July in order to be ready when the fair opens. We all know that a tremendous Russian pavilion is planned for the fair. Many other countries will have exhibits. On behalf of the fair authorities, other persons interested in the fair, and the residents of the State of New York, I wish to express our deep gratitude for the indefatigable effort and highly constructive work which has been done by the distinguished senior Senator from Florida to see to it that the United States is appropriately represented at the New York World's Fair in 1964-65. He will be entitled to be feted at the fair as one who has made a distinct and definite contribution to what we all hope will be a truly wonderful exposition, one which will show the United States in its proper light to visitors from all over the world.

Mr. HOLLAND. I thank the distinguished Senator from New York. I believe most Members of the Senate agreed that regardless of some argument as to the amount involved, it would be unthinkable to have an international fair of the scale proposed to be held at our great city, which is the site of the United Nations, without participation by the United States in a formal way, particularly in view of the fact, as I recall, that some 50 other nations will participate, including the Soviet Union, and they on a very ambitious scale.

Mr. PROXMIRE. Mr. President, will the Senator from Florida yield?

The PRESIDING OFFICER (Mr. PELL in the chair). Does the Senator from Florida yield to the Senator from Wisconsin?

Mr. HOLLAND. I yield.

Mr. PROXMIRE. I wish to say that this is a New York trade fair, which is quite different from the Century of Progress Fair in Chicago or, for that matter, quite different from the fair held in New York City in 1939-40.

Trade fairs are constantly being held in this country, and the U.S. Government does not participate in them. Of course the Soviet Union will, as a government, construct the building referred to, because the Soviet Union does not have private industry, and thus there could not be participation by the Russians in any other way in a trade fair.

Now I wish to ask about the provision for funds for the Joint Economic Committee. As I understand, there was an item of \$20,000 for a study. That provision was knocked out in conference. It may be that the study was to take place in the fiscal year 1962.

Mr. HOLLAND. That is correct; and that item could not be justified at this time, in view of the fact that we are now in the fiscal year 1963. There are a number of items of that sort. However, they do not present the difficulties that some other items, included in both the House version and the Senate version of the bill, presented.

That item was not in both the House and the Senate versions of the bill. We included it in the Senate version. It was needed in the fiscal year 1962. But, as in the case of several other items needed in 1962, the fiscal year 1962 had ended by the time the conference committee met.

Mr. PROXMIRE. The Senator from Florida referred to funds for the Small Business Administration, did he not?

Mr. HOLLAND. Yes.

Mr. PROXMIRE. How large is that sum?

Mr. HOLLAND. Forty million dollars.

Mr. PROXMIRE. As the Senator has pointed out—the Small Business Administration has been crippled for lack of sufficient funds.

I am wondering about the additional funds which the Senator from Florida has said are still needed by the Small Business Administration. Is it likely that in the reasonably near future action can be taken on further appropriations?

Mr. HOLLAND. I understand that \$300 million is proposed in the annual appropriation bill for this year, and that it will soon be available, and that it will be late in this fiscal year before a need for further funds will arise, if indeed such a need arises. My own feeling was that we should have provided entirely for the backlog of cases which developed in 1962, and the Senate conferees very graciously supported that point of view. But, as sometimes happens in connection with such matters, we had to arrive at a settlement.

We believe the \$40 million will be sufficient to care for the most serious situations in the Small Business Administration until the funds provided in the annual appropriation bill become available, at which time the Small Business Administration can become current in its work.

Mr. PROXMIRE. At any rate, not enough is here appropriated to provide for taking care of its backlog of cases from 1962; is that correct?

Mr. HOLLAND. That is correct; and that point was made at the hearing held this morning downstairs.

However, I believe I am correct when I say that the testimony is that the \$40 million cannot be spent overnight, and that the availability of the \$300 million in the annual appropriation bill will be in time to piece out the \$40 million and thus permit the process to go ahead regularly, thus postponing until later in the year, or perhaps postponing indefinitely, the need for additional funds.

At any rate, I believe the critical nature of the problem has been largely met by providing this \$40 million immediately.

Mr. PROXMIRE. I thank the Senator from Florida.

Mr. HOLLAND. Mr. President, unless there are other questions, I ask that the Senate agree to the report.

The PRESIDING OFFICER. The question is on agreeing to the report. The report was agreed to.

Mr. HOLLAND. Mr. President, certain amendments were reported in disagreement. I ask that they be laid before the Senate.

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its action on certain amendments of the Senate to House bill 11038, which was read as follows:

IN THE HOUSE OF REPRESENTATIVES, U.S.,
July 23, 1962.

Resolved, That the House recede from its disagreement to the amendments of the Senate numbered 4, 12, 22, 42 and 53 to the bill (H.R. 11038) entitled "An Act making supplemental appropriations for the fiscal year ending June 30, 1962, and for other purposes", and concur therein.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 2, and concur therein with an amendment, as follows:

In lieu of the sum of \$50,000,000 named therein, insert: "\$10,000,000".

That the House recede from its disagreement to the amendment of the Senate numbered 7, and concur therein with an amendment, as follows:

In lieu of the amounts stricken out and inserted, insert: "\$60,000".

That the House recede from its disagreement to the amendment of the Senate numbered 10, and concur therein with an amendment, as follows:

In lieu of the sum of \$5,000,000 named in said amendment, insert: "\$645,260, to remain available until expended".

That the House recede from its disagreement to the amendment of the Senate numbered 16, and concur therein with an amendment, as follows:

In lieu of the sum proposed, insert: "\$2,715,000".

That the House recede from its disagreement to the amendment of the Senate numbered 23, and concur therein with an amendment, as follows:

In lieu of the amounts stricken out and inserted, insert: "\$40,000,000".

That the House recede from its disagreement to the amendment of the Senate numbered 25, and concur therein with an amendment, as follows:

In lieu of the amounts stricken out and inserted, insert: "\$825,000".

That the House recede from its disagreement to the amendment of the Senate numbered 28, and concur therein with an amendment, as follows:

In lieu of the amounts stricken out and inserted, insert: "\$225,000".

That the House recede from its disagreement to the amendment of the Senate numbered 43, and concur therein with an amendment, as follows:

At the end of said amendment, add the following:

"For payment to Myrie O. Case, widow of Francis Case, late a Senator from the State of South Dakota, \$22,500".

That the House recede from its disagreement to the amendment of the Senate numbered 47, and concur therein with an amendment, as follows:

In lieu of the matter inserted, insert the following: "The basic clerk hire allowance of each Senator is hereby increased by \$3,000".

That the House recede from its disagreement to the amendment of the Senate num-

bered 48, and concur therein with an amendment, as follows:

In lieu of the matter inserted, insert the following:

"The clerk hire allowances of the Senators from the States of New York and Virginia are hereby increased so that the allowances of the Senators from the State of New York will be equal to that allowed Senators from States having a population of over seventeen million, the population of said State having exceeded seventeen million inhabitants, and so that allowances of Senators from the State of Virginia will be equal to that allowed Senators from States having a population of four million, the population of said State having exceeded four million inhabitants".

Mr. HOLLAND. Mr. President, I move that these amendments be concurred in en bloc.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Florida.

The motion was agreed to.

CHANGES IN ENROLLMENT OF HOUSE BILL 11038

Mr. HOLLAND. Mr. President, pursuant to the action previously taken by the Senate, I ask that the Chair lay before the Senate House Concurrent Resolution 505, already adopted by the House of Representatives. If the concurrent resolution is adopted by the Senate, it will regularize this entire proceeding by taking care of the items which have lapsed, due to the lapse of fiscal year 1962 before the time of the holding of the conference.

The PRESIDING OFFICER. The Chair lays before the Senate House Concurrent Resolution 505, which will be read.

The concurrent resolution (H. Con. Res. 505) authorizing the Clerk of the House of Representatives to make changes in the enrollment of House bill 11038, an engrossed House bill, was read, as follows:

Resolved by the House of Representatives (the Senate concurring), That the Clerk of the House of Representatives be authorized and directed in the enrollment of the bill H.R. 11038 to make the following changes in the engrossed House bill:

(1) Page 2, strike out lines 13 to 16, inclusive.

(2) Page 2, line 20, strike out "\$37,000,000" and insert "\$34,500,000".

(3) Page 4, line 12, strike out "\$134,000" and insert "\$103,000".

(4) Page 5, line 2, strike out "\$355,000" and insert "\$310,000".

(5) Page 5, line 5, strike out "\$225,000" and all that follows in that paragraph through line 7 and insert "\$94,000".

(6) Page 5, strike out lines 11 to 16, inclusive.

(7) Page 6, strike out lines 10 to 13, inclusive.

(8) Page 6, line 16, change the period to a comma and insert "to remain available until expended."

(9) Page 6, strike out lines 18 to 20, inclusive.

(10) Page 6, strike out lines 21 to 24, inclusive.

(11) Page 7, strike out lines 1 to 5, inclusive.

(12) Page 7, line 10, strike out "\$40,000" and insert "\$15,000".

(13) Page 7, strike out lines 15 to 18, inclusive.

(14) Page 7, strike out lines 19 to 23, inclusive, and page 8, strike out lines 1 and 2.

(15) Page 8, line 9, strike out "\$2,250,000" and insert "\$2,120,000".

(16) Page 8, strike out lines 14 to 16, inclusive.

(17) Page 8, strike out lines 19 and 20 and insert "In addition to the amount heretofore made available for travel expenses of employees, not to exceed \$70,000 shall be available for such expenses from the appropriation to the Interstate Commerce Commission for the current fiscal year for 'Salaries and expenses'."

(18) Page 9, strike out lines 1 to 4, inclusive.

(19) Page 9, strike out lines 12 to 19, inclusive.

(20) Page 10, line 14, strike out "including" and lines 15 and 16, and insert "\$2,200,000".

(21) Page 10, strike out lines 17 to 19, inclusive.

(22) Page 11, strike out lines 13 to 19, inclusive.

(23) Page 12, line 2, strike out "\$4,880,000" and insert "\$4,690,000".

(24) Page 12, strike out lines 13 to 15, inclusive.

(25) Page 12, line 20, strike out "\$230,000" and insert "\$110,000".

(26) Page 13, strike out lines 20 to 24, inclusive.

(27) Page 14, strike out lines 1 to 3, inclusive.

(28) Page 14, strike out lines 4 to 7, inclusive.

(29) Page 14, strike out lines 17 to 21, inclusive.

Mr. HOLLAND. Mr. President, I shall be glad, with the help of the distinguished Senator from North Dakota [Mr. Young], to explain any feature of this unusual concurrent resolution; but I believe it has been explained adequately.

So, Mr. President, unless further information is desired, I ask that the concurrent resolution be agreed to.

The PRESIDING OFFICER. The question is on agreeing to the concurrent resolution.

The concurrent resolution (H. Con. Res. 505) was agreed to.

Mr. HOLLAND. Mr. President, I move that the vote by which the concurrent resolution was agreed to be reconsidered.

Mr. SMATHERS. Mr. President, I move that the motion to reconsider be laid on the table.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table.

The motion to lay on the table was agreed to.

Mr. HOLLAND. Mr. President, I ask unanimous consent to have printed at this point in the RECORD a summary tabulation showing the budget estimates, the amounts carried in the House version of the bill, the amounts carried in the Senate version of the bill, and the amounts agreed to in the conference on House bill 11038, the second supplemental appropriation bill for 1962—in other words, the amounts finally agreed upon, having in mind the fact that the concurrent resolution just now adopted has stricken out some of the items which appeared in both the House version and the Senate version of the bill.

There being no objection, the tabulation was ordered to be printed in the RECORD.

2d supplemental appropriation bill, 1962 (H.R. 11038)

H. Doc. No.	Department or activity	Budget estimates	Bill		Conference agreement
			House version	Senate version	
TITLE I					
DEPARTMENT OF AGRICULTURE					
333	Agricultural Research Service: Salaries and expenses.....	\$3,000,000	\$2,500,000	\$3,000,000	\$2,750,000
333	Agricultural Marketing Service: Marketing research and service.....	450,000	425,000	425,000	425,000
333	Farmers Home Administration: Direct loan account.....			(50,000,000)	(10,000,000)
333	Forest Service: Forest protection and utilization.....	57,000,000	37,000,000	37,000,000	34,500,000
	Total, Department of Agriculture.....	40,450,000	39,925,000	40,425,000	37,250,000
DEPARTMENT OF COMMERCE					
333 and S. Doc. 83	Coast and Geodetic Survey: Salaries and expenses.....	633,000	200,000	625,000	200,000
333	Maritime Administration: Operating-differential subsidies (liquidation of contract authorization).....	25,000,000	20,000,000	20,000,000	20,000,000
363	General administration: Participation in New York World's Fair.....	25,000,000	17,000,000	15,000,000	17,000,000
	Total, Department of Commerce.....	50,633,000	37,200,000	35,625,000	37,200,000
DEPARTMENT OF DEFENSE—CIVIL					
333 and S. Doc. 83	Department of the Army: Corps of Engineers—Civil: Operation and maintenance, general.....	3,900,000	1,500,000	3,900,000	3,900,000
333	U.S. Soldiers' Home: Limitation on operation and maintenance and capital outlay.....	(144,000)	(134,000)	(134,000)	(103,000)
DISTRICT OF COLUMBIA					
District of Columbia funds:					
Operating expenses:					
333	General operating expenses.....	(86,000)	(63,000)	(77,500)	(60,000)
333	Public safety.....	(377,600)	(355,000)	(355,000)	(310,000)
333	Personal services, wage-board employees.....	(231,000)	(225,000)	(225,000)	(94,000)
333	Settlement of claims and suits.....	(7,347)	(7,347)	(7,347)	(7,347)
333	Capital outlay (language).....	(194,000)	(60,000)	(60,000)	
	Total, District of Columbia.....	(701,847)	(650,347)	(664,847)	(471,347)
FUNDS APPROPRIATED TO THE PRESIDENT					
365	Disaster relief.....	25,000,000	25,000,000	25,000,000	25,000,000
DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE					
Office of Education:					
333	Defense educational activities.....	16,155,000	16,155,000	16,155,000	
	Payments to school districts.....		15,707,000	15,707,000	15,707,000
	Assistance for school construction.....			7,092,000	
Public Health Service:					
S. Doc. 83	Grants for waste treatment works construction.....	5,000,000		5,000,000	645,260
S. Doc. 83	Hospitals and medical care.....	174,000		174,000	174,000
333	Indian health activities.....	267,000	250,000	250,000	
333	St. Elizabeths Hospital: Salaries and expenses.....	146,000	135,000	135,000	
333	Social Security Administration, Bureau of Public Assistance: Grants to States for public assistance.....	85,000,000	80,000,000	80,000,000	
	Total, Department of Health, Education, and Welfare.....	106,742,000	112,247,000	124,513,000	16,526,260
INDEPENDENT OFFICES					
333	Civil Aeronautics Board: Salaries and expenses.....	(40,000)	(40,000)	(40,000)	(15,000)
Delaware River Basin Commission:					
333	Salaries and expenses.....	18,000	18,000	18,000	
S. Doc. 83	Contributions to Delaware River Basin Commission.....	20,000		20,000	20,000
Federal Home Loan Bank Board:					
333	Limitation on administrative and nonadministrative expenses.....	(900,000)			
333	Limitation on administrative expenses, Federal Savings and Loan Insurance Corporation.....	(80,000)			
333	Federal Maritime Commission: Salaries and expenses.....	330,000		175,000	
333	Federal Power Commission: Salaries and expenses.....	325,000		150,000	
333	General Accounting Office: Salaries and expenses.....	(375,000)	(375,000)	(375,000)	
General Services Administration:					
333	Additional court facilities.....	2,500,000	2,000,000	2,000,000	2,000,000
333	Operating expenses, Public Buildings Service.....	2,650,000	2,250,000	2,250,000	120,000
S. Doc. 83	Acquisition of land and building, Chicago, Ill.....	2,703,000		2,703,000	715,000
333	General supply fund.....	10,000,000	5,000,000	10,000,000	7,500,000
333	Expenses supply distribution.....	488,000	350,000	488,000	
	Total, General Services Administration.....	18,341,000	9,600,000	17,441,000	14,335,000
Housing and Home Finance Agency:					
S. Doc. 83	Office of the Administrator: Public works planning fund.....	2,000,000		2,000,000	1,000,000
Public Housing Administration:					
333	Administrative expenses.....	80,000			
333	Limitation on administrative and nonadministrative expenses.....	(18,000)			
333	Interstate Commerce Commission: Salaries and expenses.....	125,000	100,000	125,000	(70,000)
National Aeronautics and Space Administration:					
333	Research and development.....	85,000,000	80,000,000	85,000,000	82,500,000
333	Construction of facilities.....	71,000,000		71,000,000	71,000,000
	Total, National Aeronautics and Space Administration.....	156,000,000	80,000,000	156,000,000	153,500,000
333	National Mediation Board: Salaries and expenses.....	60,000	50,000	50,000	
333	Securities and Exchange Commission: Salaries and expenses.....	(64,000)	(64,000)	(64,000)	(64,000)

2d supplemental appropriation bill, 1962 (H.R. 11038)—Continued

H. Doc. No.	Department or activity	Budget estimates	Bill		Conference agreement
			House version	Senate version	
TITLE I—Continued					
INDEPENDENT OFFICES—Continued					
333	Selective Service System: Salaries and expenses.....	(\$13,000)	(\$13,000)	(\$13,000)	-----
333, 365	Small Business Administration: Revolving fund.....	90,000,000	85,000,000	90,000,000	\$40,000,000
333	Tax Court of the United States: Salaries and expenses.....	(\$0,000)	(\$0,000)	(\$0,000)	(\$0,000)
Veterans' Administration:					
333	Medical care.....	5,360,000	4,000,000	4,000,000	2,200,000
333	Compensation and pensions.....	21,000,000	15,000,000	15,000,000	-----
Total, Veterans' Administration.....					
		26,360,000	19,000,000	19,000,000	2,200,000
Total, independent offices.....					
		293,659,000	193,768,000	284,979,000	211,055,000
DEPARTMENT OF THE INTERIOR					
Bureau of Land Management:					
333	Management of lands and resources.....	1,760,000	1,250,000	1,760,000	825,000
S. Doc. 83	Construction.....	200,000	-----	200,000	200,000
333	National Park Service: Management and protection.....	875,000	775,000	875,000	775,000
National Park Service:					
333	Maintenance and rehabilitation of physical facilities.....	455,000	400,000	455,000	225,000
S. Doc. 83	Construction.....	1,850,000	-----	1,850,000	1,250,000
Bureau of Indian Affairs:					
333	Resources management.....	820,000	720,000	820,000	720,000
S. Doc. 83	Menominee educational grants.....	220,000	-----	220,000	220,000
333	Bureau of Mines: Development and operation of helium properties.....	(17,500,000)	(15,500,000)	(15,500,000)	-----
333	Office of Minerals Exploration: Lead and zinc stabilization program.....	4,880,000	4,880,000	4,880,000	4,690,000
333 and S. Doc. 83	Fish and Wildlife Service, Bureau of Sport Fisheries and Wildlife: Construction.....	1,990,000	300,000	1,990,000	1,800,000
Total, Department of the Interior.....					
		13,050,000	8,325,000	13,050,000	10,705,000
THE JUDICIARY					
Supreme Court of the United States:					
333	Printing and binding Supreme Court reports.....	16,000	13,000	13,000	13,000
333	Care of the buildings and grounds.....	3,000	3,000	3,000	-----
Court of appeals, district courts, and other judicial services::					
S. Doc. 83	Fees of jurors and commissioners.....	300,000	-----	300,000	300,000
333	Travel and miscellaneous expenses.....	314,000	230,000	230,000	110,000
333	Administrative Office of the U.S. Courts.....	17,000	-----	11,250	-----
333	Expenses of referees (special account).....	(195,000)	(100,000)	(100,000)	(100,000)
Total, the judiciary.....					
		650,000	246,000	557,250	423,000
DEPARTMENT OF JUSTICE					
S. Doc. 83	Legal activities and general administration: Salaries and expenses, U.S. attorneys and marshals.....	200,000	-----	200,000	100,000
S. Doc. 83	Fees and expenses of witnesses.....	400,000	-----	400,000	400,000
Federal Prison System:					
333	Salaries and expenses, Bureau of Prisons.....	176,000	176,000	176,000	176,000
S. Doc. 83	Buildings and facilities, Bureau of Prisons.....	300,000	-----	300,000	300,000
333 and S. Doc. 83	Support of U.S. prisoners.....	800,000	600,000	800,000	800,000
Total, Department of Justice.....					
		1,876,000	776,000	1,876,000	1,776,000
DEPARTMENT OF LABOR					
S. Doc. 83	Manpower development and training activities.....	(2,850,000)	-----	(2,850,000)	-----
LEGISLATIVE BRANCH					
Senate:					
Payments to beneficiaries of deceased Senators.....					
		-----	-----	45,000	67,500
Salaries, officers and employees:					
Office of the Vice President.....					
		-----	-----	1,185	-----
Administrative and clerical assistance to Senators.....					
		-----	-----	122,980	-----
Contingent expenses of the Senate:					
Joint Economic Committee.....					
		-----	-----	20,000	-----
333	Miscellaneous items.....	286,000	-----	286,000	286,000
House of Representatives: Payments to beneficiaries of deceased Members.....					
		-----	80,000	80,000	80,000
Architect of the Capitol:					
Capitol buildings and grounds:					
355	Capitol buildings.....	7,500	7,500	7,500	-----
355	Senate office buildings.....	15,000	-----	15,000	-----
355	House office buildings.....	7,500	7,500	7,500	-----
355	Library buildings and grounds.....	6,000	6,000	6,000	-----
Total, legislative branch.....					
		322,000	101,000	591,165	433,500
DEPARTMENT OF STATE					
333	Administration of foreign affairs: Salaries and expenses.....	3,500,000	2,500,000	2,500,000	2,500,000
333	International organizations and conferences: Contributions to international organizations.....	25,616,000	25,616,000	25,616,000	25,616,000
Total, Department of State.....					
		29,116,000	28,116,000	28,116,000	28,116,000
TREASURY DEPARTMENT					
333	U.S. Secret Service: Salaries and expenses.....	210,000	210,000	210,000	-----
S. Doc. 84	Claims and judgments.....	1,065,929	-----	1,065,929	1,065,929
Total, definite appropriations.....					
		566,673,929	447,414,000	559,908,344	373,450,689
Total, special account appropriations.....					
		195,000	100,000	100,000	100,000
Total in bill.....					
		566,868,929	447,514,000	560,008,344	373,550,689

PAYMENT OF EXPENSES OF ATTENDANCE OF GOVERNMENT EMPLOYEES AT CERTAIN MEETINGS

Mr. SMATHERS. Mr. President, I ask unanimous consent that the Senate resume the consideration of House bill 6374.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate resumed the consideration of the bill (H.R. 6374) to clarify the application of the Government Employees Training Act with respect to payment of expenses of attendance of Government employees at certain meetings, and for other purposes.

THE FARM BILL

Mr. AIKEN. Mr. President, let me say that I am very glad that the Senate saw fit to refer the agricultural bill, received from the House of Representatives, to the Committee on Agriculture and Forestry, for its consideration, with instructions to report it to the Senate by next Monday. To have bypassed the Senate committee would have been, I feel, rather disastrous to our legislative processes and also to our emotions.

The agricultural program, existing and proposed, seems to have become an emotional and political issue rather than an economic one. As a matter of fact, the farm situation in this country has changed materially since the Senate considered the administration's proposed farm program last spring. It seems pertinent to me to put into the Record some facts concerning the operation of the farm program under the present administration and the changing situation as it relates to certain commodities.

I mention first the commodity, cotton. In 1958, the cotton program was dragging. We had to cut acreage allotments back, and it seemed essential that we enact legislation. We did so. We enacted legislation in 1958 relating to the cotton program in this country.

The situation began to improve almost immediately. In 1960 our exports were 6½ million bales. In 1961 our exports lacked only 17,000 bales of being 7 million. With this increase in exports and in domestic use of cotton, it was found possible to increase acreage allotments to our farmers.

In 1960 the acreage allotments were increased to 17½ million acres. In 1961 they were increased still further by Secretary Benson to 18,456,000 acres.

In 1962 Secretary Freeman cut the acreage allotments back about 345,000 acres, but the resulting national allotment of 18,101,000 acres was far above the minimum allowed by law. Thus the cotton industry became generally healthy, both domestically and in relation to our exports, during the first 2 years' operation under the 1958 legislation.

In 1961, however, Secretary Freeman increased the support price 2½ cents a pound. This was not requested by the farmers, so far as I know. At least, I heard from none of them requesting an increase in the support price.

After increasing the support price for cotton two and a half cents a pound, it was necessary to increase the export subsidy accordingly. So the Secretary fixed an export subsidy of 8½ cents a pound, or about \$42.50 for a 500-pound bale. This increase in the export subsidy, making it possible to sell to foreign users at far less than cotton was sold to domestic users, naturally upset the domestic cotton manufacturers. It did not work so far as increasing our foreign trade was concerned, because exports this year have fallen off approximately 2 million bales from last year, when the lower subsidy for exports was in effect.

The effect on the taxpayer has been that in 1961, with the export subsidy at 6 cents a pound, the total subsidy amounted to something like \$210 million. That was at approximately \$30 a bale. In 1962, with export subsidies at 8½ cents a pound, by the same figuring, the total export subsidy or cost to the taxpayer came to \$210 million on 2 million fewer bales exported.

So the result of the cotton program which the administration has undertaken to establish in the past 2 years has been a loss of markets to U.S. farmers, and U.S. textile manufacturers have been placed at a still greater disadvantage in competition with foreign manufacturers.

Let us look for a moment at what the New Frontier has done to the wheat program during the past 2 years. In 1961 the support price for wheat was \$1.79 a bushel, or 75 percent of parity. This was announced on May 19, 1961, by the present administration. The final announcement, as it was called, was made on July 6 in the same year. In making the final announcement the Department said:

Legislation requires that the final wheat support rate be determined on the basis of the wheat parity price as of the beginning of the marketing year and of wheat supply relationship of the same date.

The supply relationship estimated for the 1961-62 year at that time was 196.2 percent. In other words, there was almost a year's supply of wheat available in excess of our needs for domestic use and export.

But on August 9 of the same year, 1961, the Secretary announced that wheat supports would be \$2 a bushel, or 84.5 percent of parity for the 1962 crop. But the supply percentage was practically the same as the year before, 192.2 percent.

On June 26, 1962, the Secretary announced that wheat support prices would have to be set at 75 percent of parity again, because of the supply percentage, which had been reduced to 166.5 percent. He said this was necessary because action had to be taken on pre-1961 legislation. But the 1961 act made no change in the calculation of the wheat support price level. Congress provided, in section 123 of the 1961 act, that—

Price support for the 1962 crop of wheat shall be made available, as provided in section 101 of the Agricultural Act of 1949, as amended. * * *

Section 101 is the same section that the Secretary referred to as pre-1961 legislation, which he again says requires wheat price supports to be placed at the minimum of 75 percent of parity.

So what is the net effect of the handling, or mishandling, of the wheat program?

A year ago the supply percentage for wheat was 192.2 percent, or almost a year's supply in excess of our requirements. Today, the supply percentage is 166.5 percent; and if the disappearance holds up, the supply percentage will drop much lower between now and next spring.

My question is, "How much wheat do we need to carry over in the interest of national security, maintaining good relations and farm prosperity?"

The next item I would like to consider is soybeans. On June 15, 1961, a year ago, the average price received by farmers for soybeans was \$2.60 a bushel. The support price at that time was \$1.85 a bushel, so the support price hardly came into play at all.

Last year, 1961, the Secretary announced the support price for the 1961 crop year as \$2.30 a bushel. The farm price for the 1961 crop of soybeans is now \$2.34 a bushel, with the support at \$2.30, whereas a year ago it was \$2.60 a bushel with the support at \$1.85.

Production has also gone up. This year it is estimated that there will be almost 29 million acres of soybeans planted, an increase of 2.4 percent from 1961. But the big increase came last year under higher supports when 693 million bushels were produced, an increase of 25 percent over 1960.

What were the results? On June 31, 1961, the Commodity Credit Corporation inventory of soybeans was 1,077,000 bushels, acquired at a cost of \$1.85 a bushel. On July 13, 1962, the Commodity Credit Corporation inventory of soybeans amounted to 44.7 million bushels, acquired at a cost of \$2.30 a bushel.

That is not all there is to the story. Not only was there an encouragement of production of a large surplus of soybeans, but also there now is a very large surplus of soybean oil, an embarrassing surplus which is being sold at very low prices. Some attempt has been made, according to the news reports, to convert much of this surplus into salad oil for contribution to foreign countries. If we are to believe some of the reports which have appeared lately, there is man-sized trouble brewing in that field, with salad oil being lost through contamination and spoilage, because it isn't being used.

But that is not the whole story. With the price of soybean oil dropping so low, it was natural that the processors wanted to recover the full price for the beans, so soy meal prices have been raised in the last week to \$70 per ton f.o.b., Decatur, Ill., which brings the soy meal to well over \$100 a ton in the cattle feeding area of the Great Plains and the Rocky Mountains. The administration has succeeded, while it was dropping the price of soybeans to the producers, in increasing the price of soy meal to the livestock feeders of this country. The

price of soy meal now, f.o.b., Decatur, Ill., is 40 percent higher than it was 2 years ago.

Cattle on feed this month is 4 percent more than the number on feed last year but this increase is largely in the Mountain States of the West. The States which are most affected by the increase in the price of soy meal, which provides the protein for fattening livestock, are the following:

New Mexico, with an increase of 142 percent.

Arizona, with an increase of 135 percent.

California, with an increase of 123 percent.

Oregon, with an increase of 114 percent.

Idaho, with an increase of 109 percent.

Colorado, with an increase of 108 percent.

Texas, with an increase of 112 percent.

The situation is that the livestock feeders of this country are being called upon to pay a greatly increased price for protein feed to make up for the folly of the administration in raising the support price for soybeans from \$1.85 to \$2.30 a bushel at a time when it was not needed and not requested by the farmers themselves.

MILK

The next item I should like to consider is milk, the most widely produced farm commodity, being produced in every State of the Union.

When the present administration took over in January 1961, and for 2 or 3 months thereafter, the production of milk had been in balance with consumption for at least a year. The price paid to the farmer was fair but not exorbitant. It probably was not enough. The price of milk at retail to consumers was reasonable. The Commodity Credit Corporation did not own a pound of butter or a pound of cheese. The Commodity Credit Corporation was not buying any cheese or butter, and it was not likely it would have had to do so if the program then in effect had been continued.

However, as soon as he took office the Secretary began to talk about imposing quotas on the dairy people of this country and requiring them to cut down their production. When he started this talk, every substantial dairyman in the country started to increase his production so that when the cut came he would not be put back to a disastrous level.

To further encourage this overproduction, on March 10, 1961, the Secretary raised the support price for milk from \$3.22 to \$3.40 a hundred pounds. Almost immediately thereafter the Commodity Credit Corporation had to start buying cheese and butter.

The per capita consumption of milk started falling off. Consumption fell for various reasons. There was great propaganda. The pacifists felt that by attacking milk they could force the United States to become a pacifist country. Some people felt they would get fat if they drank milk. Some people were told they would die if they drank milk. The faddists worked overtime. So the per capita consumption of milk fell off last year.

The administration did nothing to counteract this false propaganda about milk until February of 1962, when President Kennedy advised the country to drink more milk. I understand that the President drinks milk every day, and I presume he does so on the advice of his physician—or it may be merely because he likes milk. At any rate, the situation has changed, and I wish to give the President full credit for undertaking to counteract the vicious propaganda which was carried on against the dairymen for almost a year.

The price of milk to the consumer last year went up about six-tenths of a cent a quart. In June this year the farm price was about 17 cents per hundred pounds less than it was the year before.

The Government has not stopped buying cheese and has not stopped buying butter, but is buying much less than it did before. Whereas on the 1st of April 1961, the Government owned no cheese and no butter, by April 1, 1962, the Commodity Credit Corporation owned 271 million pounds of butter and 67 million pounds of cheese. It was natural that the Government should continue to buy during the surplus producing season of April, May and June; so, on July 18, 1962, the date of the latest report we have, the Government owned 361 million pounds of butter and 101 million pounds of cheese.

I believe the situation is going to improve. The Senate committee killed the Secretary's quota plan for dairy farmers, and production began to fall off. The House refused to continue high supports for manufacturing milk. Accordingly, the Secretary reduced support prices. Farm prices have dropped temporarily. As I said, the farm price is 17 cents a hundred pounds less for the country as a whole during June than it was a year ago.

But Government purchases have also started to fall off. Production of milk has started down. During June it showed virtually no increase over a year ago.

The per capita consumption of fluid milk has gone up rather markedly. It has increased from 1½ to 4 percent each month ever since last winter.

Farm prices are slowly recovering, and Government purchases are declining. In July 1962 the butter production of this country dropped 5 percent. It dropped 5 percent in the past 2 weeks.

Cheese production is down. Government purchases of cheese are now 6 percent less than they were a year ago. As I have said, the consumption of milk has risen from 1½ to 4 percent a month and is still rising. If the administration will drop its almost fanatical grab for controls, the milk business will get much better.

Mr. PROXMIRE. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. PROXMIRE. Is the drop in butter production in July compared with July 1961 or June of this year?

Mr. AIKEN. The drop has been 5 percent in the last 2 weeks.

Mr. PROXMIRE. My question is whether it is a seasonal drop or is a

drop compared with the production in the same month of last year?

Mr. AIKEN. I have the July 20 report of the National Milk Producers Federation. In the week ending July 12 the production of butter was 29,400,000 pounds as compared with 30,700,000 pounds last year, a drop of about 1,300,000 pounds.

The production of cheese was 24,600,000 pounds as compared with 26,200,000 pounds, or a drop of about 1,600,000 pounds.

We are producing less milk. That is particularly true in the northeastern part of the United States, and I think it is also true in the North Central States, which is the other great producing area.

Mr. PROXMIRE. Does the Senator from Vermont have any information with respect to whether part of that decrease may be the result of drought conditions?

Mr. AIKEN. Absolutely. There has been a severe drought. The increase in production last year was due to the fact that there were good pastures from the Atlantic to the Pacific. I am not saying that the Secretary is to blame for all of what happened, and neither do I say that his increasing the support price last year was to blame for all of that. It was contributory in the areas where there was production for manufacturing only. But in the fluid milk areas, and particularly in the northeastern part of the United States, it was the threat of quotas that prompted dairymen to increase their production.

Mr. PROXMIRE. As I recall, the increase in Wisconsin, where we produce so much milk, was about 1 percent, or less than the national average, whereas the increase in New York was 4 percent.

Mr. AIKEN. The Senator is correct. New York was an offender. My State of Vermont was an offender last year. We increased production more than was contemplated. But in our area the principal factor, I am sure, was the threat of quotas being imposed. I do not think that that situation was true in the northern part of the State of Wisconsin. It might have been true in the southern part. I realize that the Senator from Wisconsin has two areas with which to deal. First, there is the manufacturing area and, second, the Chicago-Milwaukee-Madison market.

Mr. PROXMIRE. As the Senator knows, in both areas, including the fluid milk area in the southern part of the State, the price is relatively the lowest price in the country.

Mr. AIKEN. The industry is recovering in part of the country, particularly in the northeastern part of the country. Normally, the price for class I milk would have increased 44 cents per hundred pounds from June to July. Because of unusual conditions, this year the lower production and higher per capita sales will result in July in an increase of 22 cents a hundred, in addition to the normal seasonal change, which will provide a bonus. I believe the prices will be about where they were last year.

On the 1st of July the blend price of milk was only about 7 cents less than

last year, which indicates that we are now down.

Another point which I believe is very interesting is that the milk going to market this year contains a slightly lower percentage of butterfat, which indicates that the farmers are undertaking to produce milk of slightly lower butterfat content than they have been producing up to this time.

Mr. PROXMIRE. Of course, in much of our area, unfortunately, the price is down the full 29 cents. Since the price was already low, the proportionate drop was drastic, the present situation is particularly damaging to Wisconsin farmers.

Mr. AIKEN. The average for the country during June was 17 cents below last year. I doubt that the average for the year will be less than that, because I think in the fluid milk area in which the market for fluid milk exists we will see prices coming up to where they were last year. They probably should remain up there for the rest of this year.

But in the manufacturing areas we have a different proposition. I think we must devise some different marketing system for milk before we recover.

The Senator from Wisconsin knows that a live hog is worth around 18 cents a pound. He also knows that the lard from that hog will sell for about 9 cents a pound. But in order to produce enough pork chops and ham, the farmer must produce an excess of lard. We are not as badly off as we used to be when farmers raised fat hogs. But we still produce an excess of lard, and the loss on the lard must be made up by a charge on pork chops.

In order to produce enough milk to supply the country what it needs to drink, we must produce a surplus of powdered skim milk. During the last year we produced a surplus of butter, too. I do not think we can continually expect the consumers of our country to pay 70 cents a pound for butter at retail. We cannot expect them to pay the full statistical price for powdered skim milk. It may be that we will have to add a half a cent a quart to the price of fluid milk and let butter find a more reasonable price on the market. That would compound the problem for the Senator from Wisconsin, I expect.

Mr. PROXMIRE. It would.

Mr. AIKEN. I do not know an easy way out of that problem.

Mr. PROXMIRE. I am sure the Senator from Vermont, who is a true expert in the field of agriculture, understands our great difficulty is that, with a nationally high fluid-milk price and a relatively high national blend price, there is an incentive for the farmers who are fortunate enough to be located near a big fluid market to continue to produce quite heavily, and even though we feel that our Wisconsin farmers are extraordinarily efficient and able to get along with the low price, the competition is devastating for Wisconsin farmers. I feel it is an unfair kind of competition. Our farmers are able to produce low-cost products and do a fine job. But they are unfairly disadvantaged because the blend price is so much higher now. The differential is worse now than it was a year or 2 years ago.

Mr. AIKEN. The dairy farmers of Wisconsin who produce for the fluid milk market might be able to make a recovery and get along very well. But as that happens, the problem for the farmers producing for the manufacturing plants alone is likely to be compounded.

Mr. PROXMIRE. There is a surplus in the Federal orders that causes the problem.

Mr. AIKEN. Yes. But that surplus is dropping. That is one of the encouraging signs. It is something that has happened since we considered the farm legislation last winter. Now nature is helping. Last year we had perhaps the best season for growing hay and pasture that we have ever known. This year we have one of the worst all through the eastern part of the country, including New Jersey, Pennsylvania, New York and New England. That situation is materially affecting conditions. Even though the price rise is higher from now until the end of the year in the New England-New York-Pennsylvania area, I doubt whether the income to the dairyman will be as much because of the decreased production.

Mr. PROXMIRE. What that emphasizes is the fact that over the years the cost of the dairy support program has been really very modest as compared with the cost of the cotton program or the wheat program.

Mr. AIKEN. Yes.

Mr. PROXMIRE. In fact, our statistics would show that if cost is related to the value of the marketings, the cost of dairy products is about half the cost of wheat during the 1953-61 period, and in the 1959-61 period it was half the cost of wheat and far less than half the cost of cotton.

Mr. AIKEN. The Senator is correct. Furthermore, dairy products are by far the most important of all agricultural products produced in the United States—just under \$5 billion worth. Dairying gives employment to more people on and off the farm than any other commodity or any two other commodities combined.

Mr. PROXMIRE. Yet in the Senate bill as it was passed, no provision was made for the very difficult situation that confronts dairy farmers, except a provision which would aggravate that problem, because it would increase the cost of feed and limit the amount of feed Wisconsin farmers could grow on their farms.

Mr. AIKEN. Yes; and the problem is compounded by the fact that a dairyman must have a large capital investment today in comparison with what he had to have 20 or 25 years ago. Also, a dairyman is required to meet public health requirements which did not enter into the picture 20 or 25 years ago. A change has been forced in the dairy situation. I see in the Chamber the Senator from Connecticut. I happen to know that some of his dairymen have complained that they are being taxed out of dairying because of the great industrial expansion in the State of Connecticut. Their land has become so valuable that they cannot afford to keep cows on it. It is as simple as that.

That has been good for us in Vermont, because the source of supply has been moving steadily northward. Not so long ago Rhode Island produced all the milk it needed, and Connecticut produced all the milk it needed. The situation is changing. Industrialization has taken over. Area competition for dairy products and other farm products has changed also.

Mr. PROXMIRE. Will the Senator yield for me to put in the Record at this point a chart bearing on cost of various commodity programs and support prices? I can do so later if the Senator prefers me to do it that way.

Mr. AIKEN. If the Senator will put the chart in at the end of my remarks, I would appreciate it. I have almost completed my statement.

The cost of dairy rations is approximately \$20 less in the Senator's area than it is in the Northeast. So Wisconsin gets an advantage there.

I believe it has been said by Department officials that the cost of the dairy program last year was \$400 million or so. These figures, as the Senator knows, were padded. They included \$100 million for the school milk program, and \$35 million for milk for the armed services; as well as the cost of dairy products which have been contributed to foreign relief and to the foreign aid program. So the price support program did not cost the taxpayers \$400 million.

On the whole, it seems to me we have had about enough experience with the type of recommended program which the administration is trying to persuade us to accept.

I have one further item, and that deals with feed grain. I will not say much about it, because Senators, from feed-grain-producing States, can explain the effect of this program better than I can.

So far as corn is concerned, the support for corn for the 1960 crop was \$1.06 a bushel. The takeover and resale of the 1960 crop amounted to 521.9 million bushels. The Secretary, in 1961, raised the support price for corn to \$1.20 cents a bushel. The takeover from the 1961 crop is now estimated at 592 million bushels, or 70 million bushels more than the Government had to buy the year before when the support price was only \$1.06.

The Commodity Credit Corporation investment in the 1960 crop was \$552.2 million. The Commodity Credit Corporation investment in the 1961 crop will be \$710.4 million, or roughly \$150 million more than it was under the earlier program which the administration undertook to discard. By this fall it would appear that in the United States we shall probably have approximately a 3-month supply of feed grains carried over to the next marketing year.

In my opinion, a carryover equal to 3 months' supply of feed grain is no more excessive than it is to have a 6 months' supply of wheat carried over to the next year.

There is one thing more about the corn program that I should like to say. Senators can follow this if they can, or explain it if they can. In March of 1960

farmers' intention to plant was 85.7 million acres of corn, according to the Department of Agriculture. They actually planted 81.7 million acres, or a reduction of 1 million acres from the year before.

In March 1961 the farmers' intention to plant came to 82.4 million acres of corn, a 3.3-million reduction from the year before, as reported by the Department of Agriculture. A few days later the special 1961 feed-grain program was approved by the President. Under that law, farmers planted 67 million acres of corn for all purposes, and were paid for not planting 19.1 million acres. This accounts for 86.1 million acres of corn production, either actual or potential.

Under the 1962 feed-grain program—and I find these figures very interesting—the Department reports 65.9 million acres planted, and it is paying for 22.9 million acres not planted, to corn. So the tab has gone up, because this year we are accounting for 88.8 million acres of corn, as compared with 86.1 million acres of corn last year.

It seems to me that is about the most ridiculous statistic that I have read for a long time. While trying to reduce the planting of corn, we are actually supporting the price and paying for not planting on 2,700,000 acres more of corn than was the case in 1961.

Mr. President, I thought it important to put these figures in the RECORD before the Senate proceeds to consider the farm legislation next week.

While we are complaining about our farm programs in the United States, it was very interesting to read an Associated Press report from Moscow under date of Sunday, July 1, 1962, in which Mr. Khrushchev recommends that the farmers of Russia copy the farmers of the United States. He said that farmers in America have learned, because of stiff competition, to keep track of costs and profits and use good management practices.

I conclude by saying that whatever we do, I hope we do not swap programs with Mr. Khrushchev. I am perfectly willing to let them learn our methods and adopt our methods, but for Heaven's sake let us keep what we have here.

It is not the price of fertilizer, or things like that, which has made American farmers the best in the world. It is the fact that they have been kept free to expand and to run their own business. So long as American agriculture is kept free and is run by the farmers of the country, it will be the envy of the whole world.

PAYMENT OF EXPENSES OF ATTENDANCE OF GOVERNMENT EMPLOYEES AT CERTAIN MEETINGS

The Senate resumed the consideration of the bill (H.R. 6374), to clarify the application of the Government Employees Training Act with respect to payment of expenses of attendance of Government employees at certain meetings, and for other purposes.

Mr. SMATHERS. Mr. President, on behalf of the author of the bill, the distinguished junior Senator from Texas [Mr. YARBOROUGH], I should like to make an explanation of its purposes.

Section 19(b) of the Government Employees Training Act provided that any appropriation available to any department for expenses of travel should be available for expenses of attendance at meetings concerned with functions or activities for which the appropriation is made or which will contribute to improved conduct, supervision, or management of those functions or activities.

Section 4 excludes Foreign Service employees, Tennessee Valley Authority employees, and Presidential appointees from the Government Employees Training Act. After the Government Employees Training Act was passed, the customary appropriation language providing travel authority for these three groups of employees to attend such meetings was deleted from existing laws. Therefore, at the present time, there is no clear legal basis for these groups of employees to attend such meetings at Government expense.

The bill, as approved in the House, continues the present exclusion of the Tennessee Valley Authority from all parts of the Training Act since it does not need and does not desire the authority embodied in subsections (a), (b), and (c) of section 19 which under the bill are made applicable to Foreign Service employees and Presidential appointees.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading of the bill.

The bill (H.R. 6374) was ordered to a third reading, was read the third time, and passed.

AMENDMENT TO HATCH POLITICAL ACTIVITIES ACT

Mr. SMATHERS. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1247, Senate bill 919.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (S. 919) to amend section 9(b) of the act entitled "An act to prevent pernicious political activities" (the Hatch Political Activities Act) to eliminate the requirement that the Civil Service Commission impose no penalty less than 90 days' suspension for any violation of section 9 of the act.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Florida?

There being no objection, the Senate proceeded to consider the bill.

Mr. CANNON. Mr. President, section 9 of the Hatch Political Activities Act of August 2, 1939, as amended, prohibits, with certain exceptions, any officer or employee in the executive department of the Federal Government from active participation in election activities.

Any person who violates the provisions of section 9 is subject to immediate removal from office except that the U.S. Civil Service Commission, by unanimous vote, may impose a lesser penalty.

However, in no case may the penalty be less than 90 days' suspension without pay.

The minimum penalty has caused considerable hardship and injustice in many cases involving unintentional or minor infractions of the act.

The Civil Service Commission has supplied the Senate with lists of such minor cases wherein employees were suspended for 90 days without pay.

The cases appear in Report No. 1278 of the Committee on Rules and Administration to accompany the bill, S. 919.

The bill would amend the Hatch Act by striking out in section 9(b) of the act the proviso that in no case shall the penalty be less than 90 days' suspension without pay.

Enactment of the bill would permit the Civil Service Commission, in cases involving minor technicalities and violations of the act and Civil Service Rule IV, to impose a penalty far less drastic than the existing minimum penalty.

The bill has the approval of the Civil Service Commission and the Department of Justice. The bill was also unanimously approved by the Subcommittee on Privileges and Elections and reported to the Senate with the unanimous approval of the Committee on Rules and Administration.

It does not affect the major principles and objectives of the Hatch Act and will not, if enacted, relieve any officers or employees from the prohibitions of the act, but it will prevent an unnecessary and excessive hardship caused by a heavy penalty for inadvertent and minor infractions.

I urge the favorable consideration of S. 919 by this body and its passage so that it may be enacted this year.

Mr. CLARK. Mr. President, will the Senator from Nevada yield?

Mr. CANNON. I am happy to yield to the Senator from Pennsylvania.

Mr. CLARK. I commend the distinguished Senator from Nevada for reporting the bill from his committee to the Senate. I am happy to have been the principal sponsor of the bill. It was introduced as a result of having had called to my attention by a number of Government employees and also by the Civil Service Commission a great many real injustices and inequities involving far too severe penalties having been imposed for very minor violations of the Hatch Act.

I should like to make it clear that I am a strong supporter of the principal provisions of the Hatch Act. I think Government employees, by and large, particularly those in the civil service, should stay out of partisan politics. But in many instances minor violations have been punished in the past within penalties all out of proportion to the seriousness of the offense. Therefore, I am happy to support the Senator from Nevada in reporting the bill to the Senate. I again congratulate the Senator from Nevada for the action he has taken.

Mr. CANNON. I thank the distinguished Senator from Pennsylvania.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 919) was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 9(b) of the Act entitled "An Act to prevent pernicious political activities", approved August 2, 1939, as amended (5 U.S.C. 1181(b)), is amended by striking out *Provided further*, That in no case shall the penalty be less than ninety days' suspension without pay:".*

LABOR, BUSINESS VIEWS ON TAX REDUCTION

Mrs. NEUBERGER. Mr. President, proposals for immediate tax reductions have been advanced by our Nation's leading business and labor organizations—the Chamber of Commerce of the United States and the American Federation of Labor and Congress of Industrial Organizations.

Although expressing somewhat divergent viewpoints, spokesmen for the two groups are agreed on the need for a tax cut as a stimulus to a lagging economy. They raise the question: Is it better to forgo some Federal revenue temporarily and have a moderate increase in Treasury deficits than it is to face prospects of massive Government expenditures which might be necessary later to lift our economy out of deep recession?

I am neither an economist nor a tax expert, but if the need for tax reduction is as urgent as indicated by both the AFL-CIO and chamber of commerce, the question should be decided one way or the other before the adjournment of this session of Congress. Indecision on this issue can only have further unsettling and disturbing effect on business.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD the text of the statement of Ladd Plumley, president, Chamber of Commerce of the United States, at a news conference in his office in the chamber building on June 29, and a press release from the AFL-CIO based on remarks of Stanley H. Ruttenberg, chief economist of the AFL-CIO, delivered July 17 at the convention of the National Federation of Business and Professional Women's Clubs.

There being no objection, the statement and press release were ordered to be printed in the RECORD, as follows:

EXCERPTS FROM STATEMENT BY MR. LADD PLUMLEY

The committee on taxation recommends that the national chamber of commerce announce its support for an immediate reduction in corporate and individual income tax rates. Specifically, the committee recommends:

- (a) That the top bracket rate for individuals be reduced from 91 percent to 65 percent.
- (b) That the lowest individual bracket be split and a 15-percent rate imposed on the lower portion.
- (c) That individual rates between the 65-percent maximum and the 15-percent minimum be adjusted proportionately.
- (d) That the combined corporate tax rate be reduced from the present 52-percent rate to 47 percent.

The committee is not unmindful of the immediate impact of rate reduction on the imbalance in the budget; but the committee is convinced that the best hope and prospect for future balanced budgets and fiscal sanity lies in removing immediately these tax rate deterrents to economic growth.

Additionally, the committee recommends that the chamber prepare and sponsor a longer range tax reform program designed to remove all tax barriers to economic growth. Such a program should put its principal emphasis on tax rate and depreciation rate revision with specific attention also being given to other areas in which revision is both desirable and feasible.

As part of this program new potential tax sources should be thoroughly considered, with the utmost care being exercised to make certain (1) that these new sources would not be deterrents to industrial expansion or the development of the Nation's resources; (2) that their availability and utilization would not furnish any basis for the continuation of excessive Government expenditures; and (3) the chamber has previously submitted recommendations of cuts of over \$5 billion that could be made in the fiscal 1963 budget without harm to any essential program or service. This tax revision reemphasizes the need for prudence and thrift in Government.

In developing these recommendations the taxation committee is well aware that the job of tax reform is not going to be accomplished in one all-encompassing, perfectly written tax law. Rather this complex job must be worked at in manageable and politically possible portions over the years.

Right now certain important proposals for tax reform are very much in the news and another more fundamental set of proposals is being prepared by the administration. Other proposals are also receiving more than usual attention.

Half a dozen general guidelines could be set up:

1. One requirement is that the system produce the necessary revenue.
2. Equity is unquestionably another prime requirement. No tax system can succeed if it is irrationally discriminatory or offends the taxpayers' belief that they are being treated reasonably, fairly, and equitably.
3. A third basic objective is, all other things being equal, simplicity. Simplicity in the tax system is greatly to be desired. With tax rates as high as they are, some complexities are inevitable in the interests of equity. But the high rates have caused so many complexities and special provisions so many inequities that the administration of our tax laws is becoming too burdensome.
4. Consistency over time is a fourth general objective of importance. Here I have in mind particularly the problems in business decisionmaking which may be posed whenever there exists a situation in which the tax rules-of-the-game are susceptible to change from year to year. Both business and individuals need reasonably stable guideposts to steer by.
5. Fifth, a good tax system should be generally as neutral as possible in its effects on economic decisionmaking. This is crucial in an economy such as ours which is governed primarily according to the individual decisions of millions of separate consumers and producers, operating in a competitive market. The tax system should be so devised as to allow maximum play of the market in allocating resources. When business and economic decisions are based on narrow tax calculations, the effective functioning of the market system is impaired.
6. An additional objective of tax policy is that it ought to support the general fiscal requirements of the Government. By this I do not mean to suggest that the tax structure should be constantly revised or

juggled to accomplish specific short-term aims; this would do obvious violence to several other objectives I have already mentioned. But it is important that the tax system generally promote long-range, continuing goals such as economic growth—or at least deter growth as little as possible.

The issue is how to unleash business investment so as to modernize generally the industrial plant of America.

Rate reduction is really the fundamental problem. I believe there is nearly universal agreement on this point; differences arise only on questions of timing and especially on whether the high rates should be attacked separately or in combination with other revisions designed to broaden the tax base.

The high and continuing necessary Federal spending commitments, many of them dictated by the international politics of our age, make a continuing flow of Federal revenue absolutely indispensable. To argue that we should lighten the taxload on anyone regardless of revenue effects would be irresponsible at the least.

The fact is, however, that the present steepness of personal income tax rates—up to 91 percent and reaching 50 percent as low as \$16,000 of taxable income—has very little merit in a revenue-raising way. Such rates discourage far more economic activity than the revenue they raise could possibly justify. I believe that it has been convincingly argued, that properly directed, reduction of the steep progression in middle and upper brackets could bring about an increase in capital formation, thus enlarging the economy and providing a larger tax base so that any short-run revenue loss would be promptly made up.

Another implication of the problem of high tax rates is that every needless public expenditure should be eliminated. As of now approximately 20 percent of our gross national product is required to keep the Federal Government running. Since we must continue to meet every demand which the cold war imposes, all other types of expenditure must be scrutinized rigorously to meet the highest standards of the public interest.

With heavy national security expenditures facing us indefinitely in the period ahead, the total tax load will inevitably continue to be heavy. Whether this load will constitute a continuing drain on the vitality and growth of the economy, however, depends on what kind of tax system raises the needed revenue.

The challenge which this kind of a future poses calls for an important mutual understanding between the business community and the Government. Business must recognize the revenue demands which the cold war of necessity imposes on Government. Government must recognize that how the revenue is raised and how well its expenditures are controlled will have a significant impact on the very sources of economic growth and tax resources with which public policy must be vitally concerned.

Our recommendation, which has a solid backing among business economists, is based upon these premises, among others.

1. The cut must be prompt. A delay now not only courts the disaster of a recession in the United States but its spread to Canada, already under pressure and thence to Europe. The free world cannot look with complacency upon such a catastrophe.
2. The cut must be substantial. Half-way measures are futile. Further, all is not lost for with higher taxable income much is recouped. It is to be remembered that recessions cost money too. The 1957-58 recession resulted in a deficit of \$12.5 billion. If successful this could be, by far, the least costly way to combat this problem.

3. The cut as recommended will stimulate investment spending. This will improve our profit picture, make our products more competitive and accent once again the growth element in our economy.

4. Reduction of personal income taxes will increase take-home pay and hopefully reduce the pressure for wage increases.

5. Foreign bankers recognizing the energizing effects of this program will be less concerned about the stability of the dollar than they are at present.

NEWS FROM THE AFL-CIO

The chief economist of the AFL-CIO vigorously favors a tax cut "now—not next year" in the lowest personal income tax bracket but with equal fervor opposes tax relief for corporations and higher bracket incomes.

Stanley H. Ruttenberg, director of the AFL-CIO department of research, told a Los Angeles audience last night (Monday) that only a tax cut concentrated in the first individual income tax bracket will provide the increased consumer buying power that is an urgent need.

"Talk is no longer cheap in America," Ruttenberg said. "The failure to translate talk into positive action is a most expensive threat to America's health. Talk will not move America forward. Action will."

At the same time, Ruttenberg assailed proposals to cut corporation taxes and to reduce the rates on higher incomes. He particularly scorned the argument that the President should propose such cuts to prove he is not antibusiness.

"The Nation cannot afford a tax cut to appease some supposed slights to American business from a President whose record to date has been one that business should support, not oppose," Ruttenberg said.

"We cannot as a nation afford the luxury of talk without action, or action based on the silly talk of many businessmen that a President who is antibusiness must prove his mettle to a sullen business community by recommending the wrong kind of a tax cut, at the wrong time, for the benefit of the wrong group of taxpayers."

EXCERPTS OF REMARKS BY STANLEY H. RUTTENBERG BEFORE NATIONAL FEDERATION OF PROFESSIONAL AND BUSINESS WOMEN'S CLUBS, INC.

Right now the state of the American economy is one of the most overriding domestic issues. No longer are people talking about whether a tax cut is needed. They are now discussing what kind of tax cut is needed and when it should be applied.

Talk is no longer cheap in America. The failure to translate talk into positive action is a most expensive threat to America's health. Talk will not move America forward. Action will.

Industry has been operating 10 to 15 percent below capacity, retail sales have fallen off in June, installment credit expansion has slowed. The steel industry's operations have gone to half capacity—down from 80 percent in March.

For the past few months, therefore, there has been talk of tax cuts. Too often this talk has been misdirected away from economic to political considerations. Too often the question is raised, "Will the President give business the kind of tax cut it wants in order to prove he is not antibusiness?"

Action responsive to such talk is as bad as no action at all. No sensible person in this country, least of all its President, is antibusiness. If business needs reassurance on this question, it should reexamine American history and American thought—a history of diversity and variety of ideas, with no one set view as the only possible American way. In fact, it sometimes has been a series of actions falsely dubbed antibusiness which

turned out to be the salvation of American capitalism.

America needs a tax cut now for economic reasons. * * * The Nation cannot afford a tax cut to appease some supposed slights to American business from a President whose record to date has been one that business should support, not oppose.

Why cannot we afford a tax cut designed to cut taxes for high and upper income individuals and corporations? The figures are very simple and very obvious. This is not the kind we need. American business corporations need no tax cuts to expand. They have spent almost \$150 billion in plant and equipment over the past 5 years, almost all of which was available from depreciation allowances and retained earnings. They have failed to use the capacity they have. They will not expand very much from a tax cut. They will expand on the basis of potential markets as business always has.

We cannot afford an across-the-board individual income tax cut, such as has been proposed, either, for essentially the same reasons. It is not needed nor is it fair. What has been proposed is to reduce all individual income taxes from the current 20-to-91-percent range to a proposed 15-to-65-percent range. That is pretty fair, according to its proponents. But is it? What it means, in oversimplified hypothetical terms is that if taxes on a taxable income of \$5,000 were reduced 5 percentage points or \$250 and a taxable income of \$500,000, 26 percentage points or a \$130,000 reduction in taxes, the person with 100 times as much income could get more than 500 times the decrease in taxes. If that is consistent with progressive income taxes, based on ability to pay, the world in my judgment has turned completely upside down.

But even if it were considered fair by those who believe that upper income taxes should really be reduced it is not sensible from an economic point of view. The purpose of a tax cut is to spur the American economy—to push money into the spending stream. The low- and middle-income groups can be counted on to spend the money from a tax cut. Spending is an urgent need in a sluggish economy, where demand is not using the ability of the national capacity to produce.

This is not to suggest that tax cuts alone are enough. I am not suggesting that the Nation does not need to act in all the areas where America's needs have not been met. But I do mean to say quite positively that only a tax cut concentrated in the first individual income tax bracket will reach those Americans who will spend it. It is not only reasonable but necessary to have such a tax cut now—not next year. Any other kind will not meet the purpose for which it was designed.

We cannot as a nation afford the luxury of talk without action or action based on the silly talk of many businessmen that a President who is antibusiness must prove his mettle to a sullen business community by recommending the wrong kind of a tax cut, at the wrong time, for the benefit of the wrong group of taxpayers.

HOUSE FARM BILL SHOULD BE MODIFIED IN COMMITTEE

Mr. PROXMIRE. Mr. President, it was wise for the Senate to refer the House farm bill to the Senate Committee on Agriculture and Forestry, of which I am a member. I think it would have been most unfortunate if the bill had not been so referred but had to be considered by the Senate without reference to committee. The committee system in the Senate serves a most useful purpose. In

this particular kind of case, in which a bill is highly complex, has come over from the House with language far, far different from the bill which left the Senate 3 long months ago, and has been drastically modified in many respects, it seems to me that it would have been most unfortunate if we who serve on the Committee on Agriculture and Forestry had not been afforded a chance to consider the new farm bill thoroughly and make our views known in the public interest.

The Senate acted wisely in referring the farm bill to the Committee on Agriculture and Forestry, because the bill can be improved in certain specific ways. I should like to give a few examples: First, by striking the last sentence in title II of the House bill, which provides that the school lunch program outside the United States shall not extend beyond June 30, 1964. The school lunch program outside the United States has been an excellent program. It makes sense in terms of our foreign policy and certainly in terms of our agricultural policy and in terms of our economic policy, since we produce more than enough food, and hunger stalks the world. The program has been operated by the food-for-peace agency and has been a great success.

Second, we can improve the House bill by changing section 301(a) of title III, which provides that after 1963 the Secretary will have no discretion with respect to feed grains but must set price supports at 80 percent of the previous 3-year market average. Surely this provision can be improved by committee study and action. The present language is unsatisfactory because it fixes the price support required by law, and gives the Secretary no discretion. Also, it is an unreasonable law: 52 percent of parity, or about 84 cents a bushel, versus the present level of \$1.20 of the price support dollar, market price.

FARM INCOME MUST BE INCREASED, NOT REDUCED

I have talked with a number of Senators about this matter and many of them, who have always voted for farm legislation, have told me that under no circumstances could they support any bill which provided this kind of deep, drastic cut in farm income. Of course, it would cut the income of those farmers who represent the backbone of agriculture, the farmers who produce feed grains. In doing so, it will also cut sharply and drastically the income received by farmers who produce beef, milk, and hogs. The consequences of the House bill, if it became effective, would be extremely serious.

In the third place, the Secretary should be authorized to specify conditions before offering any price support after 1963, since acreage adjustments will be diverse, such as for acreage adjustment or diversion. The House version of the bill does not authorize this.

Also, I feel strongly that extension of the feed grain plan can be strengthened by the amendments I propose. These amendments provide that if farmers do not comply with the feed grain plan and if they do not agree voluntarily to retire some of their acreage, they shall be deprived of some of the subsidies they now receive.

In talking to farmers, I find that this is the kind of provision they can understand. Those amendments would greatly reduce the farm surplus, it would increase compliance, and it would reduce the size of the farm program.

I have heard a number of Senators say that they believe the conferees will knock out the section which provides for voluntary reduction of dairy production. They say such a provision is unenforceable in the absence of mandatory controls. I agree that a serious problem of administration is involved here. But it is difficult to handle this complex problem on the floor of the Senate. The logical place to handle it is in the committee, where we can obtain expert testimony and can proceed in an orderly way. We now have a week to act on the bill, and I believe we can improve it all along the line.

However, I wish to make clear that we should adopt the provision which the Senate Committee on Agriculture recommended when the bill was reported by it. That provision was rejected by the Senate, but was adopted by the House. I refer to the provision to renew for another year the emergency feed grain provisions which now are in the law. These have worked very, very well. It is a fact that the farmers find them practical. They have increased farm income and have reduced the cost of the farm program.

It is argued that this provision is too expensive. But the facts show that the cost of the farm program is estimated at \$780 million for this year. However, that estimate is based on total payments in kind, out of the surplus, with feed valued at \$1.20 a bushel—the bookkeeping value. In fact, much of the surplus has no genuine cash value, and would be given away if it were not used for payments.

Therefore, the real new cost of the program is far less—being the cost of taking into storage the 1960-61 crop, or about \$550 million.

Of course, the saving on interest and storage costs is also significant.

The estimated saving over the Benson program, the 1958 program, is \$500 million, according to the Department of Agriculture; and the emergency bill which I think we should reenact has increased farm income by about \$450 million.

On June 15, I received the following letter from Francis A. Kutish, a distinguished economist at Iowa State College. In the letter he estimates the effect of the present emergency feed-grains program on the farmers and on costs.

His letter reads as follows:

IOWA STATE COLLEGE,
Ames, Iowa, June 15, 1962.

Senator WILLIAM PROXMIRE,
Senate Office Building,
Washington, D.C.

DEAR SENATOR PROXMIRE: The most recent Government figures on feed disappearance indicate that we will reduce feed grain stocks about 10 million tons this year. When compared with what we probably would have produced had the old Benson program been in effect, this represents an estimated 26-million-ton reduction from the estimated production in the absence of the

1961 program. That is the equivalent of 932 million bushels of corn. If you figure the eventual recovery value of corn at \$0.992 a bushel, this results in a net savings to the Government of \$241 million, if the eventual recovery value is \$0.53 a bushel (what the USDA calculated), the eventual savings is \$622 million. If you use no recovery value—

Incidentally, I think that might be the most realistic—

the eventual savings is \$1,059 million.

This has been a successful program. It has reduced stocks; it has maintained farm income and it has not raised consumer prices. When measured on a basis of net costs, it will have reduced Government expenditures.

Sincerely yours,

FRANCIS A. KUTISH,
Extension Economist.

CURRENT FOOD GRAIN PROGRAM FAR MORE ECONOMIC THAN MANDATORY WHEAT AND COTTON PROGRAMS

Madam President (Mrs. NEUBERGER in the chair), when I was discussing the farm program with the distinguished senior Senator from Vermont [Mr. AIKEN], the ranking Republican member of the Senate Committee on Agriculture and Forestry, I pointed out that the dairy price-support program has been far less expensive than some of the other programs. I wish to emphasize that not only has the dairy price-support program been relatively low in cost, but the feed-grains program has been low in cost, too.

The big objection to the feed-grains program is that, as compared with the cotton program and the programs for other commodities, there has been no effective limitation on production. The distinguished chairman of the Committee on Agriculture and Forestry has called corn the "little, blue-eyed sweetheart of the Congress." But the fact is that in terms of cost, the program for feed grains has been far less costly, if we relate the cost, as I think should be done, to the value of the marketings. On that basis, the feed-grains program has been far less costly than the programs for cotton or wheat; and the feed-grains program has been about as economical as the program for dairy products.

I hold in my hand a chart which shows the losses on Government price-support operations for cotton, dairy products, feed grains, and wheat for the fiscal years 1953-1961. It shows that whereas during that period cotton has had losses of 8 percent on its marketings, dairy products have had losses of 6 percent; feed grains, 5 percent; and wheat, 12 percent; and for the period 1959 through 1961 cotton has had losses of 12 percent; wheat, 12 percent; feed grains, only 8 percent; and dairy products, 5 percent.

I think the chart is significant in several ways. First, it shows that the loss from the program for dairy products and the loss from the program for feed grains have been less than the losses on the other programs. Second, it shows that the total cost to the farm program has been a relatively small proportion of the value of the marketings—for feed grains, 8 percent. Furthermore, it has been pointed out that if we relate the cost of the feed grains price-support pro-

gram to the value of the marketings for beef and hogs and the other end products of the feed grains, the cost has been only 2 percent of the total, ultimate value of marketings.

Madam President, in view of the fact that food is an excellent bargain in this country—that the cost of food, in terms of the number of hours of work necessary to buy food, is far less in the United States than in any country in the world, and a great deal less than in the countries of Europe, and far less than it has ever before been in this country—we can recognize that the so-called expensive farm program is really not very expensive, after all. The fact is the American consumer-taxpayer is getting a first-class bargain from the American farmer and we ought to say so.

Even if we add the full cost of the farm program to the cost of food, we are getting a terrific bargain.

It can truly be said the farmer is subsidizing the consumer. This is a fact. Our legislation should reflect it. Thirty years ago it took 12 minutes of work for an average factory worker to earn enough to buy a quart of milk. Today, it takes 6 minutes of work. And what is true of milk is also true of a loaf of bread and of all the other articles of food that consumers buy. So, although it is true that food costs have risen over the years—as have all other costs—yet they have gone up far less than have other costs; and in terms of real income, the cost of food has dropped.

Last year the cost of living went up but only slightly why? Because the cost of food went down. The farmer is the real hero of price stability in this country.

I ask unanimous consent that the chart to which I have referred, which shows how relatively low is the cost of the dairy products price-support program, and the feed grain price-support program, be printed at this point in the RECORD.

There being no objection, the chart was ordered to be printed in the RECORD, as follows:

Losses on Government price support operations for cotton, dairy products, feed grains, and wheat; fiscal years 1953-61¹

	Annual average losses or costs		Losses as percentage of value of marketings ²	
	1953-61	1959-61	1953-61	1959-61
	Millions	Millions		
Cotton.....	\$195	\$315	8	12
Dairy products.....	285	252	6	5
Feed grains.....	296	430	5	8
Wheat.....	233	250	12	12

¹ Realized losses on CCC inventory transactions, including recouling and interest expenses (under accounting procedures adopted June 30, 1961) plus export subsidies and sec. 32 funds used for price support operations.

² These data from Legislative Reference Service were put in the CONGRESSIONAL RECORD, Mar. 1, 1962 (p. 3239), in a speech by Senator CARLSON.

³ Value of crops produced, in case of feed grains.

TAX CUT DOES USE UP AMMUNITION AT WRONG TIME

Mr. PROXMIRE. Madam President, yesterday, an article by one of the clearest analysts of our troublesome economic

problems, Miss Sylvia Porter, was published in the *Washington Star*. Miss Porter favors a tax cut. I do not. In the article she discussed the proposed tax cut and some of the arguments which have been made against making a tax cut at this time. However, her arguments and particularly her final contention in contradiction of what some of us have been saying in favor of making such a tax cut really do not add up.

She says this:

The argument that a tax cut should be held off until we're in a recession invites the retort, "Why wait for the suffering? Why not try to prevent it?" There is no stimulant on the horizon to perk up the economy. Business spending is not going to rise because of the new depreciation schedules or the tax incentive in the present tax bill; consumer spending already is high and is unlikely to accelerate much without additional help. Between higher Government spending and a tax cut, financial conservatives overwhelmingly prefer the tax cut, and so do most liberals at this stage.

ECONOMIC FORECASTING UNRELIABLE

The difficulty with this argument is that it presupposes that we are able to predict the economic future, that the economists can look forward and say: "If we have a tax cut now, or early next year, 18 months or 2 years from now, when economists tell us the effects of this tax cut will be felt, there will be a deflationary situation or unemployment situation which should be corrected."

Unfortunately, economists cannot look into a crystal ball and predict the future. Before the Joint Economic Committee this year appeared the head of the Council of Economic Advisers, Walter Heller. I think he is recognized as one of the best economists in the country. He certainly has impressed me as being a very able and competent economist. Dr. Heller predicted at that time that we would have a gross national product of \$570 billion for this whole year. This was only 5 months ago. It is perfectly obvious that Dr. Heller is going to be wrong. We shall not have anywhere near a \$570 billion gross national product for the whole year.

This prediction was made by Dr. Heller on the basis of all the resources available to our Government. It was made by a competent economist. He looked into the crystal ball and made this prediction. He was wrong. But his prediction was supported by other competent and able economists in our Government, and they were wrong.

Five or six months ago every investment analyst I had a chance to talk to and every investment analyst who had written on the subject predicted that the stock market would go up during the coming year. They predicted it would continue to rise, perhaps at an irregular rate, but that there was very little likelihood that it would drop very much. It was difficult to find any economist, investment analyst, or stock market expert who thought the market would drop. They were wrong. The stock market went down.

We can wish that economics were an exact science and that we could consult a person who had an extensive education and training in economics and had had

practice in working on economic predictions, and that we could ask such an expert what is going to happen in the future. The fact is that, while we might wish that were so, economists cannot make that kind of prediction. Economics do not permit one to be able to make accurate predictions.

Therefore, if we follow the advice of making a tax cut, when the gross national product has during the fiscal year ending 3 weeks ago risen by \$40 billion, when personal income is at a record high, when business is good except for certain economic forecasts, I see no reason why we should not keep on reducing taxes.

I argue that the only time a tax cut can be justified is when there is a surplus and taxes can be reduced without unbalancing the budget, or when the Nation is at war and therefore we have to spend as much as possible in order to defend our country, or when we are in a recession or depression which is so severe that there are many millions out of work, businesses are failing, and drastic action is needed to right the economy.

We do not have that kind of situation now.

If we are going to follow a policy of reducing taxes now, on the basis of very mixed economic predictions, then it is hard to see any situation in which a tax cut cannot be justified. What is more, the argument which has been made by those of us who oppose a tax cut that we would use up our one-shot ammunition, is a perfectly proper and valid argument. A tax cut should be made at a time when there is a serious economic crisis, because it is a one-shot affair. Once we have the kind of tax cut the *Washington Post* recommended, \$11.5 billion, it is exceedingly difficult to see how we could possibly justify having such a tax cut, or a bigger one in the future. No matter what would happen, it would be extraordinarily hard to justify. Under those circumstances, we would be in a situation where, if we were in an economic crisis, and had serious unemployment, we would be unable to cope with the situation because we had already used up our ammunition.

PER JACOBSON ON RECORD AGAINST A TAX CUT THIS YEAR

The second argument used by Sylvia Porter against the opposition to the tax cut is that the international bankers argue that a tax cut makes sense for the American Government; that under those circumstances we should increase interest and reduce our taxes and run a deficit and stimulate our economy by a tax cut. Mrs. Porter quotes from a report of the International Bank for Settlements at Basel, Switzerland. It has been alleged, and has not been denied, in *Business Week*, that this report by the International Bank for Settlements at Basel was a plant; that it was a suggestion by U.S. officials who were at Basel and who recommended that the international bankers recommend a tax cut in the United States.

What concerns me is that the outstanding international banker, the great Swedish economist who is head of the

International Monetary Fund, and who certainly is a world-renowned economist, does not recommend a tax cut. He appeared on "Meet the Press" some 2 weeks ago, and in the course of his appearance he was asked whether he would recommend a tax cut now. He said no, he would not. He said he would recommend a tax cut next year, but it was clear from the language in which he phrased his recommendation that he would recommend a tax cut only if it were accomplished without a deficit.

There are many Members of the Senate, and also of the public, who would be in favor of a tax cut if it could be done without running a deficit; but the fact is that this year we have had a deficit of \$6 billion. Even without a tax cut, we will have a deficit of over \$4 billion next year; and with a tax cut of the kind recommended by the *Washington Post* this morning, we would probably have as heavily unbalanced a budget as we have had in our entire peacetime history.

TAX CUT COULD BE INFLATIONARY

The final argument that Miss Porter makes against the proposition is that a tax cut would result in an inflationary spiral. Of course, it would depend upon the nature and the time when the tax cut would be set. Professor Friedman, of the University of Chicago, and Professor Mayer, formerly of the University of Michigan, have argued that fiscal policy has its full consequential effect about 18 months after action is taken by the Government. So if we should have a tax cut acted upon by the Congress this year, and if that tax cut should take effect, as is recommended by the assistant majority leader, on January 1, the consequences of that tax cut would not be felt until 2 years from now, until the summer of 1964.

No economist looking into a crystal ball can tell whether in the summer of 1964 we will have an inflationary situation or a deflationary situation, or what kind of a situation we will have. Therefore, the argument of Miss Porter that such a tax cut would not result in another inflationary round overlooks the lag and the inability of economists to predict the future. So that under those circumstances it seems to me that none of the arguments advanced by Miss Porter stands up.

I ask unanimous consent that the article by Sylvia Porter be printed in the *RECORD* at this point.

There being no objection, the article was ordered to be printed in the *RECORD*, as follows:

TAX CUT PLEAS GET ARGUMENT

(By Sylvia Porter)

Opponents of a tax cut for individuals and corporations this fall offer three major arguments.

The tax cut, they argue first, would create a huge deficit in the 1963 Federal budget and immediately revive the threat of another inflation spiral. This point was made by Senator BYRD, Democrat, of Virginia, in his letter to the chamber of commerce denouncing the chamber's call for a tax reduction now.

The tax cut, they argue second, would, by swelling the budget deficit, undermine the budget deficit, undermine the confidence of Europe's bankers in the U.S. dollar and could set off a disastrous run on our gold reserves.

This was another point made by Senator BYRD.

The tax cut, they argue third, would be premature now and we should have this great antislump weapon until we are in the next recession and need to use it. This is a point made by Senator DOUGLAS, Democrat, of Illinois, who is also an economics professor.

What is the validity of each of these arguments?

(1) That a tax cut of substantial size—and it must be substantial if it is to give the economy the spur it requires—would swell the deficit in the 1963 budget is indisputable. But this tax cut would set off another inflation spiral now is decidedly disputable. We are in a slack economy; in many industries there is excess capacity, supplies of most goods are abundant; the unemployment rate remains high; competition at home and from producers abroad is the fiercest in decades.

Against this type of background, inflation simply does not thrive.

(2) The argument that Europe's bankers and financiers would lose confidence in the dollar because of a big budget deficit caused by a tax cut is not backed by the facts. Over and over, the world's central bankers have been telling U.S. officials that we should cut taxes now to stimulate the economy. They ask only that as the deficit balloons, we follow orthodox monetary policies—specifically, let interest rates rise and finance the budget deficit primarily in noninflationary ways.

The headquarters of financial conservatism in Europe—the International Bank for Settlements at Basel, Switzerland—actually put this in writing a few weeks ago. Said the BIS: Unless the United States cuts taxes or increases Government spending, "it will risk continuing to have a rate of growth well below that of Europe, east and west."

(3) The argument that a tax cut should be held off until we're in a recession invites the retort, "Why wait for the suffering? Why not try to prevent it?" There is no stimulant on the horizon to perk up the economy. Business spending is not going to rise because of the new depreciation schedules or the tax incentive in the present tax bill; consumer spending already is high and is unlikely to accelerate much without additional help. Between higher Government spending and a tax cut, financial conservatives overwhelmingly prefer the tax cut, and so do most liberals at this stage.

On the basis of economics and finance, a tax cut this fall makes sense. If the political obstacles can be cleared away, we can prove that we've finally learned that we don't have to wait for recessions to take obviously desirable steps to benefit all Americans.

Mr. PROXMIRE. I also ask unanimous consent that an editorial from the Washington Post, which I have discussed in some detail, and the proposals of which I oppose strongly, also be printed in the RECORD at this point.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

FOR A TAX CUT NOW

When the postwar record of the economy is viewed in retrospect there is much of which to be proud. It has conferred upon the American people the highest living standard in the world and at the same time it has provided a substantive stimulus to the economic recovery and growth of the free world. But in recent years our rate of economic growth has been declining and at this time the economy is listlessly balanced on a high plateau. A stimulus is required to restore a healthy and vigorous rate of growth, and there is a remarkable unanimity of opinion among businessmen, labor leaders, and economists that the best stimulus available is a tax cut.

The compelling argument for a tax cut rests upon sound principles of economic analysis. If personal income taxes are cut while the current level of Government expenditures is maintained, the economy will be stimulated by the ensuing increase in the total expenditures for goods and services. It is important to bear in mind that the effects of a tax cut will be multiplied by successive rounds of expenditures so that a \$1 tax reduction will, after about 6 months, result in a \$2.50 increase in expenditures. In addition to this "multiplier" effect on the consumption side, there will be a powerful but not readily calculable stimulus to investment as the rising volume of sales presses upon productive capacity.

A token tax cut will not sufficiently stimulate the \$550 billion American economy. What is required is a substantial reduction. The tax rates for all income brackets except the highest one should be reduced by 5 percentage points to increase after-tax income by \$10 billion. The nearly confiscatory 91-percent rate for the highest bracket should be reduced to 65 percent, thus reducing tax revenues by an additional \$650 million. This reduction for the highest income bracket, which has long been recommended by proponents of tax reform, will increase investment and diminish the efforts to establish tax shelters. In addition to the reduction in personal income taxes an across-the-board reduction in corporate income taxes by 2 percentage points would add \$1 billion to business income which would be useful in financing the anticipated rise in the volume of investment.

In total these tax cuts would result in an \$11.6 billion loss in Treasury revenues, but the personal income tax reduction alone will increase the volume of total expenditures by \$26.5 billion and the dynamic effects of these increases upon the volume of investment should add much more to the gross national product. Thus the fiscal deficit that is incurred will be sharply reduced as a rising level of economic activity generates greater tax revenues.

The administration, it will be recalled, planned a tax reduction for 1963 as a part of a broad program of fiscal reform. But it is now clearly evident that the stimulation of the economy must take precedence over reform. In any case, there is nothing in this proposal that should preclude tax reform in the future.

On countless occasions during the campaign of 1960 President Kennedy reiterated the necessity for "getting America moving again." The time has come for injecting new vigor into the economy. The administration should advocate, with all the force that it can muster, an immediate tax cut.

AMERICAN AND PHILIPPINE WAR CLAIMS

Mr. KEATING. Madam President, while a great deal of attention has been given in the press and throughout the country to the problem of settling the Philippine war claims program, virtually no notice has been given to the abysmal failure of the Congress to deal with American war claims growing out of World War II. I should like to say a few words about these claims. Incredible as it may appear, we have not yet enacted any legislation to compensate American citizens for the hundreds of millions they suffered in war losses in German, Japan, and other major battle areas.

I am sympathetic to proposals to pay the balance of funds for Philippine war claims. But the clamor for immediate action on the Philippine bill sharply

contrasts with the dead silence with which the public has reacted to the 17-year delay in dealing with the American war claims problem.

Let it be recognized that approximately \$389 million already has been paid on Philippine war claims, that many small claims have been paid in full and that a substantial percentage has been paid on all the others. In comparison, nothing at all has been paid to Americans who suffered war losses similar to those covered in the Philippine program in such areas as Germany and Japan. There have been some World War II programs for Americans, such as the payment to American prisoners of war, but the total of all sums paid under these various programs does not begin to approach that already paid out under the Philippine program.

The situation is even more ironic when we consider that funds for the payment of the American claims have been available since the end of the war, while funds for the Philippine claims must be appropriated. We must, of course, deal fairly with our friends in other countries. I favor completing the payment of the balance of the Philippine war claims, but in any list of priorities, our fellow Americans must stand higher than foreign nationals.

The American claimants might do better if some foreign lobby could be put to work in their interests. The effectiveness of these lobbies has been demonstrated more than once. Perhaps we need an American lobby to make sure that the interests of our own citizens get at least equal treatment with those of foreign nationals.

The longer we wait the more difficult it will be to process these claims. Moreover, many of the claimants are old and sick and are people of modest means. This is particularly true of the so-called later nationals, who frequently had to leave their former countries with only the clothing on their backs and a few meager possessions. I have heard from many of these poor souls, and I know that everyone—every Senator and every other American—would be deeply moved by the hardships they have been suffering as a result of the long delay in acting on an American claims program.

We cannot allow this situation to continue indefinitely. Legislation must be enacted which would redeem obligations we have to our own people. Then we can complete the Philippine program not as a payment for good will, but in fulfillment of a moral obligation to all those who suffered war losses.

At the end of the last session of Congress, the Senate Committee on the Judiciary reported an American war claims bill, S. 2618, but this bill has languished on the Senate Calendar. It is inadequate in many respects, but amendments already have been presented which, if adopted, would make it a fair and effective measure. The bill says nothing about paying the claims; only that they shall be adjudicated. Briefly, these amendments sponsored by the Senator from Michigan (Mr. HART), by me, and by other Senators, would provide for the payment of claims out

of vested enemy assets which are now being held in limbo; would permit the sale of vested assets, such as the General Aniline & Film Co., which are still being run by the Government; would permit the lump-sum settlement of heirless property claims; and would allow claims to be filed by all persons who are nationals of the United States at the time the bill is enacted.

Attempts to bring these measures to the Senate have been blocked for years by a few diehard opponents. It is axiomatic that it is much easier to stop a bill in this Chamber than to have one passed. But last week the House Interstate and Foreign Commerce Committee reported several bills incorporating most of these amendments cosponsored by the Senator from Michigan [Mr. HART], by me, and by other Senators, and they are expected to be approved in the House without difficulty. It should be possible to bring these issues to a head in the Senate this session either by eventual action on the House-passed bills or by a motion to consider S. 2618. I cannot believe that the Senate will permit this subject to be neglected for another year. Under no circumstances, can I conceive of a request for favorable action on the Philippine war claims bill this session without assurances that the American war claims bill will be given similar consideration.

If, despite these considerations an effort is made to push the Philippine claims bill through the Senate without firm assurances that the American claims bill will be acted upon, simple justice would require that the provisions of the American claims bill be offered as amendments to the Philippine bill. This would permit both issues to be resolved at the same time and assure at least equal treatment to the American claimants. I intend to watch this situation very closely, and want to serve notice now of my determination to take whatever steps are necessary to achieve a final settlement of the American war claims problem at this session of the Congress.

Mr. SMATHERS. Madam President, I wish to associate myself with the fine remarks of the able Senator from New York with respect to the Philippine war claims and the priorities they should have with respect to the demands and the needs of American citizens who feel that they are entitled to consideration in this same matter. I am certain there are many other Senators who share the sentiments so ably expressed by the Senator from New York.

Mr. KEATING. Madam President, will the Senator yield?

Mr. SMATHERS. I am happy to yield.

Mr. KEATING. Madam President, I know of the longtime interest of the distinguished Senator from Florida [Mr. SMATHERS] and the Senator from Michigan [Mr. HART] in the problem. I felt sure that he would share with me the view that before we even talk about considering the Philippine war claims, we should deal with the problems of the claims of American citizens. I know that the powerful support of the Sena-

tor from Florida will be very helpful in trying to come to grips with the issue at the present session of the Congress.

Mr. SMATHERS. I thank the Senator from New York and commend him for his statement.

Mr. HART. Madam President, will the Senator yield?

Mr. SMATHERS. I yield.

Mr. HART. I heard my name mentioned as I came into the Chamber. I had previously been called from the Senate on other necessary business. I understand that the distinguished secretary of the majority has indicated his willingness to assist.

Mr. KEATING. The Senator from Florida is in agreement with the Senator from New York that before we start talking about the Philippine war claims, we should talk about American claimants who have been waiting for 17 years without any consideration of their problems. The Senator from New York has indicated that their claims should have priority, and has outlined the amendments in general which the Senator from Michigan and he have offered and which, as the Senator knows, have now been incorporated, all but one of them, in a House-reported measure, which I understand that the House will take up shortly.

Mr. HART. I returned to the Chamber at the happiest moment of the day apparently, because I am delighted to receive the news that the distinguished Senator from Florida has broken that ground for us.

STUDY OF HIGHWAY PROGRAM FOR ALASKA

Mr. SMATHERS. Madam President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1332, Senate Joint Resolution 137.

The PRESIDING OFFICER. The joint resolution will be stated by title.

The LEGISLATIVE CLERK. A joint resolution (S.J. Res. 137) to authorize the Secretary of Commerce, in cooperation with the State of Alaska, to undertake studies and surveys relative to a highway construction program for Alaska, and for other purposes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Florida?

There being no objection, the Senate proceeded to consider the joint resolution which was read, as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of Commerce, in cooperation with the State of Alaska, is hereby authorized to make engineering studies and estimates and planning surveys relative to a highway construction program for the State of Alaska, and, in accordance with treaties or other agreements to be negotiated with Canada by the Secretary of State in consultation with the Secretary of Commerce, engineering studies, estimates, and planning surveys relative to roads in Canada to connect with Alaska.

SEC. 2. On or before May 15, 1963, the Secretary of Commerce shall submit a report to the Congress which shall include—

(1) an analysis of the adequacy of the Federal-aid highway program to provide

for a satisfactory program in both the populated and the undeveloped areas in Alaska;

(2) specific recommendations as to the construction of roads through undeveloped areas of Alaska and to connect them with roads in Canada; and

(3) a feasible program for implementing such specific recommendations, including cost estimates, recommendations as to the sharing of cost responsibilities, and other pertinent matters.

SEC. 3. From time to time, either before or after submission of the report provided for in section 2 of this Act, the Secretary of Commerce may submit recommendations to the Congress with respect to the construction of particular highways to carry out the purposes of this Act.

SEC. 4. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, to be available until expended, the sum of \$800,000 for the purpose of making the studies, surveys, and report authorized by sections 1 and 2 hereof.

The PRESIDING OFFICER. The amendment of the Senator from Florida will be stated.

The LEGISLATIVE CLERK. On page 2, line 22, it is proposed to insert a new section 4, as follows:

Sec. 4. Nothing in this act shall be construed as creating any obligation in the Congress, express or implied, to carry out the recommendations referred to in sections 2 and 3

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Florida.

The amendment was agreed to.

Mr. GRUENING. Madam President, I offer an amendment to change the date on page 2, line 3, from May 15, 1963, to 1964, which would defer by 1 year the date upon which the Secretary of Commerce shall submit a report to the Congress. This I consider desirable so that the study of these much-needed additional highways may be thorough and sufficiently detailed. Considering the seasonal factors in Alaska, the date originally proposed—namely, next May 15—is too close at hand. Hence my amendment.

The PRESIDING OFFICER. The amendment of the Senator from Alaska will be stated.

The LEGISLATIVE CLERK. On page 2, line 3, it is proposed to change the date "1963" to "1964".

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Alaska.

The amendment was agreed to.

The PRESIDING OFFICER. Without objection, the old section 4 will be renumbered.

Mr. BARTLETT. Madam President, I wish to commend my colleague [Mr. GRUENING] for having introduced Senate Joint Resolution 137. The resolution will provide adequate opportunity to make the kind of study of the road system in Alaska and determine the future road needs of Alaska that long ago should have been made. It is my understanding that the joint resolution is similar to the bill—S. 2976—introduced by my colleague [Mr. GRUENING] in the previous Congress. The bill would have made an outright authorization, beginning with the fiscal year 1962 and concluding with the fiscal year 1976, of \$20

million in each fiscal year to bring about a program of equalization. The study will afford an opportunity for an adequate determination of what the road needs of Alaska are. We know that they are vast. There are 5,000 miles of road in an area one-fifth as large as the earlier 48 States put together. I know that the people of Alaska will be very appreciative of my colleague having brought the proposed legislation to the attention of the Senate.

Mr. GRUENING. I thank my able colleague from Alaska.

The measure is a highly important piece of proposed legislation for the simple reason that Alaska entered the Union in a situation unique among the States. As a result of the continual exclusion of Alaska from Federal aid to highway legislation from the time such legislation was first introduced in 1916, to 1956, Alaska was totally denied from Federal highway aid under the Federal-Aid Highway Act. In 1956, for the first time, the late Senator Richard Neuberger, understanding the plight in which Alaska found itself, offered an amendment to the Highway Act of that year.

I am happy to see the Senator from Oregon [Mrs. NEUBERGER] in the chair as the joint resolution is considered.

His amendment provided that Alaska be included in the previous Federal aid highway program from which it had been excluded for 40 years. He did not attempt to include Alaska in the new throughway legislation sponsored that year by President Eisenhower, because he had good reason to believe that such a measure would not pass. Knowing the mind of Congress at that time—the bill already having passed the House in the discriminatory form with Alaska completely omitted, he believed it would be necessary to reduce the formula so that, instead of calculating all of Alaska's area, only one-half of the area would be calculated. Even at that time Alaska was still treated as a stepchild in Washington, and the measure even in its reduced form was considered too generous. So Senator Neuberger's amendment was further amended to provide that one-third of Alaska's area should be used in calculating the amount Alaska would receive. So for the first time, from 1956 until statehood in 1959, Alaska received a small amount of Federal highway aid. The result of that 40-year discrimination is that Alaska has entered the Union in the unique situation of having not merely a few but a majority of its communities unconnected with each other by highway or railway. Such a situation would be unthinkable in the other 48 States. For example, I cannot imagine any community in the State of my good friend, the Senator from Florida, including its capital, into which it would not be possible to enter or leave by highway or railway. Yet such is the situation in Alaska.

During the 2 years that I was in the Senate during the Eisenhower administration I sought to obtain support for proposed legislation that would begin a long-range rectification of that long-standing discrimination. I was unable

to secure that aid from the executive branch. But under the present administration, the administration of President Kennedy has come up with a formula under which the Secretary of Commerce will make actual detailed studies of roads which are not included in the present State road program, with the understanding that when the study is completed, the proposed roads will be presented to Congress for authorization and appropriation. That will be a start.

I am happy that the bill has come before the Senate. I highly commend the Kennedy administration and its Department of Commerce for its support of the measure and its understanding of Alaska's needs, and my colleague, Bob BARTLETT for his warm support. I know that the measure will have warm support in the House by Representative RALPH RIVERS.

Mr. SMATHERS. Madam President, may I compliment the very able Senator from Alaska [Mr. GRUENING] for his energy and efforts in getting the joint resolution before the Senate and obtaining its passage by the Senate. That is typical of his exemplary vigilant work in behalf of the people of the new State of Alaska. He is to be complimented and congratulated on the work he has done in connection with the program.

The PRESIDING OFFICER. The question is on agreeing to the Senate joint resolution.

The resolution was agreed to.

AUTHORIZATION FOR FINANCE COMMITTEE TO SIT DURING THE REMAINDER OF THE SESSION

Mr. MANSFIELD. Madam President, I ask unanimous consent that the Committee on Finance may be permitted to meet while the Senate is in session during the remainder of this session of Congress.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

PROTECTION OF AUTHORS OF ORIGINAL ORNAMENTAL DESIGNS OF USEFUL ARTICLES

Mr. SMATHERS. Madam President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1684, S. 1884.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 1884) to encourage the creation of original ornamental designs of useful articles by protecting the authors of such designs for a limited time against unauthorized copying.

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

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on the Judiciary with amendments, on page 1, line 4, after the word "original", to strike out "design" and insert "orna-

mental design of a useful article"; after line 7, to strike out:

(b) (1) For the purposes of this Act, an original "design" consists of those original elements of a useful article that are intended to give the article an ornamental appearance. Such elements may be two-dimensional or three-dimensional.

(2) A useful article, hereinafter referred to as an "article", is an article normally having an intrinsic utilitarian function and not normally having an intrinsic function merely to portray its own appearance or to convey information. An article which is normally a part of a useful article shall be deemed to be a useful article.

DESIGNS NOT SUBJECT TO PROTECTION

SEC. 2. (a) Protection under this Act shall not be available for, and registration shall not be made with respect to—

(1) designs lacking originality;

(2) designs that are staple or commonly known, such as standard geometric figures, familiar symbols, emblems and motifs, and other shapes, patterns, and configurations which have become common, prevalent, or ordinary;

(3) designs which differ from a design excluded from protection under subparagraph (2) above only in immaterial details or in features which are variants commonly used in the trade;

(4) designs copied from the public domain, or, without authority, from a design protected by the common law, titles 17 or 35 of the United States Code, or this Act; or

(5) designs that are dictated solely by the function or purposes of the articles embodying the design.

(b) As used in this Act, "originality" means independent creation without knowledge of, and copying from, another source.

And, in lieu thereof, to insert:

(b) For the purposes of this Act—

(1) A "useful article" is an article which in normal use has an intrinsic utilitarian function that is not merely to portray the appearance of the article or to convey information. An article which normally is a part of a useful article shall be deemed to be a useful article.

(2) The "design of a useful article", hereinafter referred to as a "design", consists of those aspects or elements of the article, including its two-dimensional or three-dimensional features of shape and surface, which make up the appearance of the article.

(3) A design is "ornamental" if it tends to make the article attractive or distinctive in appearance.

(4) A design is "original" if it is the independent creation of an author who did not copy it from another source.

DESIGNS NOT SUBJECT TO PROTECTION

SEC. 2. Protection under this Act shall not be available for a design that is—

(a) not original;

(b) staple or commonplace, such as a standard geometric figure, familiar symbol, emblem, or motif, or other shape, pattern, or configuration which has become common, prevalent, or ordinary;

(c) different from a design excluded from protection under subparagraph (b) above only in insignificant details or in elements which are variants commonly used in the relevant trade; or

(d) dictated solely by a utilitarian function of the article that embodies it.

On page 4, line 17, after the word "employment", to insert "in the design"; in line 22, after "titles 17", to strike out "and" and insert "or"; on page 5, line 1, after the word "if", to strike out "produced with the consent of the proprietor of such protected subject matter" and

insert "such protected subject matter is employed with the consent of the proprietor thereof"; in line 12, after the word "made", to strike out "known" and insert "public"; in line 13, after the word "made", to strike out "known" and insert "public"; in line 14, after the word "an", to insert "existing useful"; on page 6, line 8, after "(c)", to strike out "A design utilized in substantially identical form in a number of different articles" and insert "Where the distinguishing elements of a design are in substantially the same form in a number of different useful articles, the design"; in line 21, after the word "made", to strike out "known" and insert "public"; on page 7, line 4, after the word "made", to strike out "known" and insert "public"; in line 11, after the word "made", to strike out "known" and insert "public"; in line 15, after the word "the", to strike out "article" and insert "useful article embodying the design"; in line 21, after the word "at", to strike out "regular" and insert "reasonably frequent"; in line 22, after the word "at", to strike out "regular" and insert "such"; on page 8, at the beginning of line 2, to strike out "of the design notice on an article by others" and insert "by others of the design notice on an article"; in line 5, after the word "notice", to strike out "as provided" and insert "prescribed"; on page 9, line 3, after the word "sell", to insert "or distribute for sale or for use in trade"; at the beginning of line 21, to strike out "sell, or import" and insert "import, sell, or distribute"; after line 23, to strike out:

(c) A manufacturer who incorporates into his own product an infringing article acquired from others in the ordinary course of business shall not be deemed an infringer except under the conditions of clauses (1) and (11) of paragraph (a) (2) of this section.

(d) An "infringing article" as used herein is any article, the design of which has been copied from the protected design, without the consent of the proprietor. An article embodying only a feature of the protected design which is solely dictated by the function or purpose of the article, or which is in the public domain is not an infringing article. The presence of an illustration or picture of a protected design in a book, periodical, newspaper, photograph, broadcast, motion picture, or similar medium does not make it an infringing article.

(e) The plaintiff in an infringement action shall have the burden of affirmatively establishing the originality of the registered design whenever the defendant introduces a work in the public domain which is identical to such design or so similar as to make a prima facie showing that the plaintiff's design was copied from such work.

And, in lieu thereof, to insert:

(c) A person who incorporates into his own product of manufacture an infringing article acquired from others in the ordinary course of business, or who, without knowledge of the protected design, makes or processes an infringing article for the account of another person in the ordinary course of business, shall not be deemed an infringer except under the conditions of clauses (1) and (11) of paragraph (a) (2) of this section. Accepting an order or reorder from the source of the infringing article shall be deemed ordering or reordering within the meaning of clause (11) of paragraph (a) (2) of this section.

(d) An "infringing article" as used herein is any article, the design of which has been

copied from the protected design, without the consent of the proprietor: *Provided, however*, That an illustration or picture of a protected design in an advertisement, book, periodical, newspaper, photograph, broadcast, motion picture, or similar medium shall not be deemed to be an infringing article. An article is not an infringing article if it embodies, in common with the protected design, only elements described in subsections (a) through (d) of section 2.

(e) The party in an action alleging the validity of a registered design shall have the burden of affirmatively establishing its originality whenever the opposing party introduces an earlier work which is identical to such design, or so similar as to make a prima facie showing that the registered design was copied from such work.

On page 12, at the beginning of line 2, to strike out "known" and insert "public"; at the beginning of line 4, to strike out "author of the design, the legal representative of a deceased author or of one under legal incapacity, or the proprietor of the design in the event the rights thereto have been acquired by such proprietor" and insert "proprietor of the design, whether the author, the legal representative of a deceased author or of one under legal incapacity, or a person to whom the property right in the design has been transferred"; in line 16, after the word "made", to strike out "known" and insert "public"; in line 25, after the word "design", to insert "is original and"; on page 13, line 2, after the word "design", to strike out "is original"; in line 4, after the word "made", to strike out "known" and insert "public"; in line 7, after the word "made", to strike out "known" and insert "public"; in the same line, after the word "notice", to strike out "provided" and insert "prescribed"; in line 25, after the word "the", to insert "useful"; on page 14, line 4, after the word "Related", to insert "useful"; on page 15, line 10, after the word "whether", to strike out "on its face, the application relates to a design subject to protection under this Act. If, in his judgment, the design appears on its face to be subject to protection under this Act, the Administrator" and insert "or not the application relates to a design which on its face appears to be subject to protection under this Act, and if so, he"; in line 19, after the word "design", to insert "which on its face is"; in line 25, after the word "either", to strike out "proceed as provided in subsection (a) of this section, or shall" and insert "register the design or"; on page 16, after line 2, to strike out:

(c) Any person who believes he is or will be damaged may, upon payment of a prescribed fee, apply to the Administrator at any time to cancel any registration on the ground that the design is not subject to protection under the provisions of this Act. If the Administrator determines that the said applicant has established that the design does not meet the requirements of this Act, he shall order the registration stricken from the record. Cancellation under this subsection shall be announced by publication.

And, in lieu thereof, to insert:

(c) Any person who believes he is or will be damaged by a registration under this Act may, upon payment of a prescribed fee, apply to the Administrator at any time to cancel any registration on the ground that the design is not subject to protection under the

provisions of this Act, stating the reasons therefor. Upon receipt of an application for cancellation, the Administrator shall send the proprietor of the design, as shown in the records of the Office of the Administrator, a notice of said application, and the proprietor shall have a period of three months from the date such notice was mailed in which to present arguments in support of the validity of the registration. It shall also be within the authority of the Administrator to establish, by regulation, conditions under which the opposing parties may appear and be heard in support of their arguments. If, after the periods provided for the presentation of arguments have expired, the Administrator determines that the applicant for cancellation has established that the design is not subject to protection under the provisions of this Act, he shall order the registration stricken from the record. Cancellation under this subsection shall be announced by publication, and notice of the Administrator's final determination with respect to any application for cancellation shall be sent to the applicant and to the proprietor of record. Remedy against such a final determination may be had by means of a civil action against the Administrator in the United States District Court for the District of Columbia, if commenced within such time after such decision, not less than sixty days, as the Administrator appoints.

On page 17, after line 14, to insert:

(d) When a design has been registered under this section, the lack of utility of any article in which it has been embodied shall be no defense to an infringement action under section 20, and no ground for cancellation under subsection (c) of this section or under section 23.

On page 18, at the beginning of line 1, to insert "useful"; in line 25, after the word "registration", to strike out "of a design, including renewals, \$——." and insert "or for renewal of registration of a design, \$15."; in line 4, after the dollar sign, to insert "10"; in line 5, after the dollar sign, to insert "3 for the first six pages, and for each additional two pages or less, \$1"; in line 8, after the dollar sign, to insert "10"; in line 9, after the dollar sign, to insert "1"; after line 9, to insert:

(6) For cancellation, \$15.

On page 21, line 14, after the word "damages", to strike out "up to three times the amount found or assessed" and insert "to such amount, not exceeding \$5,000 or \$1 per copy, whichever is greater, as to the court shall appear to be just"; in line 23, after "(c)", to strike out "In exceptional cases the" and insert "The"; on page 23, line 21, after the word "in", to strike out "the" and insert "an original ornamental"; in line 23, after the word "the", to strike out "resulting ornamental design of a useful article" and insert "design"; on page 24, line 12, after the word "made", to strike out "known" and insert "public"; on page 25, line 8, after the word "title", to strike out "a useful article shall not be accepted for deposit in the Copyright Office" and insert "the Copyright Office shall in no case be required to accept for deposit a useful article"; in line 17, after the word "in", to strike out "the" and insert "an original ornamental"; in line 20, after the word "the", where it appears the first time, to strike out "resulting"; in line 21, after the word "of", where it appears the second time, to

strike out "1961" and insert "1962"; on page 26, line 4, after the word "of", to strike out "1961" and insert "1962"; in line 14, after the word "of", to strike out "1961" and insert "1962"; in line 18, after the word "article", to strike out "normally having an intrinsic utilitarian function and not normally having an intrinsic function merely to portray its own appearance or to convey information" and insert "which in normal use has an intrinsic utilitarian function that is not merely to portray the appearance of the article or to convey information"; on page 27, line 3, after the numerals "1898", to insert "as amended"; after line 15, to strike out:

(5) by adding at the end of section 1498 a new paragraph as follows:

"This section shall also apply to the ease of designs registered under the laws of the United States."

And, in lieu thereof, to insert:

(5) by revising section 1498(a) to read as follows:

"(a) Whenever a registered design or invention is used or manufactured by or for the United States without license of the owner thereof or lawful right to use or manufacture the same, the owner's remedy shall be by action against the United States in the Court of Claims for the recovery of his reasonable and entire compensation for such use and manufacture.

"For the purposes of this section, the use or manufacture of a registered design or an invention described in and covered by a patent of the United States by a contractor, a subcontractor, or any person, firm, or corporation for the Government and with the authorization or consent of the Government, shall be construed as use or manufacture for the United States.

"The court shall not award compensation under this section if the claim is based on the use or manufacture by or for the United States of any article owned, leased, used by, or in the possession of the United States prior to July 1, 1918. In the case of a registered design, the applicable date shall be January 1, 1964.

"A Government employee shall have the right to bring suit against the Government under this section except where he was in a position to order, influence, or induce use of the registered design or invention by the Government. This section shall not confer a right of action on any registrant or patentee or any assignee of such registrant or patentee with respect to any design created by or invention discovered or invented by a person while in the employment or service of the United States, where the design or invention was related to the official functions of the employee, in cases in which such functions included research and development, or in the making of which Government time, materials, or facilities were used."

On page 29, line 11, after the word "made", to strike out "known" and insert "public"; and in line 15, after the word "of", to strike out "1961" and insert "1962", so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

DESIGNS PROTECTED

SECTION 1. (a) The author of an original ornamental design of a useful article, or his legal representatives or assigns, may secure the protection provided by this Act upon complying with and subject to the provisions hereof.

(b) For the purposes of this Act—

(1) A "useful article" is an article which in normal use has an intrinsic utilitarian

function that is not merely to portray the appearance of the article or to convey information. An article which normally is a part of a useful article shall be deemed to be a useful article.

(2) The "design of a useful article", hereinafter referred to as a "design", consists of those aspects or elements of the article, including its two-dimensional or three-dimensional features of shape and surface, which make up the appearance of the article.

(3) A design is "ornamental" if it tends to make the article attractive or distinctive in appearance.

(4) A design is "original" if it is the independent creation of an author who did not copy it from another source.

DESIGNS NOT SUBJECT TO PROTECTION

SEC. 2. Protection under this Act shall not be available for a design that is—

(a) not original;

(b) staple or commonplace, such as a standard geometric figure, familiar symbol, emblem, or motif, or other shape, pattern, or configuration which has become common, prevalent, or ordinary;

(c) different from a design excluded from protection under subparagraph (b) above only in insignificant details or in elements which are variants commonly used in the relevant trade; or

(d) dictated solely by a utilitarian function of the article that embodies it.

REVISIONS, ADAPTATIONS, AND REARRANGEMENTS

SEC. 3. Protection for a design under this Act shall be available notwithstanding the employment in the design of subject matter excluded from protection under section 2, if the design is a substantial revision, adaptation, or rearrangement of said subject matter: *Provided*, That such protection shall be available to a design employing subject matter protected under titles 17 or 35 of the United States Code or under this Act, only if such protected subject matter is employed with the consent of the proprietor thereof. Such protection shall be independent of any subsisting protection in subject matter employed in the design, and shall not be construed as securing any right to subject matter excluded from protection or as extending any subsisting protection.

COMMENCEMENT OF PROTECTION

SEC. 4. (a) The protection provided for a design under this Act shall commence upon the date when the design is first made public.

(b) A design is made public when, by the proprietor of the design or with his consent, an existing useful article embodying the design is anywhere publicly exhibited, publicly distributed, or offered for sale or sold to the public.

TERM OF PROTECTION

SEC. 5. (a) Subject to the provisions of this Act, the protection herein provided for a design shall continue for a term of five years from the date of the commencement of protection as provided in section 4(a), but if an application for renewal is received by the Administrator during the year prior to the expiration of the five-year term, the protection herein provided shall be extended for an additional period of five years from the date of expiration of the first five years.

(b) If the design notice actually applied shows a date earlier than the date of the commencement of protection as provided in section 4(a), protection shall terminate as though the term had commenced at the earlier date.

(c) Where the distinguishing elements of a design are in substantially the same form in a number of different useful articles, the design shall be protected as to all such articles when protected as to one of them, but no more than one registration shall be required. Upon expiration or termination of protection in a particular design as provided in this Act all rights under this Act

in said design shall terminate, regardless of the number of different articles in which the design may have been utilized during the term of its protection.

THE DESIGN NOTICE

SEC. 6. (a) Whenever any design for which protection is sought under this Act is made public as provided in section 4(b), the proprietor shall, subject to the provisions of section 7, mark it or have it marked legibly with a design notice consisting of the following three elements:

(1) The words "Protected Design", the abbreviation "Prot'd Des." or the letter "D" within a circle, thus Ⓣ;

(2) The year of the date on which the design was first made public; and

(3) The name of the proprietor, an abbreviation by which the name can be recognized, or a generally accepted alternative designation of the proprietor; any distinctive identification of the proprietor may be used if it has been approved and recorded by the Administrator before the design marked with such identification is made public.

After registration the registration number may be used instead of the elements specified in (2) and (3) hereof.

(b) The notice shall be so located and applied as to give reasonable notice of design protection while the useful article embodying the design is passing through its normal channels of commerce. This requirement may be fulfilled, in the case of sheetlike or strip materials bearing repetitive or continuous designs, by application of the notice to each repetition, or to the margin, selvage, or reverse side of the material at reasonably frequent intervals, or to tags or labels affixed to the material at such intervals.

(c) When the proprietor of a design has complied with the provisions of this section, protection under this Act shall not be affected by the removal, destruction, or obliteration by others of the design notice on an article.

EFFECT OF OMISSION OF NOTICE

SEC. 7. The omission of the notice prescribed in section 6 shall not cause loss of the protection or prevent recovery for infringement against any person who, after written notice of the design protection, begins an undertaking leading to infringement: *Provided*, That such omission shall prevent any recovery under section 22 against a person who began an undertaking leading to infringement before receiving written notice of the design protection, and no injunction shall be had unless the proprietor of the design shall reimburse said person for any reasonable expenditure or contractual obligation in connection with such undertaking incurred before written notice of design protection, as the court in its discretion shall direct. The burden of proving written notice shall be on the proprietor.

INFRINGEMENT

SEC. 8. (a) It shall be infringement of a design protected under this Act for any person, without the consent of the proprietor of the design, within the United States or its territories or possessions and during the term of such protection, to—

(1) make, have made, or import, for sale or for use in trade, any infringing article as defined in subsection (d) hereof; or

(2) sell or distribute for sale or for use in trade any such infringing article: *Provided, however*, That a seller or distributor of any such article who did not make or import the same shall be deemed to be an infringer only if—

(i) he induced or acted in collusion with a manufacturer to make, or an importer to import such article (merely purchasing or giving an order to purchase in the ordinary

course of business shall not of itself constitute such inducement or collusion), or

(ii) he refuses or fails upon the request of the proprietor of the design to make a prompt and full disclosure of his source of such article, and he orders or reorders such article after having received a personal written notice of the protection subsisting in the design.

(b) It shall not be infringement to make, have made, import, sell, or distribute, any article embodying a design created without knowledge of, and copying from, a protected design.

(c) A person who incorporates into his own product of manufacture an infringing article acquired from others in the ordinary course of business, or who, without knowledge of the protected design, makes or processes an infringing article for the account of another person in the ordinary course of business, shall not be deemed an infringer except under the conditions of clauses (1) and (ii) of paragraph (a)(2) of this section. Accepting an order or reorder from the source of the infringing article shall be deemed ordering or reordering within the meaning of clause (ii) of paragraph (a)(2) of this section.

(d) An "infringing article" as used herein is any article, the design of which has been copied from the protected design, without the consent of the proprietor: *Provided, however*, That an illustration or picture of a protected design in an advertisement, book, periodical, newspaper, photograph, broadcast, motion picture, or similar medium shall not be deemed to be an infringing article. An article is not an infringing article if it embodies, in common with the protected design, only elements described in subsections (a) through (d) of section 2.

(e) The party in an action alleging the validity of a registered design shall have the burden of affirmatively establishing its originality whenever the opposing party introduces an earlier work which is identical to such design, or so similar as to make a prima facie showing that the registered design was copied from such work.

APPLICATION FOR REGISTRATION

SEC. 9. (a) Protection under this Act shall be lost if application for registration of the design is not made within six months after the date on which the design was first made public as provided in section 4(b).

(b) Application for registration may be made by the proprietor of the design, whether the author, the legal representative of a deceased author or of one under legal incapacity, or a person to whom the property right in the design has been transferred.

(c) The application for registration shall be made to the Administrator and shall state: (1) the name and address of the author of the design; (2) the name and address of the proprietor if different from the author; (3) the specific name of the article, indicating its utility; (4) the date when the design was first made public as provided in section 4(b); and (5) such other information as may be required by the Administrator. The application for registration may include a description setting forth the salient features of the design, but the absence of such a description shall not prevent registration under this Act.

(d) The application shall be accompanied by a statement under oath by the applicant or his duly authorized agent or representative, setting forth that, to the best of his knowledge and belief: (1) the design is original and was created by the author named in the application; (2) the design has not previously been registered on behalf of the applicant or his predecessor in title; (3) the design has been made public as provided in section 4(b); and (4) the applicant is the person entitled to protec-

tion and to registration under this Act. If the design has been made public with the design notice prescribed in section 6, the statement shall also describe the exact form and position of the design notice.

(e) Error in any statement or assertion as to the utility of the article named in the application, the design of which is sought to be registered, shall not affect the protection secured under this Act.

(f) Errors in omitting a joint author or in naming an alleged joint author shall not affect the validity of the registration, or the actual ownership or the protection of the design: *Provided*, That the name of one individual who was in fact an author is stated in the application. Where the design was made for hire and individual authorship of the design is difficult or impossible to ascribe and the application so states, the name and address of the employer for whom the design was made may be stated instead of that of the individual author.

(g) The application shall be accompanied by two copies of a drawing or other pictorial representation of the useful article having one or more views adequate to show the design, in a prescribed form and style suitable for reproduction, which shall be deemed a part of the application.

(h) Related useful articles having common design features may be included in the same application under such conditions as may be prescribed by the Administrator.

BENEFIT OF EARLIER FILING DATE IN FOREIGN COUNTRY

SEC. 10. An application for registration of a design filed in this country by any person who has, or whose legal representative or predecessor or successor in title has previously regularly filed an application for registration of the same design in a foreign country which affords similar privileges in the case of applications filed in the United States or to citizens of the United States shall have the same effect as if filed in this country on the date on which the application was first filed in any such foreign country, if the application in this country is filed within six months from the earliest date on which any such foreign application was filed.

OATHS AND ACKNOWLEDGMENTS

SEC. 11. Oaths and acknowledgments required by this Act may be made before any person in the United States authorized by law to administer oaths or, when made in a foreign country, before any diplomatic or consular officer of the United States authorized to administer oaths or before any official authorized to administer oaths in the foreign country concerned whose authority shall be proved by a certificate of a diplomatic or consular officer of the United States, and shall be valid if they comply with the laws of the State or county where made.

EXAMINATION OF APPLICATION AND ISSUE OR REFUSAL OF REGISTRATION

SEC. 12. (a) Upon the filing of an application in proper form as provided in section 9, and upon payment of the fee provided in section 15, the Administrator shall determine whether or not the application relates to a design which on its face appears to be subject to protection under this Act, and if so, he shall register the design. Registration under this subsection shall be announced by publication.

(b) If, in his judgment, the application on its face relates to a design which on its face is not subject to protection under this Act, the Administrator shall send the applicant a notice of his refusal to register and the grounds therefor. Within three months from the date the notice of refusal is sent, the applicant may request, in writing, reconsideration of his application. After consideration of such a request, the Administrator shall either register the design or send

the applicant a notice of his final refusal to register.

(c) Any person who believes he is or will be damaged by a registration under this Act may, upon payment of a prescribed fee, apply to the Administrator at any time to cancel any registration on the ground that the design is not subject to protection under the provisions of this Act, stating the reasons therefor. Upon receipt of an application for cancellation, the Administrator shall send the proprietor of the design, as shown in the records of the Office of the Administrator, a notice of said application, and the proprietor shall have a period of three months from the date such notice was mailed in which to present arguments in support of the validity of the registration. It shall also be within the authority of the Administrator to establish, by regulation, conditions under which the opposing parties may appear and be heard in support of their arguments. If, after the periods provided for the presentation of arguments have expired, the Administrator determines that the applicant for cancellation has established that the design is not subject to protection under the provisions of this Act, he shall order the registration stricken from the record. Cancellation under this subsection shall be announced by publication, and notice of the Administrator's final determination with respect to any application for cancellation shall be sent to the applicant and to the proprietor of record. Remedy against such a final determination may be had by means of a civil action against the Administrator in the United States District Court for the District of Columbia, if commenced within such time after such decision, not less than sixty days, as the Administrator appoints.

(d) When a design has been registered under this section, the lack of utility of any article in which it has been embodied shall be no defense to an infringement action under section 20, and no ground for cancellation under subsection (c) of this section or under section 23.

CERTIFICATE OF REGISTRATION

SEC. 13. Certificates of registration shall be issued in the name of the United States under the seal of the Office of the Administrator and shall be recorded in the official records of that Office. The certificate shall state the name of the useful article, the date of filing of the initial application, the date on which the design was first made known as provided in section 4(b) or any earlier date as set forth in section 5(b), and shall contain a reproduction of the drawing or other pictorial representation showing the design. Where a description of the salient features of the design appears in the application, this description shall also appear in the certificate. A renewal certificate shall contain the date of renewal registration in addition to the foregoing. A certificate of initial or renewal registration shall be admitted in any court as prima facie evidence of the facts stated therein.

PUBLICATION OF ANNOUNCEMENTS AND INDEXES

SEC. 14. (a) The Administrator shall publish lists and indexes of registered designs and may also publish the drawings or other pictorial representations of registered designs for sale or other distribution.

(b) The Administrator shall establish and maintain a file of the drawings or other pictorial representations of registered designs, which file shall be available for use by the public under such conditions as the Administrator may prescribe.

FEES

SEC. 15. (a) There shall be paid to the Administrator the following fees:

(1) On filing each application for registration or for renewal of registration of a design, \$15.

(2) For each additional related article included in one application, \$10.

(3) For recording assignments, \$3 for the first six pages, and for each additional two pages or less, \$1.

(4) For a certificate of correction of an error not the fault of the Office, \$10.

(5) For certification of copies of records, \$1.

(6) For cancellation, \$15.

(b) The Administrator may establish charges for materials or services furnished by the Office, not specified above, reasonably related to the cost thereof.

REGULATIONS

SEC. 16. The Administrator may establish regulations not inconsistent with law for the administration of this Act.

COPIES OF RECORDS

SEC. 17. Upon payment of the prescribed fee, any person may obtain a certified copy of any official record of the Office of the Administrator, which copy shall be admissible in evidence with the same effect as the original.

CORRECTION OF ERRORS IN CERTIFICATES

SEC. 18. The Administrator may correct any error in a registration incurred through the fault of the Office, or, upon payment of the required fee, any error of a clerical or typographical nature not the fault of the Office occurring in good faith, by a certificate of correction under seal. Such registration, together with the certificate, shall thereafter have the same effect as if the same had been originally issued in such corrected form.

TRANSFER OF OWNERSHIP

SEC. 19. (a) The property right in a registered design, or a design for which an application for registration has been or may be filed, may be assigned, granted, or mortgaged by an instrument in writing, signed by the proprietor, or may be bequeathed by will.

(b) An acknowledgment as provided in section 11 shall be prima facie evidence of the execution of an assignment, grant, or conveyance.

(c) An assignment, grant, or conveyance shall be void as against any subsequent purchaser or mortgagee for a valuable consideration without notice, unless it is recorded in the Office of the Administrator within three months from its date of execution or prior to the date of such subsequent purchase or mortgage.

REMEDY FOR INFRINGEMENT

SEC. 20. The proprietor of a design registered under this Act shall have remedy for infringement by civil action instituted after the issuance of a certificate of registration of the design.

INJUNCTION

SEC. 21. The several courts having jurisdiction of actions under this Act may grant injunctions in accordance with the principles of equity to prevent infringement, including in their discretion, prompt relief by temporary restraining orders and preliminary injunction.

RECOVERY FOR INFRINGEMENT, AND SO FORTH

SEC. 22. (a) Upon finding for the claimant the court shall award him damages adequate to compensate for the infringement, but in no event less than the reasonable value of the use made of the design by the infringer, and the costs of the action. When the damages are not found by a jury, the court shall assess them. In either event the court may increase the damages to such amount, not exceeding \$5,000 or \$1 per copy, whichever is greater, as to the court shall appear to be just. Such sum in any of the above circumstances shall constitute compensation and not a penalty. The court may receive expert testimony as an aid to the determination of damages.

(b) No recovery under paragraph (a) shall be had for any infringement committed

more than three years prior to the filing of the complaint.

(c) The court may award reasonable attorney fees to the prevailing party.

(d) The court may order that all infringing articles, and any plates, molds, patterns, models, or other means specifically adapted for making the same be delivered up for destruction or other disposition as the court may direct.

POWER OF COURT OVER REGISTRATION

SEC. 23. In any action involving a registered design the court when appropriate may order the cancellation of the registration. Any such order shall be certified by the court to the Administrator, who shall make appropriate entry upon the records of his Office.

LIABILITY FOR ACTION ON REGISTRATION FRAUDULENTLY OBTAINED

SEC. 24. Any person who shall bring an action for infringement knowing that registration of the design was obtained by a false or fraudulent representation materially affecting the rights under this Act, shall be liable in the sum of \$1,000, or such part thereof as the court may determine, as compensation to the defendant, to be charged against the plaintiff and paid to the defendant, in addition to such costs and attorney fees of the defendant as may be assessed by the court.

PENALTY FOR FALSE MARKING

SEC. 25. (a) Whoever, for the purpose of deceiving the public, marks upon, or applies to, or uses in advertising in connection with any article made, used, distributed, or sold by him, the design of which is not protected under this Act, a design notice as specified in section 6 or any other words or symbols importing that the design is protected under this Act, knowing that the design is not so protected, shall be fined not more than \$500 for every such offense.

(b) Any person may sue for the penalty, in which event one-half shall go to the person suing and the other to the use of the United States.

PENALTY FOR FALSE REPRESENTATION

SEC. 26. Whoever knowingly makes a false representation materially affecting the rights obtainable under this Act for the purpose of obtaining or preventing registration of a design under this Act shall be fined not less than \$500 and not more than \$1,000, and any rights or privileges he may have in the design under this Act shall be forfeited.

RELATION TO COPYRIGHT LAW

SEC. 27. (a) Nothing in this Act shall affect any right or remedy now or hereafter held by any person under title 17 of the United States Code.

(b) When a pictorial, graphic, or sculptural work in which copyright subsists under title 17 of the United States Code is utilized in an original ornamental design of a useful article, by the copyright proprietor or under an express license from him, the design shall be eligible for protection under the provisions of this Act."

RELATION TO PATENT LAW

SEC. 28. (a) Nothing in this Act shall affect any right or remedy available to or held by any person under title 35 of the United States Code.

(b) The issuance of a design patent for an ornamental design under said title 35 shall terminate any protection of the design under this Act.

COMMON LAW AND OTHER RIGHTS UNAFFECTED

SEC. 29. Nothing in this Act shall annul or limit (1) common law or other rights or remedies, if any, available to or held by any person with respect to a design which has not been made public as provided in section 4(b), or (2) any trademark right or right to be protected against unfair competition.

ADMINISTRATOR

SEC. 30. The Administrator and Office of the Administrator referred to in this Act shall be such officer and office as the President may designate.

SEVERABILITY CLAUSE

SEC. 31. If any provision of this Act or the application of such provision to any person or circumstance is held invalid, the remainder of the Act or the application to other persons or circumstances shall not be affected thereby.

AMENDMENT OF COPYRIGHT LAW

SEC. 32. Chapter I of title 17, United States Code, is amended by adding the following:

"§ 33. Ornamental design of useful article not subject to deposit; effect of utilization of copyrighted work in design of useful article

"(a) For purposes of deposit under sections 12 and 13 of this title, the Copyright Office shall in no case be required to accept for deposit a useful article even if it embodies a pictorial, graphic, or sculptural work, but nothing in this subsection shall preclude deposit and registration of pictorial, graphic, or sculptural works that portray useful articles or that are intended for utilization in the designs of useful articles.

"(b) When a pictorial, graphic, or sculptural work in which copyright subsists under this title is utilized in an original ornamental design of a useful article, by the copyright proprietor or under an express license from him, the design shall be eligible for protection under the provisions of the Design Protection Act of 1962.

"(c) Protection under this title of a work in which copyright subsists shall terminate with respect to its utilization in useful articles whenever the copyright proprietor has obtained registration of an ornamental design of a useful article embodying said work under the provisions of the Design Protection Act of 1962. Unless and until the copyright proprietor has obtained such registration, the copyrighted pictorial, graphic, or sculptural work shall continue in all respects to be covered by and subject to the protection afforded by the copyright subsisting under this title. Nothing in this section shall be deemed to create any additional rights or protection under this title.

"(d) Nothing in this section shall affect any right or remedy held by any person under this title in a work in which copyright was subsisting on the effective date of the Design Protection Act of 1962, or with respect to any utilization of a copyrighted work other than in the design of a useful article.

"(e) A 'useful article' as used in this section is an article which in normal use has an intrinsic utilitarian function that is not merely to portray the appearance of the article or to convey information. An article which is normally a part of a useful article shall be deemed to be a useful article."

AMENDMENT OF OTHER STATUTES

SEC. 33. (a) Subdivision a(2) of section 70 of the Bankruptcy Act of July 1, 1898, as amended (11 U.S.C. 110(a)), is amended by inserting "designs," after "patent rights," and "design registration," after "application for patent."

(b) Title 28 of the United States Code is amended—

(1) by inserting "designs," after "patents," in the first sentence of section 1338(a);

(2) by inserting "design," after "patent" in the second sentence of section 1338(a);

(3) by inserting "design," after "copyright," in section 1338(b);

(4) by inserting "and registered designs" after "copyrights" in section 1400; and

(5) by revising section 1498(a) to read as follows:

"(a) Whenever a registered design or invention is used or manufactured by or for

the United States without license of the owner thereof or lawful right to use or manufacture the same, the owner's remedy shall be by action against the United States in the Court of Claims for the recovery of his reasonable and entire compensation for such use and manufacture.

"For the purposes of this section, the use or manufacture of a registered design or an invention described in and covered by a patent of the United States by a contractor, a subcontractor, or any person, firm, or corporation for the Government and with the authorization or consent of the Government, shall be construed as use or manufacture for the United States.

"The court shall not award compensation under this section if the claim is based on the use or manufacture by or for the United States of any article owned, leased, used by, or in the possession of the United States prior to July 1, 1918. In the case of a registered design, the applicable date shall be January 1, 1964.

"A Government employee shall have the right to bring suit against the Government under this section except where he was in a position to order, influence, or induce use of the registered design or invention by the Government. This section shall not confer a right of action on any registrant or patentee or any assignee of such registrant or patentee with respect to any design created by or invention discovered or invented by a person while in the employment or service of the United States, where the design or invention was related to the official functions of the employee, in cases in which such functions included research and development, or in the making of which Government time, materials, or facilities were used."

TIME OF TAKING EFFECT

Sec. 34. This Act shall take effect one year after its enactment.

NO RETROACTIVE EFFECT

Sec. 35. Protection under this Act shall not be available for any design that has been made public as provided in section 4(b) prior to the effective date of this Act.

SHORT TITLE

Sec. 36. This Act may be cited as "The Design Protection Act of 1962."

Mr. HART. Madam President, the bill we are considering was introduced by me for myself and the Senator from Wisconsin [Mr. WILEY] and the Senator from Georgia [Mr. TALMADGE]. It was the subject of hearings held by the Patent Subcommittee of the Committee on the Judiciary for 3 days. A very full record was made, following which, as is reflected in the report on the bill, being Report No. 1725, certain amendments were suggested and agreed to in committee.

The purpose of the bill—and I believe the purpose is achieved by it—is to grant moderate but effective protection against the copying of the appearance of useful articles. Certainly the need for this protection was well established by the hearings to which I have referred. This confirmed the complaint and concern that today some designs are potentially subject to protection under the design patent and copyright laws. It is agreed, however, by those who have worked in this field that the present sources of protection leave a gap which can be properly filled by S. 1884. This was the position taken, among others, by the Pat-

ent Office and the Copyright Office. The reason that we find these gaps prevailing flow from the nature of existing requirements with respect to patents, design patents, and copyrights.

For a design to be patented it must be proved that the presentation is novel; that is to say, it must be established that it is something that the world has never seen. Second, it must show "invention"; that is, it cannot be obvious in the field. Parenthetically it should be noted that this is a standard which is both too high and too subjective for most valuable "appearance" designs.

It is also required, in seeking a design patent protection that a search be made by the Patent Office for novelty. This can take months, during which time there is no protection.

Lastly, among the principal reasons is that this involves expenses which can be prohibitive to a designer or manufacturer who must protect all designs in production, because it is very unlikely that any designer or manufacturer will always be able to predict which of the designs in production or development will appeal to the public.

It appears that design patents are extremely difficult to obtain. Often they are too slow and too expensive to obtain. When the question is presented in court with respect to whether there is novelty and whether there is invention, the enforcement problem is a serious one.

So far as copyrights are concerned, I believe it is generally true that these are easier to obtain than patents. However, in this area, too, there are drawbacks.

First, at its present state of development, the copyright law protects only those designs which can be separately identified as "works of art" and excludes many esthetically superior designs of useful articles.

The second limitation or drawback results from the formal requirements of the copyright law. For example, the notice provisions create innumerable problems, and protection ordinarily is not lost even if there has been no registration in the copyright office.

The third effect which has been cited as a limitation is the sweeping inclusive protection that the copyright is given when it is obtained. Ordinary copyright protection is too broad in scope. An innocent nonmanufacturing retail vendor can be held liable for copyright infringement.

The last, of course, is the fact that 56 years' protection is much too long for designs from all points of view.

Thus, the copyright law covers a small and somewhat uncertain area of industrial design, and it covers even this limited area in a fashion not suited to the needs of this type of design.

It was in the light of this experience, which had developed over a period of years, that S. 1884 was introduced. It is to resolve in part some of these problems that we now recommend the adoption of S. 1884.

Very briefly, as will be seen in detail from a reading of the report, the bill un-

dertakes to protect the ornamental design of a useful article, under the following conditions:

A design can be protected if its author created it; that is, if the design is one which has not been copied from someone else's work or from a design in the public domain. That designer can obtain protection under this bill. It is not required that this design meet any test of novelty or inventiveness, and it is provided that there must be an element of creativity apparent. However, any design that is staple or commonly known and which lacks a minimum of creativity would not be eligible for the protection provided by the bill.

The original designer, under the bill, is protected only against unauthorized copying of the substance of his protected design. For example, if the author of a similar design proves that he created it independently, rather than through copying, no infringement has taken place.

The question can be asked, what about the duration of the protection that is afforded by the bill? The bill provides for a 5-year period, with an optional second 5-year term.

Protection begins upon the public exhibition or sale or offering of an article embodying the design. At this point it is said that the design is made known.

It is required that a claim to protection must be registered in a Government office within 6 months after the design is made. There is no requirement of a search or comparison with earlier designs, but a proper party is given an opportunity to petition the Administrator for the cancellation or registration of a design not subject to protection.

A provision is included in the bill with respect to notice of infringement, and the remedies are spelled out.

Madam President, I ask unanimous consent that the portions of the committee report which I have designated, and which explain in further detail the provisions of the bill, be printed at this point in the RECORD.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

ANALYSIS OF LEGISLATION

An analysis of the provisions of S. 1884 follows:

Section 1(a) provides that the author of an original ornamental design of a useful article may secure the protection provided by this bill upon complying with certain provisions. Section 1(b) defines the terms "useful article," "design of a useful article," "ornamental," and "original."

Section 2 of the bill specifies that protection under this bill shall not be available for a design that is not original; staple or commonplace; different from a design that is staple or commonplace only in insignificant details; or dictated solely by a utilitarian function of the article that embodies it.

Section 3 provides that protection for a design shall be available notwithstanding the employment in the design of subject matter excluded from protection under section 2 if the design is a substantial revision, adaptation, or rearrangement of said subject matter provided that such protection shall be available to a design employing subject

matter protected under titles 17 or 35 of the United States Code or under this legislation only if such protected subject matter is employed with the consent of the proprietor thereof. It is further provided that such protection shall be independent of any subsisting protection in subject matter employed in the design, and shall not be construed as securing any right to subject matter excluded from protection or as extending any subsisting protection.

Section 4(a) provides that the protection provided for a design shall commence upon the date when the design is first made public. It is provided in section 4(b) that a design is first made public when an article embodying the design is anywhere publicly exhibited, publicly distributed, or offered for sale to the public.

Section 5(a) provides that the protection provided for a design by this legislation shall continue for a term of 5 years from the date of the commencement of protection but if an application for renewal is received during the year prior to the expiration of the 5-year term, the protection shall be extended for an additional period of 5 years from the date of expiration of the first 5 years. It is provided in section 5(b) that when the design notice actually applied shows a date earlier than the date of commencement of protection, protection shall terminate as though the term had commenced at the earlier date.

Section 5(c) declares that where the distinguishing elements of a design are not substantially the same form in a number of useful articles, the design shall be protected as to all such articles when protected as to one of them, but no more than one registration will be required.

Section 6(a) provides that whenever any design for which protection is sought is made public, the proprietor shall mark it or have it marked with a design notice consisting of the three specified elements.

Section 6(b) requires that the notice shall be so located as to give reasonable notice of design protection while the useful article embodying the design is passing through its normal channels of commerce.

Section 6(c) specifies that the removal, destruction, or obliteration by others of the design notice shall not affect protection under this bill when the proprietor of a design has complied with the provisions of this section.

Section 7 declares that the omission of the notice prescribed in section 6 shall not cause loss of the protection or preventive recovery for infringement against persons who, after written notice of the design protection, begins an undertaking leading to infringement. However, such omission shall prevent recovery against a person who began an undertaking leading to infringement before receiving notice, and no injunction shall be issued unless the proprietor of the design shall reimburse for any reasonable expenditure or obligation in connection with undertakings incurred before written notice of design protection.

Section 8(a) provides that it shall be infringement of a design for any person without the consent of the proprietor of a design to make, have made, or import, for sale or for use in trade, any infringing article or sell or distribute for sale or for use in trade any such infringing article. It is provided that a seller or distributor of any article who did not make or import the same shall be deemed to be an infringer only if he induced or acted in collusion with a manufacturer to make or an importer to import such article or if he refuses or fails to make a prompt disclosure of his source of such article, and he orders or reorders such article after having received a personal written notice of the protection subsisting in the design.

Section 8(b) provides that it shall not be infringement to make, have made, import, sell, or distribute any article embodying a design created without knowledge of, and copying from, a protected design.

Section 8(c) specifies that a person who incorporates into his own product of manufacture an infringing article acquired from others in the ordinary course of business or who, without knowledge of the protected design, makes or processes an infringing article for the account of another person in the ordinary course of business shall not be deemed an infringer except under the conditions set forth in this section.

Section 8(d) defines what constitutes an "infringing article."

Section 8(e) requires that the party in an action alleging the validity of a registered design shall have the burden of affirmatively establishing its originality whenever the opposing party introduces an earlier work which is identical to such design or so similar as to make a prima facie showing that the registered design was copied from such work.

Section 9 provides that protection shall be lost if application for registration of the design is not made within 6 months after the date on which the design was first made public.

Section 9(b) specifies those persons who qualify to make application for registration.

Section 9(c) requires that the application for registration shall be made to the Administrator and states the matters which shall be included in the application.

Section 9(d) requires that the application shall be accompanied by a statement under oath and sets forth the matter that must be sworn to by the applicant.

Section 9(e) guarantees that error in any statement or assertion as to the utility of the article shall not affect protection under the act.

Section 9(f) provides that errors in omitting a joint author or in naming an alleged joint author shall not affect the validity of the registration, or the actual ownership for the protection of the design, provided that the name of one individual who was in fact an author is stated in the application.

Section 9(g) provides that the application shall be accompanied by two copies of a drawing or other pictorial representation of the useful article.

Section 9(h) permits related articles having common design features to be included in the same application under prescribed conditions.

Section 10 provides that an application for registration of a design in this country by a person who has previously filed an application for registration of the same design in a foreign country which affords similar privileges to U.S. citizens, shall have the same effect as if filed in this country on the date on which the application was first filed in any such foreign country, if the application in this country is filed within 6 months from the earliest date on which any such foreign application was filed.

Section 11 prescribes the procedures for the administering of the oaths and acknowledgments required by this act.

Section 12(a) provides that upon the filing of an application and upon payment of the fee, the Administrator shall determine whether or not the application relates to a design which, on its face, appears to be subject to protection and if so, shall register the design. It is further provided in section 12(b) that if the Administrator determines that the application on its face relates to a design which is not subject to protection, the Administrator shall notify the applicant, who shall have 3 months in which to request reconsideration of his ap-

plication. After consideration of such a request, the Administrator shall either register the design or send the applicant a notice of final refusal to register.

Section 12(c) provides that any person who believes he is or may be damaged by a registration may, upon payment of a fee, apply to the Administrator at any time to cancel any registration on the ground that the design is not subject to protection. This section further provides for the procedures to be followed in such cancellation proceedings.

Section 12(d) provides that when a design has been registered, the lack of utility of any article in which it has been embodied shall be no defense to an infringement action and no ground for cancellation.

Section 13 authorizes the issuance of certificates of registration and provides for the contents thereof.

Section 14(a) instructs the Administrator to publish lists and indexes of registered designs and authorizes him to publish the drawings or other pictorial representations of registered designs.

Section 14(b) instructs the Administrator to establish and maintain a file of the drawings or other pictorial representations of registered designs.

Section 15(a) specifies the fees which shall be paid to the Administrator.

Section 15(b) authorizes the Administrator to establish charges for materials or services furnished by the Office.

Section 16 authorizes the Administrator to establish regulations for the administration of this legislation.

Section 17 provides for the obtaining of certified copies of official records of the Office of the Administrator.

Section 18 authorizes the Administrator to correct errors in registration incurred through the fault of the Office of the Administrator.

Section 19(a) provides for the transfer of ownership of the property right in a registered design or a design for which an application for registration has been or may be filed.

Section 19(b) specifies that an acknowledgement, as provided in section 11, shall be prima facie evidence of the execution of an assignment, grant, or conveyance.

Section 19(c) provides that an assignment, grant, or conveyance shall be void as against any subsequent purchaser or mortgagee for a valuable consideration without notice, unless it is recorded in the Office of the Administrator within 3 months from its date of execution or prior to the date of such subsequent purchase or mortgage.

Section 20 provides for civil actions for infringement of a registered design.

Section 21 authorizes the granting of injunctions for the prevention of infringements.

Section 22(a) provides that the court, upon finding for the claimant, shall award damages adequate to compensate for the infringement, but in no event less than the reasonable value of the use made of the design by the infringer, and the costs of the action. It is further provided that the court may increase the damages to such amount, not exceeding \$5,000 or \$1 per copy, whichever is greater, as to the court shall appear to be just.

Section 22(b) excludes recovery from any infringement committed more than 3 years prior to the filing of the complaint.

Section 22(c) permits the court to award reasonable attorney fees.

Section 22(d) authorizes the court to order the destruction or other disposition of all infringing articles and devices employed in the making of the same.

Section 23 authorizes the court to order a cancellation of a registration.

Section 24 provides a penalty for any person bringing an action for infringement knowing that registration of the design was obtained by a false representation.

Section 25(a) provides a penalty for the false marking of a design which is not protected under this legislation.

Section 25(b) specifies as to who shall have a right of action to sue for the penalty.

Section 26 provides a penalty for whoever knowingly makes a false representation materially affecting rights obtainable under this legislation.

Section 27(a) makes clear that nothing in this legislation shall affect any right or remedy now or hereafter held by any person under title 17 of the United States Code.

Section 27(b) specifies that when a work in which copyright subsists under title 17 of the United States Code is utilized in an original ornamental design of a useful article, the design shall be eligible for protection under the provisions of this legislation.

Section 28(a) provides that nothing in this legislation shall affect any right or remedy available to any person under title 35 of the United States Code.

Section 28(b) provides that the issuance of a design patent for an ornamental design under title 35 shall terminate any protection of the design under this legislation.

Section 29 specifies that nothing in this legislation shall restrict (1) common law or other rights or remedies available with respect to a design which has not been made public as provided in section 4(b), or (2) any trademark right or right to be protected against unfair competition.

Section 30 provides that the Administrator and Office of the Administrator shall be such officer and office as the President may designate.

Section 31 guarantees that if any provision of this bill or the application of such provision is held invalid, the remainder of the legislation or application shall not be affected.

Section 32 provides that chapter I of title 17 of the United States Code is amended by adding a section 33 pertaining to the "ornamental design of useful article not subject to deposit; effect of utilization of copyrighted work in design of useful article."

Subsection (a) would provide that the Copyright Office shall in no case be required to accept for deposit a useful article even if it embodies a pictorial, graphic or sculptural work, but it is further provided that nothing in this subsection shall preclude deposit and registration of such works that portray useful articles or that are intended for utilization in the designs of useful articles.

Subsection (b) would provide that when a work in which copyright subsists under this title is utilized in an original ornamental design of a useful article, the design shall be eligible for protection under this legislation.

Subsection (c) provides that protection under this title of a work in which copyright subsists would terminate with respect to the design of a useful article in which the work has been utilized whenever the copyright proprietor has obtained registration of an ornamental design of a useful article embodying such works under the provisions of this legislation. It is further provided that unless and until the copyright proprietor has obtained such registration, the copyrighted work shall continue in all respects to be covered by the protection afforded by the copyright subsisting under title 17 of the United States Code.

Subsection (d) would provide that nothing in this section shall affect any right or remedy held by any person under this title in a work in which copyright was subsisting

on the effective date of this legislation, or with respect to any utilization of a copyrighted work other than in the design of a useful article.

Subsection (e) would define "useful article" as used in this section.

Section 33 makes minor amendments to the Bankruptcy Act of July 1, 1898 (11 U.S.C. 110(a)); and title 28 of the United States Code.

Section 34 specifies that this legislation shall take effect 1 year after its enactment.

Section 35 provides that this legislation shall have no retroactive effect.

Section 36 states that this legislation may be cited as the Design Protection Act of 1962.

Mr. HART. Madam President, I ask unanimous consent that the committee amendments be considered en bloc.

The PRESIDING OFFICER. Without objection, the committee amendments will be considered en bloc.

Without objection, the committee amendments are agreed to.

Mr. HART. Madam President, what we are talking about relates to the design of a decorative lamp base. We are talking about the design of furniture. We are talking about that great variety of men and women who contribute beauty to useful articles.

I think it is the sentiment of this Congress, as it was the sentiment of our predecessors, that when a person can establish that it was his mind, his time, and his talent which produced the article, that man or woman is entitled to a measure of protection. It is the belief of the committee that the bill, if enacted, will substantially advance the interests of the designers of this country. It surely is a safeguard for the operation of smaller entrepreneurs and, in our judgment, represents a significant advance in developing further patent and trademark protections in the United States.

If there are no further questions, I hope the bill will be passed.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendments to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 1884) was ordered to be engrossed for a third reading, read the third time, and passed.

THE THANKS OF CONGRESS TO GENERAL OF THE ARMY DOUGLAS MACARTHUR

Mr. SMATHERS. Madam President, on July 20, the House passed House Concurrent Resolution 347. The concurrent resolution is for the purpose of tendering the thanks and appreciation of the Congress and the American people to General of the Army Douglas MacArthur, in recognition of his outstanding devotion to the American people.

The resolution compliments General MacArthur for his brilliant leadership during and following World War II.

The resolution comments upon the unsurpassed affection held for General MacArthur by the people of the Republic of the Philippines which has done so much to strengthen the ties of friendship

between the people of that nation and the people of the United States.

I am privileged, while acting in the absence of the majority leader, to ask unanimous consent—and I know it will be happily given by every Member of the Senate—that the Senate immediately proceed to the consideration of House Concurrent Resolution 347.

The PRESIDING OFFICER. The Chair lays before the Senate a message from the House of Representatives, which will be stated.

The legislative clerk read as follows:

Resolved by the House of Representatives (the Senate concurring). That the thanks and appreciation of the Congress and the American people are hereby tendered to General of the Army Douglas MacArthur, in recognition of his outstanding devotion to the American people, his brilliant leadership during and following World War II, and the unsurpassed affection held for him by the people of the Republic of the Philippines which has done so much to strengthen the ties of friendship between the people of that nation and the people of the United States.

The PRESIDING OFFICER. Is there objection to the present consideration of the concurrent resolution?

There being no objection, the concurrent resolution (H. Con. Res. 347) was considered and agreed to.

ADDRESS BY SENATOR DODD AT GOVERNORS' CONFERENCE ON EDUCATION FOR FREEDOM

Mr. SMATHERS. Madam President, I ask unanimous consent that a very excellent and inspiring speech delivered by our colleague, the able and distinguished Senator from Connecticut, THOMAS J. DODD, at the Governors' Conference on Education for Freedom held in Miami, Fla., on July 18, be printed in the body of the RECORD.

The remarks of the Senator from Connecticut relate to the problem of educating the young people of our Nation so that they will survive and triumph in the battle in which we are today engaged against the Communist forces of tyranny and oppression.

Senator DODD is one of the most respected, knowledgeable, and outstanding authorities on this subject. He continually renders invaluable public service in keeping the American people and the peoples of the free world alert to the dangers of atheistic communism.

I highly commend the reading of Senator DODD's remarks to every Member of Congress.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

REMARKS BY SENATOR THOMAS J. DODD

Governor Bryant, distinguished guests, it is a privilege to be with you at this pioneering conference on what may very well be the most critical problem that confronts our society—the problem of how we can educate our young people so that our Nation will survive and triumph in the mortal struggle with world communism.

I have said that this is a pioneering conference. But the movement which this con-

ference represents is now sweeping irresistibly across the Nation. Among veterans' groups and trade unions and service organizations, among business leaders and community leaders and religious leaders, there is a growing awareness that our educational system has somehow failed to impart to our young people an understanding of the nature of communism, of the meaning of freedom and the significance of the American heritage.

The evidence of this failure is apparent in the long list of defeats we have suffered at the hand of international communism since the close of World War II.

It is evident in the confused and divided state of American public opinion on issues that call imperatively for comprehension and courage and unity.

It is evident in the continued successes achieved by the Communist practitioners of psychological warfare, in the ease with which they bemuse and bewilder us, rob us of our judgment and of our ability to react to their aggressions.

It is evident in the weakening of the fabric of family life and social discipline, in the appalling increases in crime and juvenile delinquency, and in the ever-increasing emphasis on material comforts as the prime goal in life.

But the inadequacy of our educational system for the world of today was never more apparent than it was at the time of the Korean war—our only major military engagement with the forces of world communism.

The story of the 7,000 young Americans who became prisoners of war in the hands of the Communists is one that cannot be told without a deep sense of shame. The overwhelming majority of these POW's succumbed to Communist pressures and became collaborators in one degree or another. So general were the phenomena of defeatism and "give-up-itis," that we cannot write them off to individual weakness. The fault lay not with the individual, but with our society.

A survey conducted by George Washington University in collaboration with the Department of the Army should cause all of us to do some soul searching.

According to this survey 70 percent of our prisoners of war in Korea collaborated in some significant degree with the Communists; 39 percent signed fraudulent Communist petitions; 34 percent showed no concern over the illness or suffering or the fate of fellow prisoners, and only 13 percent showed any considerable concern; 22 percent made tape recordings which were used for Red propaganda around the world; 15 percent became full-time propagandists for the Communists; 10 percent of our men became informers; 21 Americans refused repatriation; and, of the 4,000 who came back, it was later discovered that some 75 had agreed to serve as Communist agents.

The report stated that one out of every six Americans had collaborated with the enemy in a manner so shameful that general court-martial was recommended. Only a handful were ever brought before military courts because of the obvious political repercussions that a mass court-martial would have had.

The American POW's who succumbed did not succumb because of physical torture. While the physical treatment was far from good, American POW's in previous wars have survived and triumphed over much harsher treatment. And while things were made tough for those American POW's who resisted indoctrination, they were not made unbearable. The resisters got the poorest food, the hardest work, the worst medical

care, the most abuse. They were separated from the other prisoners. But that was all.

It is an interesting commentary that, while the resisters, on their release, were in somewhat poorer physical condition than the collaborators who had received preferred treatment, the resisters were in far better condition mentally and emotionally.

The Communists are not irresistible. They do not have magic powers. This was demonstrated by the many Americans who did resist—and resisted successfully until the end. It was demonstrated even more dramatically by the fact that, of several hundred Turkish soldiers who became prisoners of war in Korea, not a single one collaborated with the enemy.

Why then did so many young Americans succumb to Communist pressures? Or, to put the question more accurately, why did the Communists find it so easy to break so many American POW's—to twist their minds and crush their spirits?

If these Americans in captivity abandoned their American heritage readily, it was because they never really understood its meaning.

If they collaborated with the Communists, it was because they had never been taught to understand the true nature of communism; they had not been prepared to endure the systematic assault of Communist technicians on the human mind.

If they took orders from the Communists more readily than other POW's, it was because the slackening discipline of our society has inevitably produced a slackening discipline within our Armed Forces.

The techniques used by the Communists in breaking the spirits of our POW's were simple enough.

There were indoctrination lectures, followed by discussion periods.

There were voluntary athletics—preceded by compulsory participation in a Communist propaganda parade.

Our men were encouraged to inform on each other about little things like stealing turnips. And the act of informing was made easy because the informer was always rewarded, while his victim received no punishment more severe than a lecture concerning his "antisocial activities."

Family ties were weakened through the censorship of mail. Mail was censored so that the good news and the warm affectionate letters from home did not get through. What got through was the bad news—the divorce notices, letters from bill collectors, letters of complaint, letters reporting on family illnesses.

Prisoners who showed that they could be easily intimidated, soon found themselves pressed into service as full-time propagandists and as informers about important matters.

One group of prisoners was encouraged to inform on another group. Among 1 group of 21 American POW's, there were at least 5 separate subgroups or control cells, each of which contained at least 1 informer from 2 other groups, and each of which sent out at least 2 other men to infiltrate and report upon the other groups. But primarily the assault was on the human mind. Prisoners were told that the American capitalists and munition makers were responsible for the war and for their personal plight. The Communist indoctrinators pointed up all the real weaknesses of American institutions. They led their captives to doubt the values and traditions of American life—those values and traditions which our POW's understood only imperfectly. They eroded their national pride.

Between the brutality of communism and the brutality of nazism there is nothing to

choose. The Nazis practiced physical abuse on their prisoners of war; to such abuse, our men demonstrated that they were able to stand up. I believe that our men in Korea would not have cracked had they simply been subjected to the kind of physical maltreatment that characterized the Nazi POW camps. But what distinguishes communism and makes it infinitely more insidious is the fact that it practices total assault on the human mind.

The fact is that, to a certain degree, all of us have been subject to this total assault on the human mind, and none of us, from ordinary citizen to President, is completely impervious to it.

Communist propaganda, when it is labeled Communist propaganda, has no impact on the American people. But the Communists are rarely obliging enough to thus label their propaganda. Ninety-nine times out of a hundred, the position which they want to get across is conveyed by means of what the Communists call "transmission belts," that is, by front organizations, or non-Communist organizations which have fallen under Communist influence, or even by people of anti-Communist reputation who have had their thinking befuddled in a manner so subtle that they would indignantly deny their views were anything but personal.

This Communist assault on the minds of the West has scored many notable triumphs.

Perhaps their greatest psychological warfare success was when they succeeded in persuading so many Western writers, editors, and political leaders that the Chinese Communists were not Communists at all, but simply agrarian reformers. This paved the way for the Communist victory in China.

Ten years later, they achieved a distressingly similar success when they induced some of our most respected newspapers and certain State Department experts to believe that Castro was not really a Communist, but a mixture of Robin Hood and Thomas Jefferson.

I could go on and on with this list. But surely, at this late date, no one can deny that, in situation after situation, the Communists have succeeded in deceiving us, misleading us, confusing us, inactivating us.

If the American people, in the full enjoyment of their liberties, can thus be influenced by the Communist assault on the minds of men, we cannot too easily condemn those Americans, who, as prisoners of war, deprived of their freedoms and under complete control of their Communist captors, succumbed abjectly to this assault.

I believe that the Communist assault on our minds can be met. I believe that American soldiers can stand up to the hardships of Communist captivity. I believe that free men with free minds can triumph over Communist robots just as well as Turkish soldiers. But, if we are to meet this assault, and if we are to prepare our young people for the mortal battle which confronts our generation, it is essential that our schools throughout the Nation embark on a program of education such as the citizens of Florida are now in the process of establishing.

Such a program of education must serve a threefold purpose. First, it must teach our students to understand—far better than our POW's in Korea understood—the meaning of freedom and of the values on which our society is founded. Second, we must teach them the essential facts about communism. And, finally, we must reinduct in them the sense of discipline without which no ordered society can exist. We must achieve the delicate balance of teaching them to think independently, while we teach them, simultaneously, the virtue of obedience to their superiors, to their officers,

to their flag, to their nation; of obedience to their own sense of right and wrong; of obedience to God.

In reality, these three objectives really blend into one transcendent objective: the education of our people for freedom.

Communism represents the total negation of freedom. It cannot be understood unless we first understand, with all of our powers of comprehension, the priceless meaning of freedom.

Conversely, freedom can best be understood and best appreciated if we take the time to study what the total denial of freedom does to human beings and does to society.

And, if in our schools our young people learn the meaning of communism and learn the meaning of freedom, this knowledge, in my opinion, will of itself inculcate in them a greater sense of discipline.

This process of education must start with our schools. Primarily, I believe, it is a task that can most effectively be performed by the secondary schools across the country. The level of understanding in the elementary schools is hardly adequate for a serious program of instruction. The universities frequently tend to be overspecialized. But most important, we must face up to the fact that ours is still primarily a nation of high school graduates rather than university graduates. It is our high school graduates who, by and large, will be our citizens, our soldiers and frequently our community leaders of tomorrow.

The need for devoting a portion of the school curriculum to the comparative study of communism and freedom, is now generally accepted. Several years from now, I believe, States that do not have such programs will be the exception rather than the rule. The problem that confronts us now is the practical problem of finding the most effective methods and instruments of instruction.

There are some educators who accept the need for education on communism, but who argue for what they call an "objective" presentation. They say that we must present what is good as well as what is evil about communism; that if we fail to do so, our teachers will be contributing to the warping of young intellects through the presentation of partial truth; that we shall, in effect, be creating a "thought directorate" of our own in attempting to combat the Communist thought directorate. I do not accept this reasoning.

Just as we teach our children that murder and theft and lying are evil things, we much teach them that communism is evil, that it is all evil, and that it has no redeeming features.

Hitler eliminated unemployment. Mussolini made the trains run on time. Both dictators kept their streets clean and boasted sundry other material accomplishments. But I do not recall that those who today argue that we must look at the good as well as the bad in communism, ever made the argument that we must look at the good as well as the bad in nazism. The fact is, that any material benefits which the Nazi regime of yesterday or the Communist regimes of today have achieved for their peoples, are intrinsically evil for the simple reason that these benefits have been used to bolster regimes that are intrinsically evil.

Let us teach our young people the facts about communism. Let us teach them about the mass murders and mass deportations, the blood purges, the ruthless persecution of religion and of minorities. Let us tell them the story of the Hungarian Revolution and of its brutal suppression by Soviet tanks. Let us tell them the stories of Poznan and East Berlin and Tibet.

Let us alert them to the techniques the Communist employ in their unceasing assault on human minds in the free world. Let us set forth to them the facts about the Fair Play for Cuba Committee and other crypto-Communist front organizations that solicit the support of American youth. Let us tell them, without any censorship of content, the shameful story of our POW's in Korea, of the techniques the Communists employed there, and of how so many of our boys succumbed because they were not adequately prepared.

Having thus instructed them and thus prepared them, let us then bring them back to the study of the Declaration of Independence and the American Constitution and of the hallowed documents and statements from which we derive our freedoms, and which have served, and I am confident will continue to serve, as a torch for men who love freedom the world over.

DUTY ON CERTAIN ALUMINA AND BAUXITE

Mr. SMATHERS. Madam President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1677, H.R. 9520.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 9520) to continue for 2 years the suspension of duty on certain alumina and bauxite.

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

There being no objection, the Senate proceeded to consider the bill.

RELIEF OF JAMIE ABEJURO

Mr. SMATHERS. Madam President, I ask unanimous consent that the Senate temporarily lay aside the consideration of Calendar No. 1677, H.R. 9520, and proceed to the consideration of Calendar No. 1433, H.R. 1700.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 1700) for the relief of Jamie Abejuro.

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

There being no objection, the Senate proceeded to consider the bill.

Mr. SMATHERS. Madam President, it is my understanding that the bill has been cleared with the leadership on the other side. There is no objection.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading of the bill.

The bill (H.R. 1700) was ordered to a third reading, was read the third time, and passed.

AUGUSTIN RAMIREZ-TREJO

Mr. SMATHERS. Madam President, I ask unanimous consent that the Senate lay aside temporarily H.R. 9520 and proceed to the consideration of Calendar No. 1464, H.R. 2187.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 2187) for the relief of Augustin Ramirez-Trejo.

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

There being no objection, the bill (H.R. 2187) was considered, ordered to a third reading, was read the third time, and passed.

CARLOS SEPULVEDA ABARCA

Mr. SMATHERS. Madam President, I ask unanimous consent that the Senate temporarily lay aside H.R. 9520 and proceed to the consideration of Calendar No. 1465, H.R. 2198.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 2198) for the relief of Carlos Sepulveda Abarca.

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

There being no objection, the bill was considered, ordered to a third reading, was read the third time, and passed.

ADJOURNMENT

Mr. SMATHERS. Madam President, if there is no further business to be transacted, I move that the Senate adjourn.

The motion was agreed to; and (at 4 o'clock and 57 minutes p.m.) the Senate adjourned until tomorrow, Tuesday, July 24, 1962, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate July 23, 1962:

CIVIL AERONAUTICS BOARD

Alan S. Boyd, of Florida, to be a member of the Civil Aeronautics Board for the term of 6 years expiring December 31, 1968. (Re-appointment.)

DEPARTMENT OF AGRICULTURE

John A. Baker, of Virginia, to be an Assistant Secretary of Agriculture.

IN THE MARINE CORPS

The following-named officers of the Marine Corps for temporary appointment to the grade of brigadier general, subject to qualification therefor as provided by law:

Joseph L. Stewart	Hugh M. Elwood
John P. Coursey	Raymond G. Davis
Joseph S. Reynaud	Edward H. Hurst
William K. Jones	

CONFIRMATIONS

Executive nominations confirmed by the Senate July 23, 1962:

TENNESSEE VALLEY AUTHORITY

Frank E. Smith, of Mississippi, to be a member of the Board of Directors of the Tennessee Valley Authority for the remainder of the term expiring May 18, 1963.

COUNCIL OF ECONOMIC ADVISERS

H. Gardner Ackley, of Michigan, to be a member of the Council of Economic Advisers.

EXTENSIONS OF REMARKS

Disarmament

EXTENSION OF REMARKS

OF

HON. ALEXANDER WILEY

OF WISCONSIN

IN THE SENATE OF THE UNITED STATES

Monday, July 23, 1962

Mr. WILEY. Mr. President, currently, the Disarmament Conference is underway in Geneva.

Over the years, the Soviets have refused in over 70 negotiations, to reach agreement in detail.

Unfortunately, the Communists still refuse the right of inspection, to assure that nations abide by agreements.

Because of the dangers of a continued arms race—including, now, further nuclear testing by the Soviets—I again stress that it is important not only for the United States to take realistic leadership, but also to encourage, as possible, more pressures from the people of the world upon the need for realistic agreements.

Over the weekend, I was privileged to discuss the matter further in a broadcast over Wisconsin radio stations. The address, I believe, included some recommendations which, if adopted, would, first, strengthen the U.S. negotiators' hand in Geneva; second, encourage greater support for the position of the West; and third, draw a sharp contrast between United States and Soviet policies on disarmament.

I ask unanimous consent to have this address printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Around the globe, there is a general recognition that war is a tragic waste, and—as demonstrated twice in our lifetimes—is not successful in ending all wars.

The existence of nuclear weapons—of unbelievable destructive power—makes the threat of either triggered or accidental war even more dangerous—perhaps suicidal.

Despite this realization, however, humanity finds it extremely difficult to find ways to stop the arms race; to beat our conventional nuclear weapons into plowshares, and to channel more of our great resources—human and natural—away from weaponry and toward peaceful purposes, for bettering, not threatening to destroy, human life.

As of now, the nations of the globe—Communist and non-Communist—spend roughly about \$120 billion annually for armaments. For comparison, this exceeds the combined gross national product, that is, the value of all goods and services, of over 79 lower income nations of the world.

The Communists—dedicated to conquest of the world—of course, constitute the major reason for the threat of war, and the continued arms race.

Despite lipservice to disarmament and peace, the Reds have stubbornly refused—in over 70 consultations on disarmament—to accept realistic safeguarded agreements.

Now, what can be done? Realistically, we cannot disarm unilaterally—exposing our-

selves to sneak attack. Dedicated to peace, then, we need to (1) Maintain an adequately strong jet-missile-nuclear-space defense force to discourage aggression; (2) provide leadership in further efforts toward disarmament and peace; (3) mobilize more people and nations in support of safeguarded proposals on disarmament—and to put more pressure on the Communists.

In the past, we, as a nation, have demonstrated a willingness to utilize our manpower and resources not only in protecting freedom, but for creating an improved climate for peace.

For the future, I believe we could well restate our willingness to invest in peace—as we have invested in military forces for protection of freedom.

Specifically, this could include a willingness to dedicate a significant percentage of savings from disarmament toward creating a better economic life for our people—abroad, as well as at home—and promoting peace in the world.

Would this be a practical investment? In my judgment, yes. Why? For the following reasons: (1) If this served to further progress on arms control, the threat of war—with its terrible destruction of life, property, or, perhaps civilization—would be diminished; and (2) the cost of armaments for the U.S. taxpayer—now at about \$52 billion a year, then, could be substantially reduced; (3) the economic machinery—now producing defense materials—rather than grinding to a standstill, with unpredictable impacts on the economy—would be utilized for consumer goods.

If realistic safeguarded agreements on arms reduction and control can be reached, and if weaponry production plants can be changed over to turning out consumer goods, this pumping of economic life into the world would: (1) Eliminate many of the breeding grounds of strife, controversy, and war; (2) brighten the outlook for lasting peace; (3) improve the standards of living for more people; and (4) economically provide more markets for U.S. products, for industrially advanced nations—despite the fact that they compete with us in some fields—also are the best markets for U.S. products.

A redeclaration of our willingness to invest in peace would, I believe, create a sharp contrast to the constantly war-threatening policies of the Kremlin, encourage more nations to enthusiastically support progress on reduction of armaments, and be a constructive step toward peace.

The 50th Anniversary of Radio Station
WHLI

EXTENSION OF REMARKS

OF

HON. JOSEPH P. ADDABBO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, July 23, 1962

Mr. ADDABBO. Mr. Speaker, today, July 23, 1962, is the 15th anniversary of radio station WHLI, located in Hempstead, Long Island, N.Y.

WHLI has long had a fine record of broadcasting programs of community interest to its listeners. An important

program, particularly in these days of international tension, is the weekly "Report From Washington," on which I have had the privilege of appearing regularly. This public service of WHLI gives local Representatives an opportunity to report directly to Long Islanders on the issues under consideration in the Congress.

It gives me pleasure to congratulate WHLI on this 15th anniversary and to wish for this enterprise a long and successful future.

Requiring Feasible Plans for Relocation
of Families Displaced by Highway
Projects

EXTENSION OF REMARKS

OF

HON. LEONOR K. SULLIVAN

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, July 23, 1962

Mrs. SULLIVAN. Mr. Speaker, the House last Wednesday voted 236 to 159 to amend the Federal-aid highway bill to water down a provision which would have required that the States furnish assurances of having one or more "feasible" plans for relocation of families displaced by acquisition or clearance of rights-of-way. As amended, the bill now merely requires in this connection that the States provide relocation advisory assistance. I voted against the change, even though the only correspondence I received on this consisted of pleas from both the Missouri Highway Commission and the Missouri Automobile Association to vote the other way and support the amendment.

I belong to the automobile association and have belonged for many years and I have always tried to help our Missouri Highway Commission on legislative objectives. Highways for fast travel and communication are, of course, essential, and we in the Congress have voted billions upon billions of dollars for such improvements. But people count, too—and that is often lost sight of.

Mr. Speaker, because of the questions which will undoubtedly arise as to why we had a rollcall vote over what appear to be minor language differences in the legislation, I submit for inclusion in the CONGRESSIONAL RECORD a letter I have written to the chief engineer of the Missouri State Highway Commission, Mr. J. J. Corbett, as follows:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., July 20, 1962.

Mr. J. J. CORBETT,
Chief Engineer, Missouri State Highway Commission, Jefferson City, Mo.

DEAR MR. CORBETT: I received your letter urging support for H.R. 12185 except for one provision you wanted changed—as proposed

in the Baldwin amendment. I read the material you sent me, and listened to the debate but could not vote for the Baldwin amendment. As you know, it passed anyway. But I think you are entitled to an explanation for my vote, since you indicated that the Baldwin amendment was important to the Missouri highway program.

My feeling is this: we are dislocating thousands of settled and contented property owners and tenants and businesses all over this country for a variety of worthwhile programs which I strongly support—not only better highways, but urban renewal and other programs to improve the physical plant of America. Under urban renewal and also under the interstate highway program, we require effective programs for the relocation of the displaced families and businesses. Even so, many hardships occur, and it is a sad thing when a family is forced to pull up roots extending back many years and is literally pushed out to find another place, often on very little notice. In other cases they are told it will be years before they can sell their properties.

I am constantly being asked by constituents to help them qualify for hardship treatment so that they can obtain a prompt sale of their property in order to purchase other quarters. Under urban renewal programs, which I have helped to write as a member of the Housing Subcommittee of the Committee on Banking and Currency, I have joined in increasing the relocation allowances, in urging better procedures for acquiring the property to be cleared, and in assuring the former owners or tenants of comparable quarters elsewhere.

It seems to me the requirements of the bill as reported would not have provided any serious hardships to the States in the expenditure of Federal-aid highway funds but the people affected—the homeowners and tenants and the businesses forced to move—would be greatly benefited. It is easy enough to say that Missouri already does a good job in this respect, but I can assure you the record is full of instances of other States not doing a good job and of all kinds of hardships occurring in Missouri too. We need feasible plans for relocation.

This is all water over the dam, perhaps, since the Baldwin amendment did carry despite my negative vote, but in view of the fact that I have always come to the help of the Missouri State Highway Commission on legislation here, and have done my best to support you where I thought you were right, I felt I should make it very clear why I voted opposite to your request on this matter.

Building roads is a most important function of both the Federal and State Governments. But people who are adversely affected—as so many are—are entitled to more than a superficial "sorry" for the inconvenience and often hardship to which they are put. That is why I voted to require feasible plans for relocation.

Sincerely yours,

LEONOR K. (Mrs. JOHN B.) SULLIVAN,
Member of Congress, Third District,
Missouri.

The National Lottery of Poland

EXTENSION OF REMARKS

OF

HON. PAUL A. FINO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, July 23, 1962

Mr. FINO. Mr. Speaker, I would like to point out to the Members of this

House the national lottery of Poland. This lottery was not established by the Communists, for lotteries in Poland are traditional—they date back to 1808.

The Communist government of Poland operates the national lottery in much the same way as do the governments of other nations. In 1961, gross receipts came to almost \$53 million. The government profit was over \$18 million.

Actually, most Communist governments are not prone toward lotteries. Only a few of the Communist nations utilize them. Of those European nations not operating lotteries, the overwhelming majority are Communist. The reason is quite simple—the Communists frown on gambling as being frivolous and undesirable in what they call the new socialist man. This is just another manifestation of human individualism that the Communists refuse to recognize—we are in rare company.

Mr. Speaker, a national lottery in the United States could pump into our Treasury over \$10 billion which can be used for tax cuts and reduction of our national debt.

Washington Report

EXTENSION OF REMARKS

OF

HON. BRUCE ALGER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, July 23, 1962

Mr. ALGER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following newsletter of July 21, 1962:

WHAT IS CONSTITUTIONAL GOVERNMENT TODAY?

(By Congressman BRUCE ALGER, of Texas)

The Constitution has been reinterpreted in intent and violated in practice until its use today resembles little its original content and spirit. Indeed, it is appropriate to ask of what significance is the congressional oath of office, to swear to uphold and defend the Constitution. Yet since the original underlying concepts are so sound as they relate to freedom for individuals from domination, surely it is not old-fashioned and foolish to ask at any time, including today's events, is this the constitutional role of Federal Government, remembering that the Constitution preserves freedom by a form of limited government of checks and balances, a republic within a democracy?

"The destruction of a mighty nation may well be approaching because of the activities of one person. He has encouraged leaders to tranquilize the populace with half-truths. He has lured the press into inattention and has assisted the people in duping themselves. He has persuaded his fellow citizens to concentrate on life's comic strips and mindless entertainments and to avoid the bruises of reality. The culprit is the person whose eyes scan these words, and whose hands—at this moment—hold this book. The country is the United States of America!" ("A Nation of Sheep," by William J. Lederer).

Have we become a nation of sheep? Of course not. Do we care little about constitutional government, a tough instrument for freedom-loving, tough, and self-disciplined people? No, we do care. Then why doesn't our Government represent us as we are?

NEW FRONTIER DEFEATS

House and Senate Members are rebelling. Americans are awakening to what is happening under the New Frontier concepts of "democratic socialism." Views from home are influencing Representatives and Senators. As usual, while Members reflect grassroots sentiment they lag considerably behind the people. The arm twisting and political bribery by President Kennedy and his aids are being overbalanced by pressure from home as people finally recognize the fallacious programs and fallacious reasoning of the President and his New Frontier architects—including as right hand aids 36 members of ADA, the American Democratic socialists.

Defeats of Kennedy legislation this week:

(1) The tax bill: In the Senate some of the unconstitutional carrot-and-stick punitive taxes passed by the House have been amended.

(a) Automatic withholding of interest and dividends was deleted, thus eliminating over-withholding, taxing nontaxpayers, and administrative chaos.

(b) Investment credit was reduced, approaching liberalized depreciation which is what is really needed.

(c) Foreign tax grossup or double taxation eliminated.

(d) Business expense deductions made less stringent.

(2) The Hanford atomic public power development was defeated in the House by a vote of 232 to 163 (Government power development has no constitutional basis).

(3) An antitrust civil process amendment was defeated, 202 to 200, an amendment which would have permitted Attorney General Bobby Kennedy to demand and get the books and records of any business without due process of law—unconstitutional.

(4) A transfer of States rights to the Secretary of Commerce pertaining to relocation of displaced families because of highway right-of-way was defeated, 236 to 159, and the authority left in the States. States rights violation and Federal dictation is unconstitutional.

(5) Farm bill rejected earlier by the House resulted in a substitute, reducing regimentation and control for the farmers reluctantly passed by many, 229 to 163, only after solemn warning that the Kennedy-Freeman controls will not be tolerated and a better bill next year must be forthcoming. Farm bills as now constituted are totally unconstitutional.

(6) Medicare: Medical care for the aged was forced to a vote by the President and defeated, 52 to 48. This compulsory tax, plus gratuitous coverage, jeopardizing our fine medical services, is a part of socialism and is totally unconstitutional. Federal Government is not constitutionally empowered to permit it to feed, clothe, house, provide jobs, medical care or basic necessities of our people. These defeats of the Kennedy program each in turn involve unconstitutional grants of power and were rejected by the Congress.

OTHER DEVELOPMENTS—CHECK CONSTITUTIONALITY

(1) Foreign aid: House-Senate conference; as expected, the conferees struck out (a) House demand that no U.S. funds beyond our percentage assessment, already paid, go to support the member nations of the United Nations who are delinquent until they pay up; (b) the Senate limitations on aid to Communist countries were replaced by the House revision which gives the President authority to give money, food, and gifts to Yugoslavia, Poland, Red China, Cuba or whomever he wants. Constitution calls aid to enemies treason, and no one questions that Communists are our enemies.

(2) Conference report on social security's Public Welfare Amendments of 1962 was passed, 357 to 34, providing (a) \$140 million of unbudgeted expenditures; (b) increased

authority to Secretary of HEW to determine on repayment by trainees. Constitutional? No, this is government by men, not law; (c) subsidizing countless chiselers and gold-bricks who are freeloading in the ADC (aid to dependent children) and other programs. Hardly constitutional.

DALLAS FEDERAL BUILDING

An interesting new development arose as a group of Dallas citizens visited the President requesting money for the Dallas building. Of course, it is the right of citizens to petition their government, the elected officials. Some interesting questions now arise:

1. Should new communication lines be set up, as requested, between Dallas and the President beyond or replacing the customary government legislative procedures all of which have resulted in formal approval of the building?

2. What new information is needed inasmuch as complete data is in House and Senate committee and Government agencies?

3. Should Federal buildings be built when the Government is deficit financing, increasing the danger of inflation, devaluing the purchasing power of money? I believe in each case the question gives the answer. Now try the Constitution on each of these.

Back to the basic question: why not constitutional government? Why are we not militant constitutionalists? Because constituents have grown careless in their choice of public officials for reasons other than constitutional, many times a selfish interest, or just as significant a failure through ignorance, not apathy, of what the elected officials were doing. The citizen voters will soon have a chance to correct both, inasmuch as the President has chosen an issue, medicare, which through compulsory tax and bureaucratic dictation is unconstitutional. Obviously those who expect victory for this issue are assuming the people's ignorance of the facts. So the battle is joined; Constitution and facts on the one hand, bureaucratic control and ignorance on the other. Which will it be?

Let's Keep the Record Straight on Hanford

EXTENSION OF REMARKS OF

HON. BEN F. JENSEN

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 23, 1962

Mr. JENSEN. Mr. Speaker, during the recent debate on the Hanford power proposal, I felt obligated to speak out against an article that had been placed in the CONGRESSIONAL RECORD of July 16, 1962, which purported to answer the "Fact Sheets on Hanford New Production Reactor Electric Generating Plant" which I had inserted in the CONGRESSIONAL RECORD of July 13, 1962. The short time at my disposal limited me to pointing out just a few of the questionable statements made in the so-called analysis of my fact sheets.

Even though we, who opposed this project last year, were successful in defeating this latest attempt to circumvent the will of the House, the record should be kept straight. I am, therefore, pre-

senting herewith a full rebuttal to the attempt to cast doubt on my fact sheets:

I said in that fact statement, "objective same as last year." The proponents say it is not the same. Last year's objective was the construction of electric generating facilities at Hanford and the delivery of such power to the Bonneville system. That is exactly what would happen under the present proposal and nothing can change it. Even Washington Public Power Supply System admitted in a letter to AEC and Bonneville that the objective was the same.

I said, the "Federal Government would be de facto guarantor for Washington Public Power Supply System revenue bonds."

The proponents disagree. I said black on white in my fact sheets, the Bonneville Power Administration, an agency of the U.S. Government, freely admitted that Bonneville would deliver power of a value equal to all Washington Public Power Supply System costs and "in that sense the terms of the contract would be security for the revenue bonds which would be issued to finance the plant."

How much clearer does it need to be spelled out?

I said in the fact sheet, the "Washington Public Power Supply System proposal provides for Federal takeover of new production reactor powerplant."

The proponents claim that this takeover can be done only after congressional authorization. There is no such provision anywhere in the proposed contract on which facts can be based. There were provisions in the contract under which the contract could be terminated with an obligation for the Government to reimburse the Washington Public Power Supply System for all costs, bond redemption, and so forth.

I said, "New production reactor costs have skyrocketed."

The proponents said I had overlooked the fact that every nuclear project in the United States has exceeded its original cost estimate. I did not overlook this failing of AEC to make realistic cost estimates. It is something the Congress should recognize in the future in evaluating all proposed projects. The public power proponents on the Joint Committee on Atomic Energy who insisted on AEC starting out on a convertible-type production reactor before the proper research and designing was completed should hereafter think twice before making such a recommendation.

The fact remains that "new production reactor costs have skyrocketed." How else can you describe a \$20-million increase in October 1961 and a \$23 million additional increase in March 1962? No one knows just what the actual end cost may be. This in the face of assurances presented to the Congress by the AEC in September 1960, 2 years after the project was started, that the new production reactor would be completed within the original \$145 million cost estimate and on time as scheduled.

I said: "generating plant costs have increased."

The proponents claim I said "generating facilities of the new production reactor have increased in cost from \$95

to \$130 million." This is not true. I said:

Last year the estimated cost of constructing generating facilities at Hanford new production reactor was \$95 million. Now we are told that Washington Public Power Supply System will have to issue \$130 million in bonds to finance the project.

My statement is true. Testimony was given before our subcommittee earlier this year that the new production reactor generating plant construction cost increase was \$5 or \$10 million, with other items accounting for the balance of the increase to \$130 million.

I said, "new production reactor power nonfirm." The proponents have to admit that this is true, but attempt to minimize how unreliable such power would be. The fact remains that the new production reactor is of a new and untried design. Numerous and serious design and construction problems have developed, the cost has increased by \$50 million, and there is no assurance that operational problems may well prevent the optimum production now estimated.

There are to be numerous scheduled outages during dual-purpose operation to permit refueling in connection with plutonium production. The number is apparently classified, as no mention is made of the number in any public report. I have been informed that other nuclear experts feel that the scheduled and unscheduled outages of the new production reactor might result in a maximum plant factor of not more than one-half that estimated by AEC and its engineers.

In contrast, hydroelectric plants with sufficient water supply are extremely reliable and fossil-fueled steam electric generating units have often operated a full year or more without a shutdown.

I said, "new production reactor power would be costly." The proponents attempt to refute this by breaking the item into five segments. Their first segment relates to two of the six items I listed as being necessary to a proper evaluating of the real cost of new production reactor power. They inferred that I had a "complete misunderstanding of the proposed arrangements."

The proponents claim that the proposed payments for steam would provide some reimbursement to the Government and that such amount could be over \$125 million. Actually, the proposed payments for steam in the first 4 years, for instance, will total only \$600,000 or less than one-twelfth the interest cost on the convertibility feature alone. It is also possible and so admitted by the proponents that the total payments for steam over the life of the project could be a minimum of \$3 million.

I indicated that a "reasonable portion of the fuel costs and operating and maintenance costs of new production reactor" should be included in the new production reactor power costs, "so as to help realize the reduction in plutonium as reported to Congress." The proponents again accuse me of a lack of understanding of the proposed arrangements. I understand full well the intent in the proposed arrangements to ignore this proper charge against new production

reactor power. The proponents also claim that only through the proposed contract can the Government reduce the cost of plutonium. Actually, the contract would result in increased hidden costs or losses to the taxpayers.

I said there should be a charge for the Bonneville Power Administration reserve capacity that must be provided, in order to back up the new production reactor power during the numerous times the new production reactor will be out of service. The proponents infer that in the early years of new production reactor power operations, Bonneville Power Administration would have a surplus of reserve electric generating capacity, so no charge should be made for the reserve capacity necessary to back up new production reactor power. This is a proper charge regardless of whether Bonneville has surplus capacity or not.

I said that a proper charge should be made for transmission costs. Again, the proponents claim that Bonneville Power Administration feasibility studies made a proper allowance for this. Here, again, there is no assurance that a proper charge will be made, as the \$4 per kilowatt-year mentioned is totally unrealistic.

I said there should be a charge against new production reactor power for lost revenue to Bonneville Power Administration due to use of new production reactor power: when Bonneville Power Administration had surplus power going to waste. The record is clear and Bonneville has testified that under both median and adverse streamflow conditions there will be a varying number of months of each year for many years in the future when Bonneville will have up to 3 million or more kilowatts of continuous power going to waste over its hydroelectric dams. During those periods, if power is produced at new production reactor, it can only replace power that would otherwise be generated by these hydroplants. It is just that simple.

I said, "Bonneville to exchange low-priced firm power for high cost nonfirm power," and that "use of new production reactor power would require Bonneville Power Administration to waste more hydropower in certain months."

The proponents did not make specific reference to the above facts, but went into a long dissertation on why they claim new production reactor nonfirm power will be turned into firm power.

There can be no denying that Bonneville power is low-priced power. The Bonneville estimate of a \$18 million deficit for this year—fiscal year 1962—is ample testimony to that fact. With a more proper interest cost in keeping with those now being paid on long-term U.S. bonds, this deficit would be nearer \$30 million annually.

That new production reactor power would be nonfirm power is well established. That it would be high cost is equally easy to establish by taking all the proper cost that should be charged up to such power production. For instance, under power-only operation, the Washington Public Power Supply System debt service, the fuel cost, and the operation and maintenance costs total

nearly \$25 million annually. This does not include any charge for interest or amortization on the new production reactor itself. Using the Bonneville firm power rate of \$17.50 per kilowatt-year, Bonneville would have to furnish, during the power-only period, 1,430,000 kilowatts of firm power and in return would get 800,000 kilowatts of nonfirm power. Even if we concede—which we do not—that new production reactor power production would permit Bonneville to generate 905,000 kilowatts of firm power, it would still be a losing proposition.

With respect to the Bonneville hydro-power that would have to be wasted in certain months if new production reactor power is to be utilized, the facts are so irrefutable as to make the proponents' arguments fantastic.

I said: "claim of enhancement to coal burning steamplant is absurd," and "coal burning steamplant would provide more desirable power for Pacific Northwest."

The proponents refer to the argument that "the Washington Public Power Supply System proposal would damage the coal industry." In thus paraphrasing my statements, the proponents ignore the reference to the absurdity of their claims that new production reactor would enhance future coal burning steamplants in the region. Nor do I understand why they make reference to eastern coal interests when my statement contained no such reference.

The proponents also purposely ignored my statement that a coal-burning steamplant would provide far more desirable power for the Pacific Northwest. There can be no question on that score, that the coal-burning steamplant would be much more reliable and would produce more energy per kilowatt of installed capacity. Also, it could be shut down or power production curtailed when excess hydroenergy was available.

I said: "financial infeasibility alone should preclude Bonneville Power Administration from executing proposed Washington Public Power Supply System contract."

The proponents say that the Bonneville Power Administration Administrator testified that Bonneville and Washington Public Power Supply System had found the proposed arrangements economically and technically feasible.

My answer to this is that the record is clear that to arrive at any such conclusion there had to be highly questionable assumptions as to the operating schedules together with unwarranted writeoff or ignoring of proper costs.

It is understood that the Bonneville staff made a 50-year operational study which showed a deficit of over \$200 million with new production reactor power, as compared to operation over the same period without new production reactor power. When questioned on this, the Bonneville Administrator was very evasive and never gave a responsive answer to the question, but he did not deny that such a study had been made.

Facts are the entire proposal was absurd to say the least, which the majority of the House Members could plainly see, after free and full debate.

Need for Family Farm Study

EXTENSION OF REMARKS

OF

HON. ALEXANDER WILEY

OF WISCONSIN

IN THE SENATE OF THE UNITED STATES

Monday, July 23, 1962

Mr. WILEY. Mr. President, the diminishing of the family farm in U.S. agriculture has been one of the great human and economic changes in the rural life of America.

Unfortunately, the dim outlook for a livelihood on the farm creates serious far-reaching challenges and problems of the 15½ million people now living on U.S. farms.

Recently, the Secretary of Agriculture appointed a special committee for studying the impact of existing policies and programs on the family farm.

The study, I would hope, will come up with some worthwhile recommendations on what can and should be done to better enable the farm family to adjust to these changes in economic-agricultural life.

Over the weekend, I was privileged to discuss this matter over Wisconsin radio stations.

I ask unanimous consent to have excerpts from my remarks printed in the RECORD.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

In our fast progressing, technological age, farming—as other major segments of our economic life—is undergoing dramatic, far-reaching changes. In agriculture, these include—

1. A tremendous shift in population from rural to urban living. In 1850, only 15 percent of the people lived in urban areas. In 1950—100 years later—this had raised to 65 percent. By 2000, the proportion, it is predicted, will increase to 73 percent.

2. The technological revolution also has resulted in trends toward larger farms, including the development of "corporation farming."

3. The lack of bargaining power—comparable to the economic influence of either big business or labor—too, has not provided the farmer a strong voice in determining prices for commodities.

In agriculture, also, there is a whole complex of additional problems, including housing, health, and education; opening of new opportunities for rural industries and on-farm recreational programs; retirement of low productive land; and broadening of natural resources conservation programs.

All of these and other trends in agriculture are having a far-reaching effect upon, and creating special problems for, the Wisconsin and American farms.

Because of the changing conditions, I proposed in 1961 legislation for establishing a Country Life Commission. The purposes included (1) evaluating the long-range problems in agriculture; (2) developing recommendations for meeting the challenges; for adjusting to changing conditions; for improving the economic outlook; and for establishing a set of guidelines, particularly in production and consumption, for a more favorable long range supply-demand balance in agriculture.

As yet, the Congress, regrettably, has failed to take action for establishing such a commission.

Recently, however, the Secretary of Agriculture—recognizing the need for action in the field—appointed a 34-member Public Advisory Committee. The purpose: To make a study of impacts and effects of existing policies and progress on the family farm.

According to a recent analysis by the Committee on Economic Development, the existing policies, since 1947, have resulted in the following consequences:

1. The farm policies may have moderated a decline of farm income—more than if

there had been no farm program; however, it has not prevented an ever-widening gap between farmer and nonfarmer earning.

2. The programs have not helped most the farmers who are most in need of help; that is, the small farmers who market less; and who do not receive large amounts from price support programs.

3. The existing program, though costly to the taxpayer, has not provided a permanent solution to the supply-demand imbalance of farm commodities.

Traditionally, the family farm has served as a "way of life" for rural America; as a source of our vital food supply; and as a cornerstone of our economy.

The family farm study—covering, as I believe it could, and should, many of the objectives of my proposed Country Life Commission—can, I believe, contribute to better understanding of, and solutions for, the difficult, complex problems confronting us in agriculture.

SENATE

TUESDAY, JULY 24, 1962

The Senate met at 12 o'clock meridian, and was called to order by the Vice President.

The Chaplain, Rev. Frederick Brown Harris, D.D., offered the following prayer:

O Thou eternal God, before whose face the generations rise and pass away, and to whom a thousand years are but as yesterday when it is past: As we come to this session, our hearts again are made heavy by the sudden passing into the unseen of a dedicated public servant, who but yesterday was a part of all the busy affairs of the Senate. Here, across the years, his voice was raised in passionate defense of the causes his conscience told him were right and just. Here, in all his concerns, he manifested loyalty to the fundamental tenets of the Republic which he loved, and for whose defense in his young manhood he marched with the battalions of freedom.

And now, on the very day when from a manmade star out in space the views and voices from this planet are flung back to all the earth, as untold millions look and listen, HENRY DWORSHAK has finished his course here, and has fared forth beyond this bourne of time and space, to know the mystery which one day will come to us all as this mortal puts on immortality.

In the spirit of the fluttering flags at half-mast, we pray especially for Thy consoling grace upon the companion who shared the dedication of his life, and upon the stalwart sons they have given to the world.

In Thy mercy we pray that at last Thou wilt bring us all to the homeland of Thine eternal love.

We ask it in the name of the One who is the resurrection and the life. Amen.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed the bill (S. 476) to establish the Point Reyes National Seashore in the State of California, and for other purposes, with amendments, in which it requested the concurrence of the Senate.

The message also announced that the House had passed a bill (H.R. 12547) 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, in which it requested the concurrence of the Senate.

HOUSE BILL REFERRED

The bill (H.R. 12547) 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, was read twice by its title and referred to the Committee on the District of Columbia.

THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the reading of the Journal of the proceedings of Monday, July 23, 1962, was dispensed with.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. CHURCH:

Statement by him regarding 115th anniversary of arrival of Mormon pioneers in the valley of the Great Salt Lake.

DEATH OF SENATOR HENRY C. DWORSHAK

Mr. CHURCH. Mr. President, I deeply regret to inform the Senate of the sudden death of my friend and colleague, the Honorable HENRY C. DWORSHAK, the senior Senator from Idaho.

Senator DWORSHAK was stricken at his home last evening. He was taken, unconscious, to the Georgetown Hospital, and there was pronounced dead.

The sad news is a shock to us all. Only yesterday I lunched with Senator DWORSHAK. He seemed well and hearty and in fine spirits. His unexpected death is a most unfortunate loss to Idaho and to the Nation.

Born in Duluth, Minn., nearly 68 years ago, Senator DWORSHAK learned the printing trade. He interrupted his early career as a journalist to serve with the American Army in France during World War I. Afterward, from 1924 to 1944, he was editor and publisher of the Burley Bulletin, and Burley, Idaho, always remained his residence.

Senator DWORSHAK was widely known among the newspaper people of Idaho. As a newspaperman himself, he appreciated their problems and knew what

made news. He was always welcome in the editorial rooms, and often wrote his own copy.

"You just write the lead," he once said to a reporter. "Find me a typewriter, and I'll do my own quotes."

Senator DWORSHAK was elected to the House of Representatives in 1938. He came to the Senate for the first time in 1946. Altogether, he devoted nearly 24 years of service to the people of Idaho in the Congress of the United States.

A sincere and honest man who never betrayed his convictions, HENRY DWORSHAK ever upheld the standard:

This above all: to thine own self be true,
And it must follow, as the night the day,
Thou canst not then be false to any man.

Senator DWORSHAK's long tenure in Washington is a fine example of public service honorably rendered. Few, indeed, are the men, throughout the whole history of my State, who have dedicated so many years to so faithful a discharge of the public trust.

Mrs. Church and I express our sorrow and extend our deepest sympathy to Mrs. Dworshak, their sons, Henry, Charles, Ward, and Calvin, their respective wives, to the grandchildren, and to all other members of the family.

Mr. President, it has been arranged with the leadership of the Senate to set aside a time at a later date when Senators may deliver their eulogies in memory of our late colleague, Senator HENRY DWORSHAK, of Idaho.

At this time, I send to the desk a resolution relating to the death of Senator DWORSHAK. Inasmuch as both the majority leader and the minority leader desire to speak at this time, I ask that action on the resolution be deferred until they have spoken.

Mr. MANSFIELD. Mr. President, will the Senator from Idaho yield?

Mr. CHURCH. I yield.

Mr. MANSFIELD. Mr. President, I wish to join the distinguished Senator from Idaho [Mr. CHURCH] in expressing the sincere regret and the deep sadness of Mrs. Mansfield and myself at the passing of our old friend, HENRY DWORSHAK.

Within a matter of several weeks, two of my friends from neighboring States—South Dakota and Idaho—have passed on. I served with these two men in both the House of Representatives and the Senate, and I considered both of them my personal friends.

Mr. President, I find it hard to put into words my feelings about HENRY DWORSHAK, because in 1943, when I first came to the House of Representatives, he gave me freely of his advice and his counsel, even though I represented another party.