

I am sure repudiation of this attack will be forthcoming shortly from Democratic national headquarters. At least, I fervently and sincerely hope it will.

Madam President, in connection with these remarks I ask unanimous consent to have printed in the RECORD the article from the New York Times of August 7, written by Wallace Turner, reporting on this rather surprising statement made at Seattle.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FUND OFFICIAL ATTACKS FBI CHIEF ON RED "LEGENDS"

(By Wallace Turner)

SEATTLE, WASH., August 6.—The vice president of the Fund for the Republic accused J. Edgar Hoover today of "sententious poppycock" in building a false legend of communism's strength.

W. H. Ferry, of Santa Barbara, Calif., the fund official, referred to the Director of the Federal Bureau of Investigation in a luncheon address at the Western States' Democratic Conference.

He said he was speaking of "a mischief-making tapestry of legend and illusion if there ever was one." He recalled President Kennedy's speech at Yale University urging that legends and myths about Government and business be avoided.

"What is the legend that haunts and cripples us here (in considering communism)?" Mr. Ferry asked. "Is it that the Communists are 9 feet tall, craftier than Satan, the most expert managers the world has ever seen, not human beings like ourselves but a race apart, determined to put man and God into jail forever."

SCOFFS AT OLD LINE

The legend "shrinks in the washing," Mr. Ferry asserted, as he cited Communist problems in Yugoslavia, China, and in Soviet agriculture. He described Mr. Hoover as "the indubitable mandarin of anticommunism in the United States" and "our official spy-swatter."

Mr. Hoover's warnings against Soviet espionage are "an old line of the FBI chief," he went on.

"Its success year after year is a tribute to the trance into which his sermons throw Americans, not excepting Congressmen," he commented.

Noting that "Congress never grudges Mr. Hoover a penny," Mr. Ferry asked whether "in these persistent reports about espionage and sabotage, is he delicately telling us that he isn't up to the job, that Red spies are running loose despite his best efforts?"

He scoffed at a statement he attributed to Mr. Hoover that the Communists had an advance guard in the United States with the capacity to destroy the American freedom.

"Our institutions are nowhere nearly as fragile as Mr. Hoover thinks they are," he said.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, August 7, 1962, he presented to the President of the United States the following enrolled bills:

S. 1771. An act to improve the usefulness of national bank branches in foreign countries;

S. 2869. An act to amend chapter 31 of title 38, United States Code, to afford additional time during which certain veterans blinded by reason of a service-connected disability may be afforded vocational rehabilitation training;

S. 2978. An act 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;

S. 3109. An act to amend chapter 17 of title 38, United States Code, in order to authorize hospital and medical care for peacetime veterans suffering from non-compensable service-connected disabilities; and

S. 3525. An act 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.

ADJOURNMENT UNTIL 11 A.M. TOMORROW

Mr. HUMPHREY. Madam President, if there is no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until 11 o'clock a.m. tomorrow.

The motion was agreed to; and (at 6 o'clock and 30 minutes p.m.) the Senate adjourned, under the previous order, until tomorrow, Wednesday, August 8, 1962, at 11 o'clock a.m.

NOMINATIONS

Executive nominations received by the Senate August 7, 1962:

ATOMIC ENERGY COMMISSION

The following-named persons to be members of the Atomic Energy Commission for the terms indicated:

James T. Ramey, of Illinois, for the remainder of the term expiring June 30, 1964, vice John S. Graham, resigned.

John Gorham Palfrey, of New York, for a term of 5 years expiring June 30, 1967, vice Loren Keith Olson, term expired.

IN THE NAVY

The following-named officers of the staff corps of the Navy, as indicated, for temporary promotion to the grade of rear admiral, subject to qualification therefor as provided by law:

MEDICAL CORPS

Martin T. Macklin
William N. New

SUPPLY CORPS

Elton W. Sutherland
William A. Evans
Bernhard H. Bieri, Jr.

CHAPLAIN CORPS

James W. Kelly

CIVIL ENGINEER CORPS

Alexander C. Husband

DENTAL CORPS

Frank M. Kyes

HOUSE OF REPRESENTATIVES

TUESDAY, AUGUST 7, 1962

The House met at 12 o'clock noon.

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

James 5: 16: *The supplication of a righteous man availeth much.*

Almighty God, in whose fellowship our spirits are renewed and exalted, grant that in these moments, set aside for prayer, we may find ourselves fortified and sustained as we encounter grave and critical days in world affairs.

May we never become hysterical and panic stricken when we think of the magnitude of the issues that are involved or feel the agony of suspense as we anxiously wait for the better and brighter days of peace and good will.

We humbly confess that we do not know what value and relevancy our prayers may have in the course and issue of events but we are appropriating by faith the testimony of the ancient apostle that "the supplication of a righteous man availeth much."

Give us a deeper and profounder insight into Thy ways and will and may we understand that the secret of knowing that we are being divinely guided is to be found in our willingness to obey and follow Thee.

Hear us in Christ's name. Amen

THE JOURNAL

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

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Miller, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills and a joint resolution of the House of the following titles:

On August 2, 1962:

H.R. 6374. An act 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; and

H.R. 9520. An act to continue for 2 years the suspension of duty on certain alumina and bauxite.

On August 6, 1962:

H.R. 2129. An act for the relief of John Calvin Taylor;

H.R. 2187. An act for the relief of Augustin Ramirez-Trejo;

H.R. 2198. An act for the relief of Carlos Sepulveda Abarca;

H.R. 2664. An act for the relief of Mrs. Irena Ratajczak;

H.R. 3000. An act for the relief of Lea Min Wong;

H.R. 3501. An act for the relief of Mrs. Hasmik Arzoo;

H.R. 3821. An act for the relief of Ivy Gwendolyn Myers;

H.R. 4718. An act for the relief of Bogdan Kusulja;

H.R. 6833. An act for the relief of Fran-tisek Tisler;

H.R. 6967. An act to provide for the incorporation of certain nonprofit corporations in the District of Columbia, and for other purposes;

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;

H.R. 8992. An act to amend administrative provisions of title 38, United States Code, relating to the Department of Medicine and Surgery in the Veterans' Administration;

H.R. 9186. An act for the relief of Eladio Aris (also known as Eladio Aris Carvallo);

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;

H.R. 10069. An act to amend section 216 of title 38, United States Code, relating to prosthetic research in the Veterans' Administration;

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.;

H.R. 10525. An act for the relief of Francis L. Quinn;

H.R. 10526. An act making appropriations for the Treasury and Post Office Departments, the Executive Office of the President, and certain independent agencies for the fiscal year ending June 30, 1963, and for other purposes;

H.R. 11127. An act for the relief of Ernst Hauserman;

H.R. 11735. An act authorizing the change in name of the Beardstown, Ill., flood control project, to the Sid Simpson flood control project; and

H.J. Res. 417. Joint resolution to designate the lake formed by Terminus Dam on the Kaweah River in California as Lake Kaweah.

MESSAGE FROM THE SENATE

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

H.R. 2206. An act to authorize the construction, operation, and maintenance by the Secretary of the Interior of the Fryingpan-Arkansas project, Colorado.

THE HENRY C. DWORSHAK DAM AND RESERVOIR

Mr. HARDING. 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 Idaho?

There was no objection.

Mr. HARDING. Mr. Speaker, the State of Idaho was shocked and grieved late last month at the sudden passing of our senior Senator Henry D. Dworshak who had represented Idaho in the Halls of the U.S. House of Representatives and Senate for nearly 24 years.

The people he served so long will miss his concern and interest in their problems. We in the Idaho congressional delegation who worked with him regard his death as a personal loss.

Conscientious in discharging his legislative responsibilities to the State and the Nation, Senator Dworshak served in a manner which reflected great credit on our western area. There are those who would disagree with the Senator's political philosophy, but few would question his dedication, high ideals, and integrity.

At his death he was the 10th ranking Republican member of the U.S. Senate. He held important posts on the Appropriations, Atomic Energy, and Interior Committees.

The respect with which he was held in Washington as well as Idaho is demonstrated by these statements of regret:

President John F. Kennedy: "Senator Henry C. Dworshak was a man who served his State honorably and with dignity for almost a quarter century. I knew him to be one of the hardest working men in all of the Congress. I mourn his passing."

Senate Democratic Leader MICHAEL J. MANSFIELD: "Mrs. Mansfield and I extend to Mrs. Dworshak and her family our deepest condolences; and we know that the Senate

will be far poorer because of the passing of Henry Dworshak."

Senate Republican Minority Leader EVERETT DIRKSEN: "He was uncompromising toward evil wherever he found it. His chuckling laugh was as hearty and as contagious as that of an Idaho lumberjack as he was coming out of the timber after a long stay there. He had the courage of a crusader and the determination of a missionary."

Senator FRANK CHURCH: "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."

Congresswoman GRACE PFOST: "I had known Senator Dworshak for many years. While we sat on the opposite sides of the political aisle, and we disagreed on many policies and issues, I always had the greatest respect for his integrity and energy as a legislator on the national scene."

Gov. Robert E. Smylie: "Senator Dworshak's untimely death is a great loss to all Idaho and to the Nation. He was Idaho's most distinguished public servant and his loss will be deeply mourned throughout the State and Nation."

Republican Minority Leader in the House, CHARLIE HALLECK: "Henry Dworshak was a strong, courageous exponent of those things in which he believed. But as firm as he was in his convictions, I never knew him to be anything but completely fair toward those with whom he differed on principle. And above all, may I say that never, to my knowledge, did anyone ever question his sincerity or his honesty."

Robert McLaughlin: "He was truly a great American who unselfishly gave of his energies for the causes in which he believed."

Senator HUBERT HUMPHREY: "Mr. Dworshak was a voice of honest conservatism in Congress who was known for his frankness and courage. The American political system needs these honest differences of opinion."

Ezra Taft Benson: "The passing of Senator Henry C. Dworshak is a truly great loss to Idaho, the Nation, and the free world. He was a valiant fighter for constitutional principles."

Congressman J. EDGAR CHENOWETH: "It was a distinct privilege to have Senator Dworshak as a friend. He was truly a great American. He was a man who believed in the fundamental principles of our Government and was willing to fight for them. I never heard anyone question his sincerity or his motives."

Republican State Chairman John O. McMurray: "Henry Dworshak was truly one of the greatest Senators in Idaho's history. He was a true patriot in every sense of the word, a bulwark of his party, and the most devoted of all public servants. His passing will leave a great void."

State Democratic Chairman Lloyd Walker: "There have, of course, been disagreements and campaigns in the past, but at no time could or did anyone ever question the love and devotion which Senator Dworshak so clearly held for the people of Idaho. The Republican Party has lost a trusted leader and we have all lost a fine citizen and neighbor."

Former Gov. LEN JORDAN, of Boise: "The Senator's death is an extremely tragic loss for Idaho, the West and the Nation. He was a public servant of real stature, a dedicated man who believed in constitutional government. He was fearless in the defense of right."

Madison County Democratic Central Committee Chairman Howard Potter: "I have not always agreed with Senator Dworshak, but I recognize him to be a great statesman, a sincere political leader and a true friend of all Idahoans. Republicans and

Democrats alike mourn his passing and will miss his devoted leadership."

More than any other achievement in his political career, Senator Dworshak would probably be most proud of his role in the area of reclamation, particularly his efforts on the Palisades project.

The Senator recognized, as do all westerners, that water is the key to thriving communities, prosperous business centers, and productive farmland. Water has transformed overnight what previously had been merely desert or semiarid lands.

As early as 1941, Senator Dworshak, who then held the seat I now hold in the House, began the long, hard steps necessary to secure congressional authorization for the Palisades project.

Approval had to be sought from the Corps of Engineers, the Bureau of Reclamation and the Secretary of Interior. On December 9, 1941, approval was forthcoming.

However, with Pearl Harbor and a Second World War requiring all of the Nation's efforts for defense, construction of this vital project had to be delayed for several years.

When the Nation could once again concentrate on domestic needs, it was Congressman Dworshak, as a member of the House Appropriations Committee, who secured the first appropriation of \$250,000 to complete engineering and provide construction plans for the Palisades project in 1945.

Again in 1946 Congressman Dworshak succeeded in winning approval of \$1,450,000 to provide for the preliminary construction facilities at the Palisades Dam site.

The years 1947 and 1948 found him continuing this effort as a member of the Senate Appropriations Committee, where he obtained \$650,410 and \$930,750 for the construction of powerline and relocation of highways at the Palisades Dam.

A serious delay in the construction of the project arose over the finding by Bureau of Reclamation officials in early 1949 that because of plan changes, the Palisades project would have to be reauthorized by the Congress.

At that time Senator Dworshak was not serving in the Senate or the House, but upon his return in late October of that year resumed his fight for this desperately needed water which would result from the project.

Within 1 month from the time the Bureau of the Budget approval made final action by the Congress possible, Senator Dworshak was able to obtain favorable action by the Senate.

In view of the fact that Senator Dworshak devoted nearly a quarter of a century of his life to Idaho and the Nation in the House and the Senate, in view of the fact he was a great proponent of western reclamation; and in view of the vital part he played in winning congressional approval of the Palisades project I believe there would be no more fitting memorial or tribute to this man than for the Palisades Dam and Reservoir to bear his name.

Therefore, I urge the House to designate the Palisades Dam and Reservoir,

the Henry C. Dworshak Dam and Reservoir and hope that early approval will be forthcoming on the resolution I am introducing today for this purpose.

OUTLAW STRIKES IN DEFENSE

Mr. DORN. 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 South Carolina?

There was no objection.

Mr. DORN. Mr. Speaker, I have today introduced a bill which will make it unlawful for employers or employees to strike in any plant or activity essential to the national defense of the United States. Our soldiers, sailors, marines, and airmen standing guard throughout the world are not permitted to strike. The least we can do at home is to see that they get the weapons to defend themselves and to defend our country without delays, walkouts, and strikes. The American people have been shocked recently with strikes at our nuclear plants, submarine bases, and other defense installations essential to our national security.

The wages and working conditions of employers and employees at our nuclear and other defense plants are far superior to the operating conditions of our men in Thailand, Laos, and Vietnam.

Mr. Speaker, if it is right to take the lives of our young men in defense of our country, it is also right to require employers and employees working in essential defense industries to remain on the job. The world situation is critical. It is urgent that Congress meet this threat to our national security at this session.

PUBLICITY ACCOMPLISHMENTS OF SECRETARY OF LABOR ARTHUR GOLDBERG

Mr. BECKER. 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 New York?

There was no objection.

Mr. BECKER. Mr. Speaker, yesterday I addressed myself to the great publicity accomplishments of the Attorney General. Today, I would like to compliment the Secretary of Labor, Mr. Arthur Goldberg, for his great accomplishments in the field of publicity. Hardly a day goes by when the American people do not read about Mr. Goldberg, shooting all over the country, interesting himself in one labor dispute after another.

Why, last year he was reported to have made great strides in settling the Metropolitan Opera strike. This was hailed by opera lovers everywhere.

But this week, I read in the papers that strike idleness in 1962 is 60 percent above 1961 period. Perhaps, if less attention and effort was paid to creating images through publicity, and this same energy and talent devoted to the job,

perhaps Mr. Goldberg, could accomplish part of his mission.

I notice also by the press that President Kennedy stated in his press conference:

I don't think there has been an increase in strikes.

This was in response to a question why he has not sent up a labor message to Congress.

It seems, that with all the publicity, both the Secretary of Labor and the President could get together on the facts, and then perhaps the interests of the American people might be given some consideration and get the country moving, forward, that is.

OVERTIME PAY FOR CUSTOMS AGENTS

Mr. GROSS. 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 Iowa?

There was no objection.

Mr. GROSS. Mr. Speaker, in view of the fact that debate is not permitted on the Private Calendar I would like to call the attention of Members of the House to several bills on today's Private Calendar which would provide overtime pay to customs agents. Some of these bills go back several years. Some of the claimants are widows.

Mr. Speaker, the Treasury Department in almost all cases is opposed to the payment of overtime in this manner, and it seems to me there ought to be some clear policy established by Congress with respect to payments of this kind.

Mr. Speaker, I am going to object to some of the bills and I understand my colleague, the gentleman from Illinois [Mr. ANDERSON], will object to others of these bills, until some policy in this respect can be worked out that is fair.

SUBCOMMITTEE ON HEALTH AND SAFETY, COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the Subcommittee on Health and Safety of the Committee on Interstate and Foreign Commerce be permitted to sit today during general debate.

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

There was no objection.

NATIONAL CAPITAL HOUSING AUTHORITY—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following message from the President of the United States, which was read and, together with the accompanying papers, referred to the Committee on the District of Columbia.

To the Congress of the United States:

In accordance with the provisions of section 5(a) of Public Law 307, 73d Congress, approved June 12, 1934, I transmit herewith for the information of the Congress the report of the National Capital Housing Authority for the fiscal year ended June 30, 1961.

JOHN F. KENNEDY.

THE WHITE HOUSE, August 7, 1962.

PRIVATE CALENDAR

The SPEAKER pro tempore (Mr. ALBERT). This is Private Calendar day. The Clerk will call the first bill on the Private Calendar.

MRS. WILLIAM W. JOHNSTON

The Clerk called the bill (H.R. 9942) for the relief of Mrs. William W. Johnston.

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

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

There was no objection.

CLARA B. FRY

The Clerk called the bill (H.R. 7615) for the relief of Clara B. Fry.

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

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

There was no objection.

MARGARET MACPHERSON, ANGUS MACPHERSON, RUTH MACPHERSON, AND MARILYN MACPHERSON

The Clerk called the bill (H.R. 1660) for the relief of Margaret MacPherson, Angus MacPherson, Ruth MacPherson, and Marilyn MacPherson.

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

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

There was no objection.

CARLETON R. McQUOWN, THOMAS A. PRUETT, AND JAMES E. ROWLES

The Clerk called the bill (H.R. 4950) for the relief of Carleton R. McQuown, Thomas A. Pruett, and James E. Rowles.

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

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

There was no objection.

DANIEL WALTER MILES

The Clerk called the bill (H.R. 7469) for the relief of Daniel Walter Miles.

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

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

There was no objection.

MRS. MARY E. O'ROURKE

The Clerk called the bill (H.R. 3624) for the relief of Mrs. Mary E. O'Rourke.

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

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

There was no objection.

DR. AND MRS. ABEL GORFAIN

The Clerk called the bill (H.R. 6709) for the relief of Dr. and Mrs. Abel Gorfain.

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

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

There was no objection.

THEODORE ZISSU

The Clerk called the bill (H.R. 8550) for the relief of Theodore Zissu.

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

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

There was no objection.

ARIE ABRAMOVICH

The Clerk called the bill (S. 2736) for the relief of Arie Abramovich.

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

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

Mr. WALTER. Mr. Speaker, I will have to object.

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

Mr. HEMPHILL. I object, Mr. Speaker.

The SPEAKER pro tempore. This bill requires two objections. Is there further objection? The Chair hears none.

The Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Attorney General is authorized and directed to cancel any outstanding orders and warrants of deportation, warrant of arrest, and bonds, which may have issued in the case of Arie Abramovich. From and after the date of the enactment of this Act, the said Arie Abramovich shall not again be subject to deportation by reason of the same facts upon which such deportation proceedings were commenced or any such warrants and orders have issued.

With the following committee amendment:

At the end of the bill, change the period to a colon and add the following: "Provided, That nothing in this Act shall be construed to waive the provisions of section 315 of the Immigration and Nationality Act.

The committee amendment was agreed to.

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

The Clerk read as follows:

Amendment offered by Mr. Gross: On page 1, line 8, after the word "deportation" insert the word "solely".

The amendment was agreed to.

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

ALFRED C. ALTUM

The Clerk called the bill (H.R. 6822) for the relief of Alfred C. Altum.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the limitations of time prescribed in section 2104 of title 38, United States Code, shall not apply with respect to any claim for mustering-out payment under chapter 43 of title 38, United States Code, filed with the Secretary of the Navy by Alfred C. Altum, former storekeeper, third class, United States Navy (service number XXXX within the six-month period which begins on the date of enactment of this Act.

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

COMBEST B. SILLS

The Clerk called the bill (H.R. 8062) for the relief of Combest B. Sills.

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

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

There was no objection.

GEORGE H. PETERS

The Clerk called the bill (H.R. 8549) for the relief of George H. Peters.

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

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

There was no objection.

MARVIN M. GREENLEE

The Clerk called the bill (H.R. 10111) for the relief of Marvin M. Greenlee.

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

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

There was no objection.

ANGELO A. RUSSO

The Clerk called the bill (H.R. 10678) for the relief of Angelo A. Russo.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Angelo A. Russo, of Burlington, Massachusetts, the sum of \$200. Such sum represents reimbursement to the said Angelo A. Russo for paying out of his own funds judgments rendered against him in the third district court of Eastern Middlesex, Massachusetts, as a result of an accident occurring when Angelo A. Russo was operating a Government vehicle in the course of his duties as an employee of the Corps of Engineers, Department of the Army: Provided, That no part of the amount appropriated in this Act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

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

NORMAN R. THARP

The Clerk called the bill (H.R. 1410) for the relief of Norman R. Tharp.

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 Norman R. Tharp, Falls Church, Virginia, a civilian employee of the Department of the Air Force, is hereby relieved of liability to the United States in the sum of \$940.80. Such sum represents the aggregate amount of salary overpayments received by him from the United States for the period beginning August 24, 1958, and ending July 9, 1960, as a result of administrative error and without fault on his part. In the audit and settlement of the accounts of any certifying or disbursing officer of the United States, credit shall be given for the amount for which liability is relieved by this Act.

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

INTERNATIONAL BROTHERHOOD OF TEAMSTERS, CHAUFFEURS, WAREHOUSEMEN, AND HELPERS OF AMERICA LOCAL 863 PENSION FUND

The Clerk called the bill (H.R. 8205) to provide tax relief to the International Brotherhood of Teamsters, Chauffeurs, Warehousemen, and Helpers of America Local 863 pension fund and the contributors thereto.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the International Brotherhood of Teamsters,

Chauffeurs, Warehousemen, and Helpers of America Local Union 863 pension fund, created January 10, 1955, and retroactively effective to September 1, 1954, as a result of an agreement between the International Brotherhood of Teamsters, Chauffeurs, Warehousemen, and Helpers of America Local 863 and the A. & P. Contract Carriers Association, which fund has never been operated in a manner which would jeopardize the interests of its beneficiaries, shall be deemed to have met the requirements of section 401(a) of the Internal Revenue Code of 1954 and shall be deemed to have been and to be exempt from tax under section 501(a) of the Internal Revenue Code of 1954 for the period beginning September 1, 1954, and ending December 31, 1956.

With the following committee amendments:

Page 1, line 9, and page 2, lines 1 and 2, strike "which fund has never been operated in a manner which would jeopardize the interests of its beneficiaries."

Page 2, line 7, strike "December 31, 1956." and insert: "December 31, 1956, but only if it is shown to the satisfaction of the Secretary of the Treasury or his delegate that the trust has not in this period been operated in a manner which would jeopardize the interest of its beneficiaries."

The committee amendments were agreed to.

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

REXFORD R. CHERRYMAN

The Clerk called the bill (H.R. 10720) for the relief of Rexford R. Cherryman, of Williamsburg, Va.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Navy is authorized and directed to pay, out of current appropriations available for the payment of severance pay, to Rexford R. Cherryman, who was discharged from the United States Navy on June 30, 1959, an amount equal to the difference between (a) the amount of severance pay which would have been paid to him upon his discharge from the United States Navy if the computation of such severance pay had been based upon his actual commissioned service in the United States Navy, and (b) the amount of severance pay actually paid to him.

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.

CARL ADAMS

The Clerk called the bill (H.R. 11058) for the relief of Carl Adams.

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 Carl Adams, of Mexico, Missouri, is hereby relieved of liability to the United States in the amount of \$550.34, the amount by which he was overpaid as a regular clerk in the postal service during the periods from October 1, 1953, to August 23, 1957, inclusive, and from October 4, 1958, to April 15, 1960, inclusive. Such overpayments were made as

a result of an administrative error on the part of the Post Office Department in determining the longevity increases to which he was entitled. In the audit and settlement of the accounts of any certifying or disbursing officer of the United States, credit shall be given for any amount for which liability is relieved by this Act.

Sec. 2. The Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Carl Adams, of Mexico, Missouri, an amount equal to the aggregate of the amounts paid by him, or withheld from sums otherwise due him, in complete or partial satisfaction of the liability to the United States specified in the first section: *Provided,* That no part of the amount appropriated in this Act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

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

THOMAS C. BARRINGER

The Clerk called the bill (H.R. 10196) for the relief of Thomas C. Barringer.

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 Thomas C. Barringer, of McLean, Virginia, is hereby relieved of liability to the United States for excess salary payments received by him, covering the period June 14, 1959, through December 9, 1961, as a result of an administrative error in the determination of his longevity step increases. In the audit and settlement of the accounts of any certifying or disbursing officer of the United States, credit shall be given for any amount for which liability is relieved by this Act.

Sec. 2. The Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Thomas C. Barringer, of McLean, Virginia, an amount equal to the aggregate of the amounts paid by him, or withheld from sums otherwise due him, in complete or partial satisfaction of the liability to the United States specified in the first section: *Provided,* That no part of the amount appropriated in this Act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

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

ISABEL K. LANNING

The Clerk read the bill (H.R. 11183) for the relief of Isabel K. Lanning.

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 Isabel

K. Lanning, of Spokane, Washington, is hereby relieved of liability to the United States for excess salary payments received by her, covering the period January 12, 1958, through December 9, 1961, as a result of an administrative error in the determination of her longevity step increases. In the audit and settlement of the accounts of any certifying or disbursing officer of the United States, credit shall be given for any amount for which liability is relieved by this Act.

Sec. 2. The Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Isabel K. Lanning, of Spokane, Washington, an amount equal to the aggregate of the amounts paid by her, or withheld from sums otherwise due her, in complete or partial satisfaction of the liability to the United States specified in the first section: *Provided,* That no part of the amount appropriated in this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provision of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

With the following committee amendment:

Page 2, lines 8 and 9, strike "in excess of 10 per centum thereof".

The committee amendment was agreed to.

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

MERRITT-CHAPMAN & SCOTT CORP.

The Clerk called the bill (S. 2572) for the relief of the Merritt-Chapman & Scott Corp.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Merritt-Chapman and Scott Corporation, of Cleveland, Ohio, the sum of \$192,500. The payment of such sum shall be in full satisfaction of all claims of the said Merritt-Chapman and Scott Corporation against the United States for compensation for damages sustained by such corporation when, on August 5, 1959, a federally owned aircraft assigned to the 128th Fighter Group of the Wisconsin Air National Guard, General Mitchell Field, Milwaukee, Wisconsin, crashed into a barge owned by the said Merritt-Chapman and Scott Corporation while such barge was anchored in Milwaukee Harbor, Milwaukee, Wisconsin: *Provided,* That no part of the amount appropriated in this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

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

MARY J. PAPWROTH

The Clerk called the bill (H.R. 11334) for the relief of Mary J. Papworth.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Civil Service Retirement Act, Mary J. Papworth shall be held and considered to have received congressional employee salary at the rate of \$9,455.88 per annum on the day prior to her employment with the International Atomic Energy Agency (which employment ended December 4, 1960) if the additional deposit due to civil service retirement and disability fund by reason of the enactment of this Act is paid to the United States Civil Service Commission not later than the ninetieth day following the date of enactment of this Act. Notwithstanding any other provision of law, annuity benefits payable by reason of the enactment of this Act shall be paid from the civil service retirement and disability fund.

With the following committee amendment:

Page 1, line 4, strike "Papworth" and insert "Papworth".

The committee amendment was agreed to.

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

The title was amended so as to read: "A bill for the relief of Mary J. Papworth."

A motion to reconsider was laid on the table.

MR. AND MRS. GORDON C. BRYANT

The Clerk called the bill (H.R. 10604) for the relief of Mr. and Mrs. Gordon C. Bryant.

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

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mr. and Mrs. Gordon C. Bryant, of Thomasville, Georgia, jointly, the sum of \$10,000, as a gratuity by reason of the death of their son, Bobby Jack Bryant, steelworker third class (5190447, United States Navy), on June 22, 1961, as the result of negligence of personnel of the United States Navy while he was working on a pipeline at Midway Island: *Provided*, That no part of the amount appropriated in this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.*

With the following committee amendments:

Page 1, line 6, strike "\$10,000" and insert "\$5,000".

Page 2, line 1, strike "in excess of 10 per centum thereof".

The committee amendments were agreed to.

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

third time, and passed, and a motion to reconsider was laid on the table.

HENRY ARMSTRONG, ADMINISTRATOR OF THE ESTATE OF ELLA ARMSTRONG

The Clerk called the bill (H.R. 6940) for the relief of Henry Armstrong, administrator of the estate of Ella Armstrong.

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

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

Mr. TOLL. Mr. Speaker, I object. The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. GROSS and Mr. ANDERSON of Illinois objected and the bill was recommended to the Committee on the Judiciary.

MARIA ODELIA CAMPOS

The Clerk called the bill (H.R. 1450) for the relief of Maria Odella Campos.

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

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of sections 203(a) (3) and 205 of the Immigration and Nationality Act, the minor child Maria Odella Campos, shall be held and considered to be the natural-born alien child of Zeferino Antonio and Lucy Maria Campos, lawfully resident aliens of the United States: *Provided*, That the natural parents of the beneficiary shall not, by virtue of such parentage, be accorded any right, privilege, or status under the Immigration and Nationality Act.*

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

The title was amended so as to read: "A bill for the relief of Maria Odella Campos."

A motion to reconsider was laid on the table.

MRS. JANE R. MOORE

The Clerk called the bill (H.R. 2659) for the relief of Mrs. Jane R. Moore.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Mrs. Jane R. Moore shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following: "That, the Attorney General is authorized and directed to cancel any outstanding orders and warrants of deportation, warrants of arrest,

and bond, which may have issued in the case of Mrs. Jane R. Moore. From and after the date of the enactment of this Act, the said Mrs. Jane R. Moore shall not again be subject to deportation by reason of the same facts upon which such deportation proceedings were commenced or any such warrants and orders have issued."

The committee amendment was agreed to.

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

JOAO DE FREITAS FERREIRA DE VASCONCELOS

The Clerk called the bill (H.R. 3125) for the relief of Joao de Freitas Ferreira de Vasconcelos.

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

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of sections 101(a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Joao de Freitas Ferreira de Vasconcelos, shall be held and considered to be the natural-born alien child of Mr. and Mrs. Manuel Vasconcelos, citizens of the United States: *Provided*, That the natural parents of the beneficiary shall not, by virtue of such parentage, be accorded any right, privilege, or status under the Immigration and Nationality Act.*

With the following committee amendments:

On page 1, line 7, after the name "Mrs. Manuel Vasconcelos" insert the following: "citizens".

On page 1, line 7, after the words "the United States" change the colon to a period and strike out the remainder of the bill.

The committee amendments were agreed to.

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

MAURIZIO PLACIDI

The Clerk called the bill (H.R. 6653) for the relief of Maurizio Placidi.

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

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of sections 101(a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Maurizio Placidi, shall be held and considered to be the natural-born alien child of Aurora Placidi, a citizen of the United States: *Provided*, That the natural parents of the beneficiary shall not, by virtue of such parentage, be accorded any right, privilege, or status under the Immigration and Nationality Act.*

With the following committee amendment:

On page 1, line 7, after "United States" change the colon to a period and strike out the remainder of the bill.

The committee amendment was agreed to.

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

STELLA ROSA PAGANO

The Clerk called the bill (H.R. 7437) for the relief of Stella Rosa Merello.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of sections 101(a) (27) (A) and 205 of the Immigration and Nationality Act, Stella Rosa Merello shall be held and considered to be the minor natural-born alien child of Mr. and Mrs. Luigi Pagano, citizens of the United States.

With the following committee amendment:

On page 1, line 4, strike out the name "Stella Rosa Merello" and substitute in lieu thereof the name "Stella Rosa Pagano."

The committee amendment was agreed to.

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

The title was amended so as to read: "A bill for the relief of Stella Rosa Pagano."

A motion to reconsider was laid on the table.

KAZIMIERZ KRUPINSKI

The Clerk called the bill (H.R. 10796) for the relief of Kazimierz Krupinski.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the provision of section 212(a) (9) of the Immigration and Nationality Act, Kazimierz Krupinski may be issued a visa and admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that Act: Provided, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this Act.

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

DR. KWAN HO LEE

The Clerk called the bill (S. 1174) for the relief of Dr. Kwan Ho Lee.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Doctor Kwan Ho Lee shall be held and considered to have been lawfully admitted to the United States for permanent residence as of December 13, 1952.

SEC. 2. The time Doctor Kwan Ho Lee has resided and has been physically present in the United States since December 13, 1952, shall be held and considered to meet the residence and physical presence requirements of section 316 of the Immigration and Nationality Act, as amended.

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.

STEPHEN S. CHANG

The Clerk called the bill (S. 1849) for the relief of Stephen S. Chang.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Stephen S. Chang shall be held and considered to have been lawfully admitted to the United States for permanent residence as of October 2, 1954, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

With the following committee amendment:

On page 1, line 6, strike out the date "October 2, 1954" and substitute in lieu thereof the language "the date of the enactment of this Act."

The committee amendment was agreed to.

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

SU-FEN CHEN

The Clerk called the bill (S. 2208) for the relief of Su-Fen Chen.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Su-Fen Chen shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following: "That, the Attorney General is authorized and directed to cancel any outstanding orders and warrants of deportation, warrants of arrest, and bond, which may have issued in the case of Su-Fen Chen. From and after the date of the enactment of this Act, the said Su-Fen Chen shall not again be subject to deportation by reason of the same facts upon which such deportation proceedings were commenced or any such warrants and orders have issued."

The committee amendment was agreed to.

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

MRS. ELIZABETH LOVIC

The Clerk called the bill (S. 2455) for the relief of Mrs. Elizabeth Lovic.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the provisions of paragraph (4) of section 212(a) of the Immigration and Nationality Act, Mrs. Elizabeth Lovic may be issued an immigrant visa and admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of such Act: Provided, That a suitable and proper bond or undertaking, approved by the Attorney General be deposited as prescribed by section 213 of that Act. This Act shall apply only to grounds for exclusion under such paragraph known to the Secretary of State or the Attorney General prior to the date of the enactment of this Act.

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

MR. AND MRS. ALFREDO HUA-SING ANG

The Clerk called the bill (S. 2614) for the relief of Mr. and Mrs. Alfredo Hua-Sing Ang.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Mr. and Mrs. Alfredo Hua-Sing Ang shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct the required numbers from the appropriate quota or quotas for the first year that such quota or quotas are available.

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.

RENATO GRANDUC AND GRAZIA GRANDUC

The Clerk called the bill (S. 2769) for the relief of Renato Granduc and Grazia Granduc.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of sections 101(a) (27) (A) and 205 of the Immigration and Nationality Act, Renato Granduc and Grazia Granduc shall be held and considered to be the natural-born alien minor children of Captain William L. O'Neal and Mary Granduc O'Neal, citizens of the United States: Provided, That the natural parents of the said Renato Granduc and Grazia Granduc shall not, by virtue of such parentage, be accorded any right, privilege, or status under the Immigration and Nationality Act.

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

SUSPENSION OF DEPORTATION OF IOANNIS CONSTANTELIAS

The Clerk called the resolution (S. Con. Res. 76) withdrawing suspension of deportation of Ioannis Constantelias.

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

Resolved by the Senate (the House of Representatives concurring), That the Congress, in accordance with section 246(a) of the Immigration and Nationality Act (8 U.S.C.A. 1256(a)), withdraws the suspension of deportation in the case of Ioannis Constantelias (XXXXXX) which was previously granted by the Attorney General and approved by the Congress.

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

MISS ANKA GRAHOVAC

The Clerk called the bill (H.R. 1427) for the relief of Miss Anka Grahovac.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Anka Grahovac shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

Amend the title so as to read: "A bill for the relief of Ann Super, formerly Anka Grahovac."

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following:

"That, for the purposes of sections 101(a) (27)(A) and 205 of the Immigration and Nationality Act, Ann Super, formerly Anka Grahovac, shall be held and considered to be the natural-born alien minor child of Mr. and Mrs. Steve Super, citizens of the United States: Provided, That the natural parents of the beneficiary shall not, by virtue of such parentage, be accorded any right, privilege, or status under the Immigration and Nationality Act."

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

The title of the bill was amended to read: "A bill for the relief of Ann Super, formerly Anka Grahovac."

A motion to reconsider was laid on the table.

GENNARO PRUDENTE

The Clerk called the bill (H.R. 3619) for the relief of Gennaro Prudente.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the provisions of section 212(a) (4) of the Immigration and Nationality Act, Gennaro Prudente may be ad-

mitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that Act.

With the following committee amendment:

On page 1, line 7, at the end of the bill, change the period to a colon and add the following: "Provided, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said Act."

The committee amendment was agreed to.

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

PAGONA PASCOPOULOS

The Clerk called the bill (H.R. 3719) for the relief of Pagona Pascopoulos.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of sections 101(a) (27)(A) and 205 of the Immigration and Nationality Act, Pagona Pascopoulos shall be held and considered to be the natural-born minor alien child of Peter Pascopoulos, a citizen of the United States: Provided, That the natural parents of Pagona Pascopoulos shall not, by virtue of such parentage, be accorded any right, privilege, or status under the Immigration and Nationality Act.

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

ALDO FRANCESCO CARBONE

The Clerk called the bill (H.R. 4478) for the relief of Aldo Francesco Carbone.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That notwithstanding the provision of section 212(a) (1) of the Immigration and Nationality Act, Aldo Francesco Carbone may be issued a visa and admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of such Act: Provided, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the Immigration and Nationality Act: Provided further, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this Act.

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.

FOTIOS SAKELAROPOULOS KAPLAN

The Clerk called the bill (H.R. 4628) for the relief of Fotios Sakelaropoulos Kaplan.

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

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

America in Congress assembled, That, for the purposes of sections 101(a) (27)(A) and 205 of the Immigration and Nationality Act, the minor child, Fotios Sakelaropoulos Kaplan shall be held and considered to be the natural-born alien child of Mrs. Helen Kaplan, a citizen of the United States: Provided, That the natural parents of Fotios Sakelaropoulos Kaplan shall not, by virtue of such parentage, be accorded any right, privilege, or status under the Immigration and Nationality Act.

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

FOTINI CONSTANTINOS VOGGAS

The Clerk called the bill (H.R. 5331) for the relief of Fotini Constantinos Voggas.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Fotini Constantinos Voggas shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following: "That the Attorney General is authorized and directed to cancel any outstanding orders and warrants of deportation, warrants of arrest, and bond, which may have issued in the case of Fotini Constantinos Voggas. From and after the date of the enactment of this Act, the said Fotini Constantinos Voggas shall not again be subject to deportation by reason of the same facts upon which such deportation proceedings were commenced or any such warrants and orders have issued."

The committee amendment was agreed to.

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

CONVEYING MINERAL INTERESTS IN SOUTH CAROLINA

The Clerk called the bill (H.R. 7364) to provide for the conveyance of certain mineral interests of the United States in property in South Carolina to the record owners of the surface of that property.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Interior shall convey to those persons who, on the date of enactment of this Act, are the record owners of the surface rights thereof, all of the right, title, and interest of the United States in and to the real property consisting of fifty-three and

three-tenths acres and more particularly described in the conveyance entered into between Gus Loskoski and Ola Loskoski as grantors and L. T. Vaughn and Sheron K. Vaughn as grantees, which conveyance is recorded in the office of the clerk of court for Anderson County, South Carolina, in deed book A-9 at page 257. Such conveyance shall be made only if application is made therefor by a record owner of the surface rights within one year after the date of enactment of this Act and upon payment to the United States by such record owner of the fair market value, as determined by the Secretary, of the right, title, and interest of the United States being conveyed under this Act.

With the following committee amendment:

Page 2, strike out all of lines 7, 8, and 9 and insert in lieu thereof the following: "the sum of \$200 to reimburse the United States for the administrative cost of the conveyance plus the fair market value of the minerals as determined by the Secretary."

The committee amendment was agreed to.

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

HANNA GHOSN

The Clerk called the bill (S. 296) for the relief of Hanna Ghosn.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of sections 101(a) (27) (A) and 205 of the Immigration and Nationality Act, Hanna Ghosn shall be held and considered to be the minor natural-born alien child of Mrs. Louisa Assaff, a United States citizen: *Provided,* That the natural parents of Hanna Ghosn shall not by virtue of such parentage be accorded any right, privilege, or status under the Immigration and Nationality Act.

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

ASSUNTA BIANCHI

The Clerk called the bill (S. 1882) for the relief of Assunta Bianchi.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of sections 101(a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Assunta Bianchi, shall be held and considered to be the natural-born alien child of Mr. and Mrs. Bernard A. Lange, citizens of the United States: *Provided,* That the natural mother of Assunta Bianchi shall not, by virtue of such parentage, be accorded any right, privilege, or status under the Immigration and Nationality Act.

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

SUSAN GUDERA AND OTHERS

The Clerk called the bill (S. 2751) for the relief of Susan Gudera, Heinz Hugo Gudera, and Catherine Gudera.

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

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

There was no objection.

MRS. JULIANE C. ROCKENFELLER

The Clerk called the bill (S. 2807) for the relief of Mrs. Juliane C. Rockenfeller.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the provisions of paragraph (3) of section 212(a) of the Immigration and Nationality Act, Mrs. Juliane C. Rockenfeller may be issued an immigrant visa and admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of such Act: *Provided,* That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said Act. This Act shall apply only to grounds for exclusion under such paragraph known to the Secretary of State or the Attorney General prior to the date of the enactment of this Act.

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

YIANNOULA VASILIOU TSAMBRAS

The Clerk called the bill (S. 2675) for the relief of Yiannoula Vasiliou Tsambiras.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of sections 101(a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Yiannoula Vasiliou Tsambiras, shall be held and considered to be the natural-born alien child of Jerry Simos and Helen Chamber Simos, citizens of the United States: *Provided,* That the natural parents of the said Yiannoula Vasiliou Tsambiras shall not, by virtue of such parentage, be accorded any right, privilege, or status under the Immigration and Nationality Act.

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

SIEU-YOEHS TSAI YANG

The Clerk called the bill (S. 2835) for the relief of Sieu-Yoeh Tsai Yang.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Sieu-Yoeh Tsai Yang shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of the status of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota

for the first year that such quota is available.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof, the following: "That, the Attorney General is authorized and directed to cancel any outstanding orders and warrants of deportation, warrants of arrest, and bond, which may have issued in the case of Sieu-Yoeh Tsai Yang. From and after the date of the enactment of this Act, the said Sieu-Yoeh Tsai Yang shall not again be subject to deportation by reason of the same facts upon which such deportation proceedings were commenced or any such warrants and orders have issued."

The committee amendment was agreed to.

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

BARTOLA MARIA S. LA MADRID

The Clerk called the bill (S. 3039) for the relief of Bartola Maria S. La Madrid.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Bartola Maria S. La Madrid shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof, the following: "That the Attorney General is authorized and directed to cancel any outstanding orders and warrants of deportation, warrants of arrest, and bond which may have issued in the case of Bartola Maria S. La Madrid. From and after the date of the enactment of this Act, the said Bartola Maria S. La Madrid shall not again be subject to deportation by reason of the same facts upon which such deportation proceedings were commenced or any such warrants and orders have issued."

The committee amendment was agreed to.

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

SOON TAI LIM

The Clerk called the bill (H.R. 2125) for the relief of Soon Tai Lim.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the Immigration and Nationality Act, Soon Tai Lim shall be deemed to be a nonquota immigrant and may be issued a visa and admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that Act.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof, the following: "That, for the purposes of sections 101(a) (27) (A) and 205 of the Immigration and Nationality Act, Soon Tai Lim, shall be held and considered to be the natural-born alien minor child of Mr. Shi Kyun Lim, a citizen of the United States: *Provided*, That the natural parents of the beneficiary shall not, by virtue of such parentage, be accorded any right, privilege, or status under the Immigration and Nationality Act."

The committee amendment was agreed to.

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

MRS. SUN YEE

The Clerk called the bill (H.R. 5317) for the relief of Mrs. Sun Yee (also known as Mrs. Tom Goodyou).

There being no objections, 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 Mrs. Sun Yee (also known as Mrs. Tom Goodyou), the widow of a United States citizen, shall be deemed to be within the purview of section 101(a) (27) (A) of the Immigration and Nationality Act, and the provisions of section 205 of that Act shall not be applicable in this case.

Amend the title so as to read: "A bill for the relief of Mrs. Sun Yee (also known as Mrs. Tom Goodyou) and her children, Male Har Yee, Shee Bell Yee, and Male Jean Yee."

With the following committee amendments:

On page 1, line 4, after the word "citizen," insert the following: "and her children, Male Har Yee, Shee Bell Yee, and Male Jean Yee."

On page 1, line 7, strike out the words "this case" and substitute in lieu thereof the words "their cases".

The committee amendments were agreed to.

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

The title was amended to read as follows: "A bill for the relief of Mrs. Sun Yee (also known as Mrs. Tom Goodyou) and her children, Male Har Yee, Shee Bell Yee, and Male Jean Yee."

A motion to reconsider was laid on the table.

DARIO TACQUECHEL

The Clerk called the bill (H.R. 7582) for the relief of Dario Tacquechel.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Dario Tacquechel shall be held and considered to have been lawfully admitted to the United States for permanent residence as of September 2, 1953.

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.

KIM JUNG IM

The Clerk called the bill (H.R. 9589) for the relief of Kim Jung Im.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of sections 101(a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Kim Jung Im, shall be held and considered to be the natural-born alien child of Mr. and Mrs. Wilmer J. Mensink, citizens of the United States: *Provided*, That the natural parents of the beneficiary shall not, by virtue of such parentage, be accorded any right, privilege, or status under the Immigration and Nationality Act.

The 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.

CHARLES GAMBINO

The Clerk called the bill (H.R. 11914) for the relief of Charles Gambino.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of sections 101(a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Charles Gambino, shall be held and considered to be the natural-born alien child of Angelo Curto and Rose Curto, citizens of the United States.

With the following committee amendments:

Page 1, line 6, strike out "Angelo Curto and".

Page 1, line 6, strike out "citizens" and insert "a citizen".

The committee amendments were agreed to.

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

ALICE AMAR FROEMMING

The Clerk called the bill (S. 2844) for the relief of Alice Amar Froemming.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Alice Amar Froemming shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available: *Provided*, That the natural father of the beneficiary shall not, by virtue of such parentage, be accorded any right, privilege, or status under the Immigration and Nationality Act.

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

FRANCIS X. FOLEY AND DORIS W. FOLEY, HIS WIFE

The Clerk called the bill (H.R. 1659) for the relief of Francis X. Foley.

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

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

There was no objection.

MRS. HELEN VESELENAK

The Clerk called the bill (H.R. 8000) for the relief of Mrs. Helen Veselenak.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the requirements relating to time in section 202(h) (1) (B) and 202(p) of the Social Security Act that proof of support be filed by the dependent parent of an insured individual within a specified period after the date of such individual's death in order to qualify for parent's insurance benefits on the basis of such individual's wages and self-employment income shall not apply with respect to the application of Mrs. Helen Veselenak, Byesville, Ohio, for parent's insurance benefits under section 202(h) of such Act on the basis of the wages and self-employment income of her son Joseph Veselenak, Junior (Social Security Account Number XXXX XXXX), if she files such application, together with such proof of support, within the six-month period beginning on the date of the enactment of this Act.

With the following committee amendment:

Page 1, line 3, after "requirements" insert the words "relating to time".

The committee amendment was agreed to.

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

DWIGHT W. CLARAHAN

The Clerk called the bill (H.R. 9995) for the relief of Dwight W. Clarahan.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Dwight W. Clarahan, of Sigourney, Iowa, the sum of \$227.02 in full settlement of all his claims against the United States for the difference between the salary which he was paid and the salary to which he was lawfully entitled as an employee in the Sigourney, Iowa, post office, during the period from April 1, 1948, through April 1, 1950. Such underpayment was the result of administrative error, which was not corrected within the time allowed by statute because of the failure of the postmaster at Sigourney to comply with a memorandum directing corrective action: *Provided*, That no part of the amount appropriated in this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed

guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

With the following committee amendment:

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

The committee amendment was agreed to.

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

JUDY JOSEPHINE ALCANTARA

The Clerk called the bill (H.R. 1463) for the relief of Josephine Abuan.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Josephine Abuan shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

With the following committee amendment:

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

The committee amendment was agreed to.

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

The title was amended to read as follows: "A bill for the relief of Judy Josephine Alcantara."

A motion to reconsider was laid on the table.

JACQUES TAWIL

The Clerk called the bill (H.R. 1678) for the relief of Jacques Tawil.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Jacques Tawil shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

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

KENYON B. ZAHNER

The Clerk called the bill (H.R. 10501) for the relief of Kenyon B. Zahner.

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

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

There was no objection.

HENRY E. KEISER

The Clerk called the bill (H.R. 11552) for the relief of Henry E. Keiser.

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 sections 15 through 20, inclusive, of the Federal Employees Compensation Act are hereby waived in favor of Henry E. Keiser of Seattle, Washington, and his claim for compensation and disability benefits arising out of injuries alleged to have been received by him on or about October 24, 1945, in an automobile accident, while in the performance of his duties as an employee of the Department of the Navy, shall be acted upon under the remaining provisions of such Act if he files such claim with the Bureau of Employees' Compensation, Department of Labor, within the six-month period which begins on the date of enactment of this Act: *Provided, That no benefits shall accrue by reason of the enactment of this Act for any period prior to its enactment, except in the case of such medical or hospitalization expenditures as may be deemed reimbursable.**

With the following committee amendment:

Page 1, lines 3 and 4, strike "Employees" and insert "Employees'".

The committee amendment was agreed to.

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

SHELburne HARBOR SHIP & MARINE CONSTRUCTION CO., INC.

The Clerk called the bill (H.R. 11773) for the relief of the Shelburne Harbor Ship & Marine Construction Co., Inc.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Shelburne Harbor Ship and Marine Construction Company, Incorporated (hereafter in this Act referred to as the "company"), of Shelburne, Vermont, is hereby relieved of all liability to pay to the United States the principal amount of \$19,793.76, together with all accrued interest thereon. Such liability of the company arose from an order of March 10, 1958, of the Renegotiation Board with respect to profits of the company from a contract between the company and the Department of the Navy.

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

time, and passed, and a motion to reconsider was laid on the table.

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

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

There was no objection.

HENRY ARMSTRONG, ADMINISTRATOR OF THE ESTATE OF ELLA ARMSTRONG

Mr. TOLL. Mr. Speaker, I ask unanimous consent that the bill (H.R. 6940) for the relief of Henry Armstrong, administrator of the estate of Ella Armstrong, be restored to the Private Calendar on its next call.

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

There was no objection.

COMMITTEE ON APPROPRIATIONS

Mr. CANNON. Mr. Speaker, as the Members of the House are aware, the Committee on Appropriations has been endeavoring to report out the annual supply bills at the rate of one a week.

However, we are now in a position to report out two bills this coming week. The military construction appropriation bill for the fiscal year 1963 has already been scheduled for floor action on Tuesday, August 14. In order to report out the public works appropriation bill in the same week we would like permission to consider it on the floor on Thursday, August 16. It will be reported by the full committee on Tuesday, the 14th. So, instead of waiting 3 days, we would like to bring it to the floor with 2 days' notice.

Therefore, Mr. Speaker, I ask unanimous consent that it be in order for the Committee on Appropriations to report to the House the public works bill which will be reported by the full committee on Tuesday, August 14, and to bring it to the floor on Thursday, August 16, in order to get two bills passed next week instead of one.

The SPEAKER pro tempore. In order to consider it on Thursday of that week?

Mr. CANNON. In order to consider it on Thursday of that week.

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

Mr. GROSS. Mr. Speaker, reserving the right to object, I trust that all of the information that the committee has with respect to this bill will be available as promptly as possible so that in view of the shortness of time Members may do their best to acquaint themselves with the action taken by the committee.

Mr. CANNON. Yes; the hearings are now available, and on Tuesday, August 14, the bill itself, as well as the report, will be available to any Member of the House.

Mr. GROSS. Mr. Speaker, I withdraw my reservation.

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

There was no objection.

UNIFORM LIMITED PARTNERSHIP ACT IN THE DISTRICT OF COLUMBIA

Mr. WHITENER. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (H.R. 11019) to provide that the Uniform Limited Partnership Act shall apply in the District of Columbia.

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 to provide for the formation of limited partnerships in the District of Columbia and to make uniform the law with respect thereto, shall be in effect in the District of Columbia on and after the date of the enactment of this Act.

LIMITED PARTNERSHIP DEFINED

SECTION 1. A limited partnership is a partnership formed by two or more persons under the provisions of section 2, having as members one or more general partners and one or more limited partners. The limited partners as such shall not be bound by the obligations of the partnership.

FORMATION

SEC. 2. (1) Two or more persons desiring to form a limited partnership shall—

(a) sign and swear to a certificate, which shall state—

I. the name of the partnership,
II. the character of the business,
III. the location of the principal place of business,

IV. the name and place of residence of each member; general and limited partners being respectively designated,

V. the term for which the partnership is to exist,

VI. the amount of cash and a description of and the agreed value of the other property contributed by each limited partner,

VII. the additional contributions, if any, agreed to be made by each limited partner and the times at which or events on the happening of which they shall be made,

VIII. the time, if agreed upon, when the contribution of each limited partner is to be returned,

IX. the share of the profits or the other compensation by way of income which each limited partner shall receive by reason of his contribution,

X. the right, if given, of a limited partner to substitute an assignee as contributor in his place, and the terms and conditions of the substitution,

XI. the right, if given, of the partners to admit additional limited partners,

XII. the right, if given, of one or more of the limited partners to priority over other limited partners, as to contributions or as to compensation by way of income, and the nature of such priority,

XIII. the right, if given, of the remaining general partner or partners to continue the business on the death, retirement, or insanity of a general partner, and

XIV. the right, if given, of a limited partner to demand and receive property other than cash in return for his contribution;

(b) file for record the certificate in the Office of the Recorder of Deeds of the District of Columbia.

(2) A limited partnership is formed if there has been substantial compliance in good faith with the requirements of paragraph (1).

BUSINESS WHICH MAY BE CARRIED ON

SEC. 3. A limited partnership may carry on any business which a partnership without limited partners may carry on.

CHARACTER OF LIMITED PARTNER'S CONTRIBUTION

SEC. 4. The contributions of a limited partner may be cash or other property, but not services.

A NAME NOT TO CONTAIN SURNAME OF LIMITED PARTNER; EXCEPTIONS

SEC. 5. (1) The surname of a limited partner shall not appear in the partnership name, unless—

(a) it is also the surname of a general partner, or

(b) prior to the time when the limited partner became such the business had been carried on under a name in which his surname appeared.

(2) A limited partner whose name appears in a partnership name contrary to the provisions of paragraph (1) is liable as a general partner to partnership creditors who extend credit to the partnership without actual knowledge that he is not a general partner.

LIABILITY FOR FALSE STATEMENTS IN CERTIFICATE

SEC. 6. If the certificate contains a false statement, one who suffers loss by reliance on such statement may hold liable any party to the certificate who knew the statement to be false—

(a) at the time he signed the certificate, or

(b) subsequently, but within a sufficient time before the statement was relied upon to enable him to cancel or amend the certificate, or to file a petition for its cancellation or amendment as provided in section 25(3).

LIMITED PARTNER NOT LIABLE TO CREDITORS

SEC. 7. A limited partner shall not become liable as a general partner unless, in addition to the exercise of his rights and powers as a limited partner, he takes part in the control of the business.

ADMISSION OF ADDITIONAL LIMITED PARTNERS

SEC. 8. After the formation of a limited partnership, additional limited partners may be admitted upon filing an amendment to the original certificate in accordance with the requirements of section 25.

RIGHTS, POWERS, AND LIABILITIES OF A GENERAL PARTNER

SEC. 9. (1) A general partner shall have all the rights and powers and be subject to all the restrictions and liabilities of a partner in a partnership without limited partners, except that without the written consent or ratification of the specific act by all the limited partners, a general partner or all of the general partners have no authority to—

(a) do any act in contravention of the certificate,

(b) do any act which would make it impossible to carry on the ordinary business of the partnership,

(c) confess a judgment against the partnership,

(d) possess partnership property, or assign their rights in specific partnership property, for other than a partnership purpose,

(e) admit a person as a general partner,

(f) admit a person as a limited partner, unless the right so to do is given in the certificate,

(g) continue the business with partnership property on the death, retirement, or insanity of a general partner, unless the right so to do is given in the certificate.

RIGHTS OF A LIMITED PARTNER

SEC. 10. (1) A limited partner shall have the same rights as a general partner to—

(a) have the partnership books kept at a principal place of business of the partner-

ship, and at all times to inspect and copy any of them,

(b) have on demand true and full information of all things affecting the partnership, and a formal account of partnership affairs whenever circumstances render it just and reasonable, and

(c) have dissolution and winding up by decree of court.

(2) A limited partner shall have the right to receive a share of the profits or other compensation by way of income, and to the return of his contribution as provided in sections 15 and 16.

STATUS OF PERSON ERRONEOUSLY BELIEVING HIMSELF A LIMITED PARTNER

SEC. 11. A person who has contributed to the capital of a business conducted by a person or partnership erroneously believing that he has become a limited partner in a limited partnership is not, by reason of this exercise of the rights of a limited partner, a general partner with the person or in the partnership carrying on the business, or bound by the obligations of such person or partnership: *Provided*, That on ascertaining the mistake he promptly renounces his interest in the profits of the business, or other compensation by way of income.

ONE PERSON BOTH GENERAL AND LIMITED PARTNER

SEC. 12. (1) A person may be a general partner and a limited partner in the same partnership at the same time.

(2) A person who is a general, and also at the same time a limited, partner shall have all the rights and powers and be subject to all the restrictions of a general partner, except that, in respect to his contribution, he shall have the rights against the other members which he would have had if he were not also a general partner.

LOANS AND OTHER BUSINESS TRANSACTIONS WITH LIMITED PARTNER

SEC. 13. (1) A limited partner also may loan money to and transact other business with the partnership, and, unless he is also a general partner, receive on account of resulting claims against the partnership, with general creditors, a pro rata share of the assets. No limited partner shall in respect to any such claim—

(a) receive or hold as collateral security any partnership property, or

(b) receive from a general partner or the partnership any payment, conveyance, or release from liability, if at the time the assets of the partnership are not sufficient to discharge partnership liabilities to persons not claiming as general or limited partners.

(2) The receiving of collateral security, or a payment, conveyance, or release in violation of the provisions of paragraph (1) is a fraud on the creditors of the partnership.

RELATION OF LIMITED PARTNERS INTER SE

SEC. 14. Where there are several limited partners the members may agree that one or more of the limited partners shall have a priority over other limited partners as to the return of their contributions, as to their compensation by way of income, or as to any other matter. If such an agreement is made it shall be stated in the certificate, and in the absence of such a statement all the limited partners shall stand upon equal footing.

COMPENSATION OF LIMITED PARTNER

SEC. 15. A limited partner may receive from the partnership the share of the profits or the compensation by way of income stipulated for in the certificate: *Provided*, That after such payment is made, whether from the property of the partnership or that of a general partner, the partnership assets are in excess of all liabilities of the partnership except liabilities to limited partners on account of their contributions and to general partners.

WITHDRAWAL OR REDUCTION OF LIMITED PARTNER'S CONTRIBUTION

SEC. 16. (1) A limited partner shall not receive from a general partner or out of partnership property any part of his contribution until—

(a) all liabilities of the partnership, except liabilities to general partners and to limited partners on account of their contributions, have been paid or there remains property of the partnership sufficient to pay them,

(b) the consent of all members is had, unless the return of the contribution may be rightfully demanded under the provisions of paragraph (2), and

(c) the certificate is canceled or so amended as to set forth the withdrawal or reduction.

(2) Subject to the provisions of paragraph (1) a limited partner may rightfully demand the return of his contribution—

(a) on the dissolution of a partnership, or

(b) when the date specified in the certificate for its return has arrived, or

(c) after he has given six months' notice in writing to all other members, if no time is specified in the certificate either for the return of the contribution or for the dissolution of the partnership.

(3) In the absence of any statement in the certificate to the contrary or the consent of all members, a limited partner, irrespective of the nature of his contribution, has only the right to demand and receive cash in return for his contribution.

(4) A limited partner may have the partnership dissolved and its affairs wound up when—

(a) he rightfully but unsuccessfully demands the return of his contribution, or

(b) the other liabilities of the partnership have not been paid, or the partnership property is insufficient for their payment as required by paragraph (1a) and the limited partner would otherwise be entitled to the return of his contribution.

LIABILITY OF LIMITED PARTNER TO PARTNERSHIP

SEC. 17. (1) A limited partner is liable to the partnership—

(a) for the difference between his contribution as actually made and that stated in the certificate as having been made, and

(b) for any unpaid contribution which he agreed in the certificate to make in the future at the time and on the conditions stated in the certificate.

(2) A limited partner holds as trustee for the partnership—

(a) specific property stated in the certificate as contributed by him, but which was not contributed or which has been wrongfully returned, and

(b) money or other property wrongfully paid or conveyed to him on account of his contribution.

(3) The liabilities of a limited partner as set forth in this section can be waived or compromised only by the consent of all members; but a waiver or compromise shall not affect the right of a creditor of a partnership, who extended credit or whose claim arose after the filing and before a cancellation or amendment of the certificate, to enforce such liabilities.

(4) When a contributor has rightfully received the return in whole or in part of the capital of his contribution, he is nevertheless liable to the partnership for any sum, not in excess of such return with interest, necessary to discharge its liabilities to all creditors who extended credit or whose claims arose before such return.

NATURE OF LIMITED PARTNER'S INTEREST IN PARTNERSHIP

SEC. 18. A limited partner's interest in the partnership is personal property.

ASSIGNMENT OF LIMITED PARTNER'S INTEREST

SEC. 19. (1) A limited partner's interest is assignable.

(2) A substituted limited partner is a person admitted to all the rights of a limited partner who has died or has assigned his interest in a partnership.

(3) An assignee, who does not become a substituted limited partner, has no right to require any information or account of the partnership transactions or to inspect the partnership books; he is only entitled to receive the share of the profits or other compensation by way of income, or the return of his contribution, to which his assignor would otherwise be entitled.

(4) An assignee shall have the right to become a substituted limited partner if all the members (except the assignor) consent thereto or if the assignor, being thereunto empowered by the certificate, gives the assignee that right.

(5) An assignee becomes a substituted limited partner when the certificate is appropriately amended in accordance with section 25.

(6) The substituted limited partner has all the rights and powers, and is subject to all the restrictions and liabilities of his assignor, except those liabilities of which he was ignorant at the time he became a limited partner and which could not be ascertained from the certificate.

(7) The substitution of the assignee as a limited partner does not release the assignor from liability to the partnership under sections 6 and 17.

EFFECT OF RETIREMENT, DEATH, OR INSANITY OF A GENERAL PARTNER

SEC. 20. The retirement, death, or insanity of a general partner dissolves the partnership, unless the business is continued by the remaining general partners—

(a) under a right so to do stated in the certificate, or

(b) with the consent of all members.

DEATH OF LIMITED PARTNER

SEC. 21. (1) On the death of a limited partner his executor or administrator shall have all the rights of a limited partner for the purpose of settling his estate, and such power as the deceased had to constitute his assignee a substituted limited partner.

(2) The estate of a deceased limited partner shall be liable for all his liabilities as a limited partner.

RIGHTS OF CREDITORS OF LIMITED PARTNER

SEC. 22. (1) On due application to a court of competent jurisdiction by any judgment creditor of a limited partner, the court may charge the interest of the indebted limited partner with payment of the unsatisfied amount of the judgment debt; and may appoint a receiver, and make all other orders, directions, and inquiries which the circumstances of the case may require.

(2) The interest may be redeemed with the separate property of any general partner, but may not be redeemed with partnership property.

(3) The remedies conferred by paragraph (1) shall not be deemed exclusive of others which may exist.

(4) Nothing in this Act shall be held to deprive a limited partner of his statutory exemption.

DISTRIBUTION OF ASSETS

SEC. 23. (1) In settling accounts after dissolution the liabilities of the partnership shall be entitled to payment in the following order:

(a) Those to creditors, in the order of priority as provided by law, except those to limited partners on account of their contributions, and to general partners.

(b) Those to limited partners in respect to their share of the profits and other com-

penation by way of income on their contributions.

(c) Those to limited partners in respect to the capital of their contributions.

(d) Those to general partners other than for capital and profits.

(e) Those to general partners in respect to profits.

(f) Those to general partners in respect to capital.

(2) Subject to any statement in the certificate or to subsequent agreement, limited partners share in the partnership assets in respect to their claims for capital, and in respect to their claims for profits or for compensation by way of income on their contributions respectively, in proportion to the respective amounts of such claims.

WHEN CERTIFICATE SHALL BE CANCELED OR AMENDED

SEC. 24. (1) The certificate shall be canceled when the partnership is dissolved or all limited partners cease to be such.

(2) A certificate shall be amended when—

(a) there is a change in the name of the partnership or in the amount or character of the contribution of any limited partner,

(b) a person is substituted as a limited partner,

(c) an additional limited partner is admitted,

(d) a person is admitted as a general partner,

(e) a general partner retires, dies, or becomes insane, and the business is continued under section 20,

(f) there is a change in the character of the business of the partnership,

(g) there is a false or erroneous statement in the certificate,

(h) there is a change in the time as stated in the certificate for the dissolution of the partnership or for the return of a contribution,

(i) a time is fixed for the dissolution of the partnership, or the return of a contribution, no time having been specified in the certificate, or

(j) the members desire to make a change in any other statement in the certificate in order that it shall accurately represent the agreement between them.

REQUIREMENTS FOR AMENDMENT AND FOR CANCELLATION OF CERTIFICATE

SEC. 25. (1) The writing to amend a certificate shall—

(a) conform to the requirements of section 2(1)(a) as far as necessary to set forth clearly the change in the certificate which it is desired to make, and

(b) be signed and sworn to by all members, and an amendment substituting a limited partner or adding a limited or general partner shall be signed also by the member to be substituted or added, and when a limited partner is to be substituted, the amendment shall also be signed by the assigning limited partner.

(2) The writing to cancel a certificate shall be signed by all members.

(3) A person desiring the cancellation or amendment of a certificate, if any person designated in paragraphs (1) and (2) as a person who must execute the writing refuses to do so, may petition the United States District Court for the District of Columbia to direct a cancellation or amendment of the certificate.

(4) If the court finds that the petitioner has a right to have the writing executed by a person who refuses to do so, it shall order the Recorder of Deeds of the District of Columbia where the certificate is recorded to record the cancellation or amendment of the certificate; and where the certificate is to be amended, the court shall also cause to be filed for record in said office a certified copy of its decree setting forth the amendment.

(5) A certificate is amended or canceled when there is filed for record in the office of the Recorder of Deeds of the District of Columbia where the certificate is recorded—

(a) a writing in accordance with the provisions of paragraph (1) or (2), or
(b) a certified copy of the order of court in accordance with the provisions of paragraph (4).

(6) After the certificate is duly amended in accordance with this section, the amended certificate shall thereafter be for all purposes the certificate provided for by this Act.

PARTIES TO ACTIONS

SEC. 26. A contributor, unless he is a general partner, is not a proper party to proceedings by or against a partnership, except where the object is to enforce a limited partner's right against or liability to the partnership.

NAME OF ACT

SEC. 27. This Act may be cited as the "Uniform Limited Partnership Act".

RULES OF CONSTRUCTION

SEC. 28. (1) The rule that statutes in derogation of the common law are to be strictly construed shall have no application to this Act.

(2) This Act shall be so interpreted and construed as to effect its general purpose to make uniform the law of those States which enact it.

(3) This Act shall not be so construed as to impair the obligations of any contract existing when the Act goes into effect, nor to affect any action on proceedings begun or right accrued before this Act takes effect.

RULES FOR CASES NOT PROVIDED FOR IN THIS ACT

SEC. 29. In any case not provided for in this Act the rules of law and equity, including the law merchant, shall govern.

PROVISIONS FOR EXISTING LIMITED PARTNERSHIPS

SEC. 30. (1) A limited partnership formed under any statute of this State, prior to the adoption of this Act, may become a limited partnership under this Act by complying with the provisions of section 2: *Provided*, That the certificate sets forth—

(a) the amount of the original contribution of each limited partner, and the time when the contribution was made, and

(b) that the property of the partnership exceeds the amount sufficient to discharge its liabilities to persons not claiming as general or limited partners by an amount greater than the sum of the contributions of its limited partners.

(2) A limited partnership formed under any statute of this State, prior to the adoption of this Act, until or unless it becomes a limited partnership under this Act, shall continue to be governed by the provisions of Thirty-first Statutes at Large, page 1415, chapter 854, sections 1498-1506, 1508, 1510-1528, as amended, except that such partnership shall not be renewed unless so provided in the original agreement.

REPEAL

SEC. 31. Except as affecting existing limited partnerships to the extent set forth in section 30, Thirty-first Statutes at Large, page 1415, chapter 854, sections 1498-1506, 1508, 1510-1528, as amended, is hereby repealed.

With the following committee amendments:

On page 19, line 8, following the word "formed", strike "under any statute of this State", and insert in lieu thereof the following: "under the Act approved March 3, 1901, as amended".

On page 19, line 21, following the word "formed", strike "under any statute of this State", and insert in lieu thereof the following: "under the Act approved March 3, 1901, as amended".

The committee amendments were agreed to.

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

Mr. WHITENER. I would be happy to yield to the gentleman from Iowa.

Mr. GROSS. What is the difference between this bill, H.R. 11019, and H.R. 12675? They both deal with partnerships, do they not?

Mr. WHITENER. Yes. But there is as much difference in the two bills as there is between an airplane and an automobile. One deals with limited partnerships, and one deals with general partnerships, which are entirely different types of legal creatures.

Mr. GROSS. One deals with limited partnerships and the other deals with general partnerships; are those the words the gentleman used?

Mr. WHITENER. That is right. This bill deals with limited partnerships. It is the Uniform Limited Partnership Act which is now in effect in 40 States of the Union, including Maryland, Virginia, and Iowa.

Mr. GROSS. I thank the gentleman.

Mr. WHITENER. Mr. Speaker, the purpose of the bill is to substitute the Uniform Limited Partnership Act for the present law in the District—act of March 3, 1901, 31 Stat. 1415; District of Columbia Code, 1961 edition, sections 41-101 and the following.

Present law has not been revised in the 60 years of its existence, and despite the growth of multiple and complex business and professional interrelationships, no effort has been made to modernize the law to facilitate the organization of limited partnerships which would have practical application in the expanding economy.

The Uniform Act was approved by the National Conference of Commissioners on Uniform State Laws—chosen from the legal profession—46 years ago, and since then the Uniform Act, approved by the American Bar Association, has been adopted and is in effect in 40 States, including Maryland and Virginia.

H.R. 11019 incorporates the Uniform Act in its entirety, and its enactment would conform the District's law to that of other jurisdictions. The bill repeals present law with respect to limited partnerships formed subsequent to the effective date of its enactment, and substitutes a precise and comprehensive formula for establishing limited partnerships, carefully delineating the rights and obligations of the limited partners inter se and in relation to the partnership as a whole.

The bill also provides for filing of certificate of limited partnership, and any amendment or cancellation thereof, with the recorder of deeds. Present law contains a provision, anomalous in these times, requiring the filing of the certificate of limited partnership in the office of the clerk of the U.S. District Court for the District of Columbia.

Need for the adoption of the Uniform Act was stressed at the hearings because:

First. Of the inadequacy of existing law under which limited partnerships may be formed only for mercantile, me-

chanical, or manufacturing businesses, and have not more than six limited partners who must contribute cash in order to obtain limited liability. H.R. 11019 would enable the use of limited partnerships in various fields, such as real estate, construction, and ownership.

Second. To meet economic growth in this area, businessmen and investors have long been forced to resort to more unusual and complex forms of business arrangements to achieve some of the benefits of limited partnership form of business organization. The bill would obviate such arrangements.

Third. Of desire for uniformity in this area, bringing the law of the District into conformity with that of Virginia and Maryland, so that business ventures may be conducted in any one or all three jurisdictions without difficulty, and the disparity among their laws will be eliminated.

No opposition to the bill was expressed at the hearings. It is endorsed by the Bar Association of the District of Columbia, the Board of Commissioners of the District of Columbia, and by the Metropolitan Washington Board of Trade.

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

Mr. WHITENER. Mr. Speaker, I ask unanimous consent that I may insert in the RECORD at the time of consideration of each of these bills an explanatory statement.

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

There was no objection.

FORMATION OF PARTNERSHIPS IN DISTRICT OF COLUMBIA

Mr. WHITENER. Mr. Speaker, by direction of the Committee on the District of Columbia I call up the bill (H.R. 12675) to provide for the formation of partnerships in the District of Columbia and to make uniform the law with respect thereto.

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 this Act to provide for the formation of partnerships in the District of Columbia and to make uniform the law with respect thereto shall be in effect in the District of Columbia on and after the date of the enactment of this Act.

PART I

Preliminary provisions

SECTION 1. NAME OF ACT.—This Act may be cited as the "Uniform Partnership Act".

SEC. 2. DEFINITION OF TERMS.—In this Act, "court" includes every court and judge having jurisdiction in the case.

"Business" includes every trade, occupation, or profession.

"Person" includes individuals, partnerships, corporations, and other associations.

"Bankrupt" includes bankrupt under the Federal Bankruptcy Act or insolvent under any law of the District of Columbia.

"Conveyance" includes every assignment, lease, mortgage, or encumbrance.

"Real property" includes land and any interest or estate in land.

SEC. 3. INTERPRETATION OF KNOWLEDGE AND NOTICE.—(1) A person has "knowledge" of a fact within the meaning of this Act not only when he has actual knowledge thereof, but also when he has knowledge of such other facts as in the circumstances show bad faith.

(2) A person has "notice" of a fact within the meaning of this Act when the person who claims the benefit of the notice—

- (a) states the fact to such person, or
- (b) delivers through the mail, or by other means of communication, a written statement of the fact to such person or to a proper person at his place of business or residence.

SEC. 4. RULES OF CONSTRUCTION.—(1) The rule that statutes in derogation of the common law are to be strictly construed shall have no application to this Act.

(2) The law of estoppel shall apply under this Act.

(3) The law of agency shall apply under this Act.

(4) This Act shall be so interpreted and construed as to effect its general purpose to make uniform the law of those jurisdictions which enact it.

(5) This Act shall not be construed so as to impair the obligations of any contract existing when the Act goes into effect, nor to affect any action or proceedings begun or right accrued before this Act takes effect.

SEC. 5. RULES FOR CASES NOT PROVIDED FOR IN THIS ACT.—In any case not provided for in this Act the rules of law and equity, including the law merchant, shall govern.

PART II

Nature of a partnership

SEC. 6. PARTNERSHIP DEFINED.—(1) A partnership is an association of two or more persons to carry on as coowners a business for profit.

(2) But any association formed under any other statute of this jurisdiction, or any statute adopted by authority, other than the authority of this jurisdiction is not a partnership under this Act, unless such association would have been a partnership in this jurisdiction prior to the adoption of this Act; but this Act shall apply to limited partnerships except insofar as the statutes of the District of Columbia relating to such partnerships are inconsistent herewith.

SEC. 7. RULES FOR DETERMINING THE EXISTENCE OF A PARTNERSHIP.—In determining whether a partnership exists, these rules shall apply:

(1) Except as provided by section 16 persons who are not partners as to each other are not partners as to third persons.

(2) Joint tenancy, tenancy in common, tenancy by the entirety, joint property, common property, or part ownership does not of itself establish a partnership, whether such coowners do or do not share any profits made by the use of the property.

(3) The sharing of gross returns does not of itself establish a partnership, whether or not the persons sharing them have a joint or common right or interest in any property from which the returns are derived.

(4) The receipt by a person of a share of the profits of a business is prima facie evidence that he is a partner in the business, but no such inference shall be drawn if such profits were received in payment—

- (a) as a debt by installments or otherwise,
- (b) as wages of an employee or rent to a landlord,

(c) as an annuity to a widow or representative of a deceased partner,

(d) as interest on a loan, though the amount of payment varies with the profits of the business,

(e) as the consideration for the sale of the goodwill of a business or other property by installments or otherwise.

SEC. 8. PARTNERSHIP PROPERTY.—(1) All property originally brought into the part-

nership stock or subsequently acquired by purchase or otherwise, on account of the partnership, is partnership property.

(2) Unless the contrary intention appears, property acquired with partnership funds is partnership property.

(3) Any estate in real property may be acquired in the partnership name. Title so acquired can be conveyed only in the partnership name.

(4) A conveyance to a partnership in the partnership name, though without words of inheritance, passes the entire estate of the grantor unless a contrary intent appears.

PART III

Relations of partners to persons dealing with the partnership

SEC. 9. PARTNER AGENT OF PARTNERSHIP AS TO PARTNERSHIP BUSINESS.—(1) Every partner is an agent of the partnership for the purpose of its business, and the act of every partner, including the execution in the partnership name of any instrument, for apparently carrying on in the usual way the business of the partnership of which he is a member binds the partnership, unless the partner so acting has in fact no authority to act for the partnership in the particular matter, and the person with whom he is dealing has knowledge of the fact that he has no such authority.

(2) An act of a partner which is not apparently for the carrying on of the business of the partnership in the usual way does not bind the partnership unless authorized by the other partners.

(3) Unless authorized by the other partners or unless they have abandoned the business, one or more but less than all the partners have no authority to—

- (a) assign the partnership property in trust for creditors or on the assignee's promise to pay the debts of the partnership,
- (b) dispose of the goodwill of the business,
- (c) do any other act which would make it impossible to carry on the ordinary business of a partnership,
- (d) confess a judgment,
- (e) submit a partnership claim or liability to arbitration or reference.

(4) No act of a partner in contravention of a restriction on authority shall bind the partnership to persons having knowledge of the restriction.

SEC. 10. CONVEYANCE OF REAL PROPERTY OF THE PARTNERSHIP.—(1) Where title to real property is in the partnership name, any partner may convey title to such property by a conveyance executed in the partnership name; but the partnership may recover such property unless the partner's act binds the partnership under the provisions of paragraph (1) of section 9, or unless such property has been conveyed by the grantee or a person claiming through such grantee to a holder for value without knowledge that the partner, in making the conveyance, has exceeded his authority.

(2) Where title to real property is in the name of the partnership, a conveyance executed by a partner, in his own name, passes the equitable interest of the partnership, provided the act is one within the authority of the partner under the provisions of paragraph (1) of section 9.

(3) Where title to real property is in the name of one or more but not all the partners, and the record does not disclose the right of the partnership, the partners in whose name the title stands may convey title to such property, but the partnership may recover such property if the partners' act does not bind the partnership under the provisions of paragraph (1) of section 9, unless the purchaser or his assignee is a holder for value, without knowledge.

(4) Where the title to real property is in the name of one or more or all the partners, or in a third person in trust for the partnership, a conveyance executed by a partner

in the partnership name, or in his own name, passes the equitable interest of the partnership, provided the act is one within the authority of the partner under the provision of paragraph (1) of section 9.

(5) Where the title to real property is in the names of all the partners a conveyance executed by all the partners passes all their rights in such property.

SEC. 11. PARTNERSHIP BOUND BY ADMISSION OF PARTNER.—An admission or representation made by any partner concerning partnership affairs within the scope of his authority as conferred by this Act is evidence against the partnership.

SEC. 12. PARTNERSHIP CHARGED WITH KNOWLEDGE OF OR NOTICE TO PARTNER.—Notice to any partner of any matter relating to partnership affairs, and the knowledge of the partner acting in the particular matter, acquired while a partner or then present to his mind, and the knowledge of any other partner who reasonably could and should have communicated it to the acting partner, operate as notice to or knowledge of the partnership, except in the case of a fraud on the partnership committed by or with the consent of that partner.

SEC. 13. PARTNERSHIP BOUND BY PARTNER'S WRONGFUL ACT.—Where, by any wrongful act or omission of any partner acting in the ordinary course of the business of the partnership or with the authority of his copartners, loss or injury is caused to any person, not being a partner in the partnership, or any penalty is incurred, the partnership is liable therefor to the same extent as the partner so acting or omitting to act.

SEC. 14. PARTNERSHIP BOUND BY PARTNER'S BREACH OF TRUST.—The partnership is bound to make good the loss:

(a) Where one partner acting within the scope of his apparent authority receives money or property of a third person and misapplies it; and

(b) Where the partnership in the course of its business receives money or property of a third person and the money or property so received is misapplied by any partner while it is in the custody of the partnership.

SEC. 15. NATURE OF PARTNER'S LIABILITY.—All partners are liable—

(a) jointly and severally for everything chargeable to the partnership under sections 13 and 14,

(b) jointly for all other debts and obligations of the partnership; but any partner may enter into a separate obligation to perform a partnership contract.

SEC. 16. PARTNER BY ESTOPPEL.—(1) When a person, by words spoken or written or by conduct, represents himself, or consents to another representing him to anyone, as a partner in an existing partnership or with one or more persons not actual partners, he is liable to any such person to whom such representation has been made, who has, on the faith of such representation, given credit to the actual or apparent partnership, and if he has made such representation or consented to its being made in a public manner he is liable to such person, whether the representation has or has not been made or communicated to such person so giving credit by or with the knowledge of the apparent partner making the representation or consenting to its being made.

(a) When a partnership liability results, he is liable as though he were an actual member of the partnership.

(b) When no partnership liability results, he is liable jointly with the other persons, if any, so consenting to the contract or representation as to incur liability, otherwise separately.

(2) When a person has been thus represented to be a partner in an existing partnership, or with one or more persons not actual partners, he is an agent of the persons consenting to such representation to bind them to the same extent and in the

same manner as though he were a partner in fact, with respect to persons who rely upon the representation. Where all the members of the existing partnership consent to the representation, a partnership act or obligation results; but in all other cases it is the joint act or obligation of the person acting and the persons consenting to the representation.

SEC. 17. LIABILITY OF INCOMING PARTNER.—A person admitted as a partner into an existing partnership is liable for all the obligations of the partnership arising before his admission as though he had been a partner when such obligations were incurred, except that this liability shall be satisfied only out of partnership property.

PART IV

Relations of partners to one another

SEC. 18. RULES DETERMINING RIGHTS AND DUTIES OF PARTNERS.—The rights and duties of the partners in relation to the partnership shall be determined, subject to any agreement between them, by the following rules:

(a) Each partner shall be repaid his contributions, whether by way of capital or advances to the partnership property and share equally in the profits and surplus remaining after all liabilities, including those to partners, are satisfied; and must contribute toward the losses, whether of capital or otherwise, sustained by the partnership according to his share in the profits.

(b) The partnership must indemnify every partner in respect of payments made and personal liabilities reasonably incurred by him in the ordinary and proper conduct of its business or for the preservation of its business or property.

(c) A partner, who in aid of the partnership makes any payment or advance beyond the amount of capital which he agreed to contribute, shall be paid interest from the date of the payment or advance.

(d) A partner shall receive interest on the capital contributed by him only from the date when repayment should be made.

(e) All partners have equal rights in the management and conduct of the partnership business.

(f) No partner is entitled to remuneration for acting in the partnership business, except that a surviving partner is entitled to reasonable compensation for his services in winding up the partnership affairs.

(g) No person can become a member of a partnership without the consent of all the partners.

(h) Any difference arising as to ordinary matters connected with the partnership business may be decided by a majority of the partners; but no act in contravention of any agreement between the partners may be done rightfully without the consent of all the partners.

SEC. 19. PARTNERSHIP BOOKS.—The partnership books shall be kept, subject to any agreement between the partners, at the principal place of business of the partnership, and every partner shall at all times have access to and may inspect and copy any of them.

SEC. 20. DUTY OF PARTNERS TO RENDER INFORMATION.—Partners shall render on demand true and full information of all things affecting the partnership to any partner or the legal representative of any deceased partner or partner under legal disability.

SEC. 21. PARTNER ACCOUNTABLE AS A FIDUCIARY.—(1) Every partner must account to the partnership for any benefit, and hold as trustee for it any profits derived by him without the consent of the other partners from any transaction connected with the formation, conduct, or liquidation of the partnership or from any use by him of its property.

(2) This section applies also to the representatives of a deceased partner engaged in the liquidation of the affairs of the partner-

ship as the personal representatives of the last surviving partner.

SEC. 22. RIGHT TO AN ACCOUNT.—Any partner shall have the right to a formal account as to partnership affairs—

(a) if he is wrongfully excluded from the partnership business or possession of its property by his co-partners,

(b) if the right exists under the terms of any agreement,

(c) as provided by section 21,

(d) whenever other circumstances render it just and reasonable.

SEC. 23. CONTINUATION OF PARTNERSHIP BEYOND FIXED TERM.—(1) When a partnership for a fixed term or particular undertaking is continued after the termination of such term or particular undertaking without any express agreement, the rights and duties of the partners remain the same as they were at such termination, so far as is consistent with a partnership at will.

(2) A continuation of the business by the partners or such of them as habitually acted therein during the term, without any settlement or liquidation of the partnership affairs, is prima facie evidence of a continuation of the partnership.

PART V

Property rights of a partner

SEC. 24. EXTENT OF PROPERTY RIGHTS OF A PARTNER.—The property rights of a partner are (1) his rights in specific partnership property, (2) his interest in the partnership, and (3) his right to participate in the management.

SEC. 25. NATURE OF A PARTNER'S RIGHT IN SPECIFIC PARTNERSHIP PROPERTY.—(1) A partner is coowner with his partners of specific partnership property holding as a tenant in partnership.

(2) The incidents of this tenancy are such that:

(a) A partner, subject to the provisions of this Act and to any agreement between the partners, has an equal right with his partners to possess specific partnership property for partnership purposes; but he has no right to possess such property for any other purpose without the consent of his partners.

(b) A partner's right in specific partnership property is not assignable except in connection with the assignment of rights of all the partners in the same property.

(c) A partner's right in specific partnership property is not subject to attachment or execution, except on a claim against the partnership. When partnership property is attached for a partnership debt the partners, or any of them, or the representatives of a deceased partner, cannot claim any right under the homestead or exemption laws.

(d) On the death of a partner his right in specific partnership property vests in the surviving partner or partners, except where the deceased was the last surviving partner, when his right in such property vests in his legal representative. Such surviving partner or partners, or the legal representative of the last surviving partner, has no right to possess the partnership property for any but a partnership purpose.

(e) A partner's right in specific partnership property is not subject to dower, curtesy, or allowances to widows, heirs, or next of kin.

SEC. 26. NATURE OF PARTNER'S INTEREST IN THE PARTNERSHIP.—A partner's interest in the partnership is his share of the profits and surplus, and the same is personal property.

SEC. 27. ASSIGNMENT OF PARTNER'S INTEREST.—(1) A conveyance by a partner of his interest in the partnership does not of itself dissolve the partnership, nor, as against the other partners in the absence of agreement, entitle the assignee, during the continuance of the partnership, to interfere in the management or administration of the partnership business or affairs, or to require any information or account of partnership trans-

actions, or to inspect the partnership books; but it merely entitles the assignee to receive in accordance with his contract the profits to which the assigning partner would otherwise be entitled.

(2) In case of a dissolution of the partnership, the assignee is entitled to receive his assignor's interest and may require an account from the date only of the last account agreed to by all the partners.

SEC. 28. PARTNER'S INTEREST SUBJECT TO CHARGING ORDER.—(1) On due application to a competent court by any judgment creditor of a partner, the court which entered the judgment, order, or decree, or any other court, may charge the interest of the debtor partner with payment of the unsatisfied amount of such judgment debt with interest thereon; and may then or later appoint a receiver of his share of the profits, and of any other money due or to fall due to him in respect of the partnership, and make all other orders, directions, accounts, and inquiries which the debtor partner might have made, or which the circumstances of the case may require.

(2) The interest charged may be redeemed at any time before foreclosure, or in case of a sale being directed by the court may be purchased without thereby causing a dissolution:

(a) With separate property, by any one or more of the partners, or

(b) With partnership property, by any one or more of the partners with the consent of all the partners whose interests are not so charged or sold.

(3) Nothing in this Act shall be held to deprive a partner of his right, if any, under the exemption laws, as regards his interest in the partnership.

PART VI

Dissolution and winding up

SEC. 29. DISSOLUTION DEFINED.—The dissolution of a partnership is the change in the relation of the partners caused by any partner ceasing to be associated in the carrying on as distinguished from the winding up of the business.

SEC. 30. PARTNERSHIP NOT TERMINATED BY DISSOLUTION.—On dissolution the partnership is not terminated, but continues until the winding up of partnership affairs is completed.

SEC. 31. CAUSES OF DISSOLUTION.—Dissolution is caused: (1) Without violation of the agreement between the partners—

(a) by the termination of the definite term or particular undertaking specified in the agreement,

(b) by the express will of any partner when no definite term or particular undertaking is specified,

(c) by the express will of all the partners who have not assigned their interests or suffered them to be charged for their separate debts, either before or after the termination of any specified term or particular undertaking,

(d) by the expulsion of any partner from the business bona fide in accordance with such a power conferred by the agreement between the partners;

(2) In contravention of the agreement between the partners, where the circumstances do not permit a dissolution under any other provision of this section, by the express will of any partner at any time;

(3) By any event which makes it unlawful for the business of the partnership to be carried on or for the members to carry it on in partnership;

(4) By the death of any partner;

(5) By the bankruptcy of any partner or the partnership;

(6) By decree of court under section 32.

SEC. 32. DISSOLUTION BY DECREE OF COURT.—(1) On application by or for a partner the court shall decree a dissolution whenever—

(a) a partner has been declared a lunatic in any judicial proceeding or is shown to be of unsound mind,

(b) a partner becomes in any other way incapable of performing his part of the partnership contract,

(c) a partner has been guilty of such conduct as tends to affect prejudicially the carrying on of the business,

(d) a partner willfully or persistently commits a breach of the partnership agreement, or otherwise so conducts himself in matters relating to the partnership business that it is not reasonably practicable to carry on the business in partnership with him,

(e) the business of the partnership can only be carried on at a loss,

(f) other circumstances render a dissolution equitable.

(2) On the application of the purchaser of a partner's interest under sections 27 and 28—

(a) after the termination of the specified term or particular undertaking,

(b) at any time if the partnership was a partnership at will when the interest was assigned or when the charging order was issued.

SEC. 33. GENERAL EFFECT OF DISSOLUTION ON AUTHORITY OF PARTNER.—Except so far as may be necessary to wind up partnership affairs or to complete transactions begun but not then finished, dissolution terminates all authority of any partner to act for the partnership—

(1) with respect to the partners—

(a) when the dissolution is not by the act, bankruptcy or death of a partner; or

(b) when the dissolution is by such act, bankruptcy or death of a partner, in cases where section 34 so requires;

(2) with respect to persons not partners, as declared in section 35.

SEC. 34. RIGHT OF PARTNER TO CONTRIBUTION FROM COPARTNERS AFTER DISSOLUTION.—Where the dissolution is caused by the act, death, or bankruptcy of a partner, each partner is liable to his copartners for his share of any liability created by any partner acting for the partnership as if the partnership had not been dissolved unless—

(a) the dissolution being by act of any partner, the partner acting for the partnership had knowledge of the dissolution, or

(b) the dissolution being by the death or bankruptcy of a partner, the partner acting for the partnership had knowledge or notice of the death or bankruptcy.

SEC. 35. POWER OF PARTNER TO BIND PARTNERSHIP TO THIRD PERSONS AFTER DISSOLUTION.—(1) After dissolution a partner can bind the partnership except as provided in paragraph (3)—

(a) by any act appropriate for winding up partnership affairs or completing transactions unfinished at dissolution;

(b) by any transaction which would bind the partnership if dissolution had not taken place, provided the other party to the transaction,

(I) had extended credit to the partnership prior to dissolution and had no knowledge or notice of the dissolution; or

(II) though he had not so extended credit, had nevertheless known of the partnership prior to dissolution, and, having no knowledge or notice of dissolution, the fact of dissolution had not been advertised in a newspaper of general circulation in the place (or in each place if more than one) at which the partnership business was regularly carried on.

(2) The liability of a partner under paragraph (1) (b) shall be satisfied out of partnership assets alone when such partner has been prior to dissolution—

(a) unknown as a partner to the person with whom the contract is made; and

(b) so far unknown and inactive in partnership affairs that the business reputation of the partnership could not be said to have

been in any degree due to his connection with it.

(3) The partnership is in no case bound by any act of a partner after dissolution—

(a) where the partnership is dissolved because it is unlawful to carry on the business, unless the act is appropriate for winding up partnership affairs; or

(b) where the partner has become bankrupt; or

(c) where the partner has no authority to wind up partnership affairs; except by a transaction with one who,

(I) had extended credit to the partnership prior to dissolution and had no knowledge or notice of his want of authority; or

(II) had not extended credit to the partnership prior to dissolution, and, having no knowledge or notice of his want of authority, the fact of his want to authority had not been advertised in the manner provided for advertising the fact of dissolution in paragraph (1) (b) (II).

(4) Nothing in this section shall affect the liability under section 16 of any person who after dissolution represents himself or consents to another representing him as a partner in a partnership engaged in carrying on business.

SEC. 36. EFFECT OF DISSOLUTION ON PARTNER'S EXISTING LIABILITY.—(1) The dissolution of the partnership does not of itself discharge the existing liability of any partner.

(2) A partner is discharged from any existing liability upon dissolution of the partnership by an agreement to that effect between himself, the partnership creditor and the person or partnership continuing the business; and such agreement may be inferred from the course of dealing between the creditor having knowledge of the dissolution and the person or partnership continuing the business.

(3) Where a person agrees to assume the existing obligations of a dissolved partnership, the partners whose obligations have been assumed shall be discharged from any liability to any creditor of the partnership who, knowing of the agreement, consents to a material alteration in the nature or time of payment of such obligations.

(4) The individual property of a deceased partner shall be liable for all obligations of the partnership incurred while he was a partner but subject to the prior payment of his separate debts.

SEC. 37. RIGHT TO WIND UP.—Unless otherwise agreed the partners who have not wrongfully dissolved the partnership or the legal representative of the last surviving partner, not bankrupt, has the right to wind up the partnership affairs: *Provided, however,* That any partner, his legal representative or his assignee, upon cause shown, may obtain winding up by the court.

SEC. 38. RIGHTS OF PARTNERS TO APPLICATION OF PARTNERSHIP PROPERTY.—(1) When dissolution is caused in any way, except in contravention of the partnership agreement, each partner, as against his copartner and all persons claiming through them in respect of their interests in the partnership, unless otherwise agreed, may have the partnership property applied to discharge its liabilities, and the surplus applied to pay in cash the net amount owing to the respective partners. But if dissolution is caused by expulsion of a partner bona fide under the partnership agreement and if the expelled partner is discharged from all partnership liabilities, either by payment or agreement under section 36(2), he shall receive in cash only the net amount due him from the partnership.

(2) When dissolution is caused in contravention of the partnership agreement the rights of the partners shall be as follows:

(a) Each partner who has not caused dissolution wrongfully shall have—

(I) all the rights specified in paragraph (1) of this section, and

(II) the right, as against each partner who has caused the dissolution wrongfully, to damages for breach of the agreement.

(b) The partners who have not caused the dissolution wrongfully, if they all desire to continue the business in the same name, either by themselves or jointly with others, may do so, during the agreed term for the partnership and for that purpose may possess the partnership property, provided they secure the payment by bond approved by the court, or pay to any partner who has caused the dissolution wrongfully, the value of his interest in the partnership at the dissolution, less any damages recoverable under clause (2) (a) (II) of this section, and in like manner indemnify him against all present or future partnership liabilities.

(c) A partner who has caused the dissolution wrongfully shall have—

(I) if the business is not continued under the provisions of paragraph (2) (b) all the rights of a partner under paragraph (1), subject to clause (2) (a) (II) of this section,

(II) if the business is continued under paragraph (2) (b) of this section, the right as against his copartners and all claiming through them in respect of their interests in the partnership to have the value of his interest in the partnership, less any damages caused to his copartners by the dissolution, ascertained and paid to him in cash, or the payment secured by bond approved by the court, and to be released from all existing liabilities of the partnership; but in ascertaining the value of the partner's interest the value of the goodwill of the business shall not be considered.

SEC. 39. RIGHTS WHERE PARTNERSHIP IS DISSOLVED FOR FRAUD OR MISREPRESENTATION.—Where a partnership contract is rescinded on the ground of the fraud or misrepresentation of one of the parties thereto, the party entitled to rescind is, without prejudice to any other right, entitled—

(a) to a lien on, or right of retention of, the surplus of the partnership property after satisfying the partnership liabilities to third persons for any sum of money paid by him for the purchase of an interest in the partnership and for any capital or advances contributed by him; and

(b) to stand, after all liabilities to third persons have been satisfied, in the place of the creditors of the partnership for any payments made by him in respect of the partnership liabilities; and

(c) to be indemnified by the person guilty of the fraud or making the representation against all debts and liabilities of the partnership.

SEC. 40. RULES FOR DISTRIBUTION.—In settling accounts between the partners after dissolution, the following rules shall be observed, subject to any agreement to the contrary:

(a) The assets of the partnership are—

(I) the partnership property,

(II) the contributions of the partners necessary for the payment of all the liabilities specified in clause (b) of this paragraph.

(b) The liabilities of the partnership shall rank in order of payment, as follows:

(I) Those owing to creditors other than partners,

(II) Those owing to partners other than for capital and profits,

(III) Those owing to partners in respect of capital,

(IV) Those owing to partners in respect of profits.

(c) The assets shall be applied in the order of their declaration in clause (a) of this paragraph to the satisfaction of the liabilities.

(d) The partners shall contribute, as provided by section 18(a), the amount necessary to satisfy the liabilities; but if any, but not all, of the partners are insolvent, or, not being subject to process, refuse to contribute,

the other partners shall contribute their share of the liabilities, and, in the relative proportions in which they share the profits, the additional amount necessary to pay the liabilities.

(e) An assignee for the benefit of creditors or any person appointed by the court shall have the right to enforce the contributions specified in clause (d) of this paragraph.

(f) Any partner or his legal representative shall have the right to enforce the contributions specified in clause (d) of this paragraph, to the extent of the amount which he has paid in excess of his share of the liability.

(g) The individual property of a deceased partner shall be liable for the contributions specified in clause (d) of this paragraph.

(h) When partnership property and the individual properties of the partners are in possession of a court for distribution, partnership creditors shall have priority on partnership property and separate creditors on individual property, saving the rights of lien or secured creditors as heretofore.

(i) Where a partner has become bankrupt or his estate is insolvent the claims against his separate property shall rank in the following order:

- (I) Those owing to separate creditors,
- (II) Those owing to partnership creditors,
- (III) Those owing to partners by way of contribution.

SEC. 41. LIABILITY OF PERSONS CONTINUING THE BUSINESS IN CERTAIN CASES.—(1) When any new partner is admitted into an existing partnership, or when any partner retires and assigns (or the representative of the deceased partner assigns) his rights in partnership property to two or more of the partners, or to one or more of the partners and one or more third persons, if the business is continued without liquidation of the partnership affairs, creditors of the first or dissolved partnership are also creditors of the partnership so continuing the business.

(2) When all but one partner retire and assign (or the representative of a deceased partner assigns) their rights in partnership property to the remaining partner, who continues the business without liquidation of partnership affairs, either alone or with others, creditors of the dissolved partnership are also creditors of the person or partnership so continuing the business.

(3) When any partner retires or dies and the business of the dissolved partnership is continued as set forth in paragraphs (1) and (2) of this section, with the consent of the retired partners or the representative of the deceased partner, but without any assignment of his right in partnership property, rights of creditors of the dissolved partnership and of the creditors of the person or partnership continuing the business shall be as if such assignment had been made.

(4) When all the partners or their representatives assign their rights in partnership property to one or more third persons who promise to pay the debts and who continue the business of the dissolved partnership, creditors of the dissolved partnership are also creditors of the person or partnership continuing the business.

(5) When any partner wrongfully causes a dissolution and the remaining partners continue the business under the provisions of section 38(2)(b), either alone or with others, and without liquidation of the partnership affairs, creditors of the dissolved partnership are also creditors of the person or partnership continuing the business.

(6) When a partner is expelled and the remaining partners continue the business either alone or with others, without liquidation of the partnership affairs, creditors of the dissolved partnership are also creditors of the person or partnership continuing the business.

(7) The liability of a third person becoming a partner in the partnership continuing

the business, under this section, to the creditors of the dissolved partnership shall be satisfied out of partnership property only.

(8) When the business of a partnership after dissolution is continued under any conditions set forth in this section, the creditors of the dissolved partnership, as against the separate creditors of the retiring or deceased partner or the representatives of the deceased partner, have a prior right to any claim of the retired partner or the representative of the deceased partner against the person or partnership continuing the business on account of the retired or deceased partner's interest in the dissolved partnership or on account of any consideration promised for such interest or for his right in partnership property.

(9) Nothing in this section shall be held to modify any right of creditors to set aside any assignment on the ground of fraud.

(10) The use by the person or partnership continuing the business of the partnership name, or the name of a deceased partner as part thereof, shall not of itself make the individual property of the deceased partner liable for any debts contracted by such person or partnership.

SEC. 42. RIGHTS OF RETIRING OR ESTATE OF DECEASED PARTNER WHEN THE BUSINESS IS CONTINUED.—When any partner retires or dies, and the business is continued under any of the conditions set forth in section 41 (1), (2), (3), (5), (6), or section 38(2) (b), without any settlement of accounts as between him or his estate and the person or partnership continuing the business, unless otherwise agreed, he or his legal representative, as against such persons or partnership, may have the value of his interest at the date of dissolution ascertained, and shall receive as an ordinary creditor an amount equal to the value of his interest in the dissolved partnership with interest, or, at his option or at the option of his legal representative, in lieu of interest, the profits attributable to the use of his right in the property of the dissolved partnership; provided that the creditors, or the representative of the retired or deceased creditors of the dissolved partnership as against the separate partner, shall have priority on any claim arising under this section, as provided by section 41(8) of this Act.

SEC. 43. ACCRUAL OF RIGHT TO ACCOUNT.—The right to an account of his interest shall accrue to any partner, or his legal representative, as against the winding up partners or the surviving partners or the person or partnership continuing the business, at the date of dissolution, in the absence of any agreement to the contrary.

Mr. WHITENER. Mr. Speaker, the purpose of the bill is to establish statutory authority for the formation and conduct of partnerships in the District of Columbia, and to make the law more certain and uniform with respect thereto by enacting into law the Uniform Partnership Act, already in effect in three-fourths of the States.

Existing law in the District of Columbia was enacted over 60 years ago—act of March 3, 1901, 31 Stat. 1414; District of Columbia Code, 1961 edition, sections 41-201 through 41-204—and has been in effect without change or modification since. Inadequate of itself, nevertheless it will be retained as a desirable supplement to the more basic and fundamental provisions of H.R. 12675.

The Uniform Partnership Act was approved by the National Conference of Commissioners on Uniform State Laws in 1914, and by the American Bar Association the following year. Since then, it has been adopted by and is in effect in

39 States, including Maryland—in 1916—and Virginia—in 1918.

The present statutory law in the District of Columbia is most inadequate and extremely limited in application. It applies solely to the composition by a partner of his liability to a partnership creditor upon dissolution of the partnership.

This aspect of partnership law, though important, is only a small part of the general body of partnership law as developed through the centuries by courts in this country and abroad. Existing law in the District does not cover the more basic and fundamental facets of partnership law such as, first, the nature of the partnership relationship itself; second, the relationship of the partners inter se; third, the property rights of partners; fourth, the dissolution and termination of the partnership; and, fifth, relations of the partners to third persons dealing with the partnership other than the composition of liability therewith upon dissolution of the partnership. These are embodied in the Uniform Partnership Act embraced within H.R. 12675.

Uniformity of law becomes a practical necessity in a metropolitan area such as this, where the zone of commercial activity spans three separately governed jurisdictions. Frequently, residents of Virginia and Maryland desire to join together with District of Columbia residents to conduct a partnership business which may be located in any one or all three jurisdictions. Enactment of the reported bill would eliminate many incongruities and inequities implicit in such circumstances by bringing the law of the District into conformity with the laws of its neighboring States, Maryland and Virginia.

Mr. Speaker, I move the previous question.

The previous question was ordered. 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.

CONCERNING GIFTS TO MINORS IN DISTRICT OF COLUMBIA

Mr. WHITENER. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (H.R. 11018) to amend the act concerning gifts to minors in the District of Columbia, and ask unanimous consent that the bill be considered in the House as in the Committee of the Whole.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North 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 the Act entitled "An Act concerning gifts of securities to minors in the District of Columbia", approved August 3, 1956 (70 Stat. 1028; D.C. Code, sec. 21-214), is amended to read as follows:

"SECTION 1. As used in this Act, the following terms shall have the meaning ascribed to each:

"(1) 'Adult': one who has attained the age of twenty-one years.

"(2) 'Bank': any person or association of persons carrying on the business of banking, whether incorporated or not, in the District of Columbia.

"(3) 'Broker': one who is lawfully engaged in the business of effecting transactions in securities for the account of others; a bank which effects such transactions; and one who is lawfully engaged in buying and selling securities for his own account, through a broker or otherwise, as a part of a regular business.

"(4) 'Court': The United States District Court for the District of Columbia.

"(5) 'Custodial property':

"(A) All securities and money, under the supervision of the same custodian for the same minor as a consequence of a gift or gifts made to the minor in the manner prescribed in this Act;

"(B) The income from the custodial property; and

"(C) The proceeds, immediate and remote, from the sale, exchange, conversion, investment, reinvestment, or other disposition of such securities, money, and income.

"(6) 'Custodian': one so designated in the manner prescribed in this Act.

"(7) 'Guardian of a minor': the general guardian, guardian, tutor, or curator of the minor's property, estate or person.

"(8) 'Issuer': one who places or authorizes the placing of his name on a security (other than as a transfer agent) to evidence that it represents a share, participation or other interest in his property or in an enterprise or to evidence his duty or undertaking to perform an obligation evidenced by the security, or who becomes responsible for or in place of any such person.

"(9) 'Legal representative': the executor or the administrator, general guardian, committee, conservator, tutor, or curator of a person's property or estate.

"(10) 'Member of a minor's family': any of the minor's parents, grandparents, brothers, sisters, uncles, and aunts, whether of the whole blood or the half blood, or by or through legal adoption.

"(11) 'Minor': one who has not attained the age of twenty-one years.

"(12) 'Security': any note, stock, treasury stock, bond, debenture, evidence of indebtedness, certificate of interest or participation in an oil, gas, or mining title or lease or in payments out of production under such a title or lease, collateral trust certificate, transferable share, voting trust certificate, or, in general, any interest or instrument commonly known as an interim certificate, receipt, or certificate of deposit for, or any warrant or right to subscribe to or purchase, any of the foregoing. 'Security' does not include a security of which the donor is the issuer. A 'security' is in 'registered form' when it specifies a person entitled to it or to the right it evidences and its transfer may be registered upon books maintained for that purpose by or on behalf of the issuer.

"(13) 'Transfer agent': one who acts as authenticating trustee, transfer agent, registrar, or other agent for an issuer in the registration of transfers of its securities or in the issue of new securities or in the cancellation of surrendered securities.

"(14) 'Trust company': a bank authorized to exercise trust powers.

"Sec. 2. (a) An adult may, during his lifetime, make a gift of a security or money, to one who is a minor on the date of the gift, if the subject of the gift is a security—

"(1) in registered form, by registering it in the name of the donor, another adult, or a trust company followed, in substance, by the words: 'as custodian for (name of minor) under the District of Columbia Uniform Gifts to Minors Act';

"(2) not in registered form, by delivering it to an adult other than the donor or a trust company, accompanied by a statement of gift in the following form, in substance,

signed by the donor and the designated custodian:

"GIFT UNDER THE DISTRICT OF COLUMBIA UNIFORM GIFTS TO MINORS ACT"

"I, (name of donor), hereby deliver to (name of custodian) as custodian for (name of minor) under the District of Columbia Uniform Gifts to Minors Act, the following security(ies); (insert an appropriate description of the security or securities delivered sufficient to identify it or them).

(signature of donor)

Dated:-----
(Name of custodian) hereby acknowledges receipt of the above described security(ies) as custodian for the above minor under the above Act.

(signature of custodian)

Dated:-----
" (3) If the subject of the gift is money, by paying or delivering it to a broker or a bank for credit to an account in the name of the donor, another adult, or a bank with trust powers, followed, in substance, by the words: 'as custodian for (name of minor) under the District of Columbia Uniform Gifts to Minors Act'.

"(b) Any gift made in the manner prescribed in subsection (a) may be made to only one minor.

"(c) A donor who makes a gift to a minor as prescribed in subsection (a) shall promptly do all things within his power to put the subject of the gift in the possession and control of the custodian, but neither the donor's failure to comply with this subsection, nor his designation of an ineligible person as custodian, nor renunciation by the person designated as custodian shall affect the consummation of the gift.

"Sec. 3. (a) A gift made as prescribed in this Act shall be irrevocable and convey to the minor indefeasibly vested legal title to the security or money, given, but no guardian of the minor shall have any right, power, duty, or authority with respect to the custodial property except as provided in this Act.

"(b) By making a gift in the manner prescribed in this Act, the donor incorporates in his gift all the provisions thereof and grants to the custodian, and to any issuer, transfer agent, bank, broker, or third person dealing with a custodian, the respective powers, rights, and immunities provided in this Act.

"Sec. 4. (a) Only one person may be the custodian. He shall collect, hold, manage, invest, and reinvest the custodial property.

"(b) The custodian shall pay over to the minor for expenditure by him, or expend for the minor's benefit, so much of or all the custodial property as the custodian deems advisable for the support, maintenance, education, and benefit of the minor in the manner, at the time or times, and to the extent that the custodian in his discretion deems suitable and proper, with or without court order, with or without regard to the duty of himself or of any other person to support the minor or his ability to do so, and with or without regard to any other income or property of the minor which may be applicable or available for any such purpose.

"(c) The court, on the petition of a parent or guardian of the minor or of the minor, if he has attained the age of fourteen years, may order the custodian to pay over to the minor for expenditure by him or to expend so much of or all the custodial property as is necessary for the minor's support, maintenance, or education.

"(d) To the extent that the custodial property is not so expended, the custodian shall deliver or pay it over to the minor on his attaining the age of twenty-one years or, if the minor dies before attaining that

age, he shall thereupon deliver or pay it over to the estate of the minor.

"(e) The custodian, notwithstanding statutes restricting investments by fiduciaries, shall invest and reinvest the custodial property as would a prudent person of discretion and intelligence who is seeking a reasonable income and the preservation of capital, except that he may, in his discretion and without liability to the minor or his estate, retain a security given to the minor in the manner prescribed in this Act.

"(f) The custodian may sell, exchange, convert, or otherwise dispose of custodial property in the manner, at the time or times, for the price or prices, and upon the terms he deems advisable. He may vote in person or by general or limited proxy a security which is custodial property. He may consent, directly or through a committee or other agent, to the reorganization, consolidation, merger, dissolution, or liquidation of an issuer, a security which is custodial property, and to the sale, lease, pledge, or mortgage of any property by or to such an issuer, and to any other action by such an issuer. He may execute and deliver any and all instruments in writing which he deems advisable to carry out any of his powers as custodian.

"(g) The custodian shall register each security which is custodial property and in registered form in the name of the custodian, followed, in substance, by the words: 'as custodian for (name of minor) under the District of Columbia Uniform Gifts to Minors Act'. He shall hold all money which is custodial property in an account with a broker or in a bank in the name of the custodian, followed, in substance, by the same words. He shall keep all other custodial property separate and distinct from his own property in a manner to identify it clearly as custodial property.

"(h) The custodian shall keep records of all transactions with respect to the custodial property, and make them available for inspection at reasonable intervals by a parent or legal representative of the minor or by the minor, if he has attained the age of fourteen years.

"(i) A custodian shall have and hold as powers in trust, with respect to the custodial property, in addition to the rights and powers provided in this Act, all the rights and powers which a guardian has with respect to property not held as custodial property.

"Sec. 5. (a) A custodian shall be entitled to reimbursement from the custodial property for his reasonable expenses incurred in the performance of his duties.

"(b) A custodian may act without compensation for his services.

"(c) Unless the custodian is a donor, he may receive from the custodial property reasonable compensation for his services determined by one of the following standards in the following order:

"(1) A direction by the donor when the gift is made;

"(2) Any statute of the District of Columbia applicable to custodians;

"(3) Any statute of the District of Columbia applicable to guardians;

"(4) An order of the court.

"(d) Except as otherwise provided in this Act, a custodian shall not be required to give a bond for the performance of his duties.

"(e) A custodian not compensated for his services shall not be liable for losses to the custodial property unless they result from his bad faith, intentional wrongdoing, or gross negligence or from his failure to maintain the standard of prudence in investing the custodial property provided in this Act.

"Sec. 6. (a) Only an adult member of the minor's family, a guardian of the minor, or a trust company shall be eligible to become successor custodian. A successor custodian

shall have all the rights, powers, duties, and immunities of a custodian designated in the manner prescribed by this Act.

"(b) A custodian, other than the donor, may resign and designate his successor by—

"(1) executing an instrument of resignation designating the successor custodian; and

"(2) causing each security which is custodial property and in registered form to be registered in the name of the successor custodian followed, in substance, by the words: 'as custodian for (name of minor) under the District of Columbia Uniform Gifts to Minors Act'; and

"(3) delivering to the successor custodian the instrument of resignation, each security registered in the name of the successor custodian, and all other custodial property together with any additional instruments required for the transfer thereof.

"(c) A custodian, whether or not a donor, may petition the court for permission to resign and for the designation of a successor custodian.

"(d) If the person designated as custodian is not eligible, renounces or dies before the minor attains the age of twenty-one years, the guardian of the minor shall be successor custodian. If the minor has no guardian, a donor, his legal representative, the legal representative of the custodian, an adult member of the minor's family, or the minor, if he has attained the age of fourteen years, may petition the court for the designation of a successor custodian.

"(e) A donor, the legal representative of a donor, a guardian of the minor or the minor, if he has attained the age of fourteen years, may petition the court that, for cause shown in the petition, the custodian be removed and a successor custodian be designated or, in the alternative, that the custodian be required to give bond for the performance of his duties.

"(f) Upon the filing of a petition as provided in this section, the court shall grant an order, directed to the persons and returnable on such notice as the court may require, to show cause why the relief prayed for in the petition should not be granted and, in due course, grant such relief as the court finds to be in the best interests of the minor.

"SEC. 7. (a) The minor, if he has attained the age of fourteen years, or the legal representative of the minor, an adult member of the minor's family, or a donor or his legal representative may petition the court for an accounting by the custodian or his legal representative.

"(b) The court, in a proceeding under this Act or otherwise, may require or permit the custodian or his legal representative to account and, if the custodian is removed, shall so require and order delivery of all custodial property to the successor custodian and the execution of all instruments required for the transfer thereof.

"SEC. 8. No issuer, transfer agent, bank, broker, or other person acting on the instructions of or otherwise dealing with any person purporting to act as a donor or in the capacity of a custodian shall be responsible for determining whether the person designated by the purported donor or purporting to act as a custodian has been duly designated or whether any purchase, sale, or transfer to or by or any other act of any person purporting to act in the capacity of custodian is in accordance with or authorized by this Act, and shall not be obliged to inquire into the validity or propriety under the provisions of this Act of any instrument or instructions executed or given by a person purporting to act as a donor or in the capacity of a custodian, and shall not be bound to see to the application by any person purporting to act in the capacity of a cus-

todian of any money or other property paid or delivered to him.

"SEC. 9. (a) The provisions of this Act shall be construed to effectuate the general purpose thereof to make uniform the law of those States which enact such provisions.

"(b) This Act shall not be construed as providing an exclusive method for making gifts to minors.

"SEC. 10. If any provision of this Act or the application thereof is held invalid, the other provisions or applications of such provisions shall not be affected thereby.

"SEC. 11. This Act may be cited as the 'District of Columbia Uniform Gifts to Minors Act'."

SEC. 2. (a) All laws or parts of laws in conflict with any provision of this Act are hereby repealed.

(b) The amendments made to the Act of August 3, 1956 (70 Stat. 1028; D.C. Code, secs. 21-214 et seq.), by the first section of this Act shall not affect any right or liability under such Act of August 3, 1956, existing on December 31, 1962.

SEC. 3. This Act shall take effect January 1, 1963.

With the following committee amendments:

On page 2, line 12, strike out "and money" and insert in lieu thereof ", money, life insurance and annuity contracts".

On page 2, line 21, following the word "money," insert "life insurance and annuity contracts,".

On page 3, immediately after line 13, insert the following:

"Life insurance and annuity contracts: shall include only insurance and annuity contracts on the life of a minor or a member of the minor's family as herein defined."

On page 3, lines 14, 18, and 20, strike out "(10)", "(11)", and "(12)", and insert in lieu thereof "(11)", "(12)", and "(13)" respectively.

On page 4, line 2, strike out the word "an" and insert in lieu thereof: "a security, or any certificate of interest of participation in, any temporary or."

On page 4, lines 10 and 15, strike out "(13)" and "(14)", and insert in lieu thereof "(14)" and "(15)", respectively.

On page 4, line 18, strike out "or money" and insert in lieu thereof ", money, life insurance or annuity contract".

On page 5, immediately before line 5, insert the following:

"(3) If the subject of the gift is a life insurance or annuity contract, the ownership of the contract shall be registered by the donor of such contract in his own name or in the name of an adult member of the guardian of the minor, followed by the words minor's family or in the name of any 'as custodian for (name of minor) under the District of Columbia Uniform Gifts to Minors Act', and such contract shall be delivered to the person in whose name it is thus registered as custodian. If the contract is registered in the name of the donor, as custodian, such registration shall of itself constitute the delivery required by this section."

On page 5, line 5, strike out "(3)" and insert in lieu thereof "(4)".

On page 6, line 7, strike out "or money" and insert in lieu thereof ", money, life insurance or annuity contract".

On page 6, line 14, immediately after "broker," insert "insurance company,".

On page 7, line 13, immediately after "or pay" insert "it".

On page 9, immediately after line 8, insert the following:

"(j) If the subject of the gift is a life insurance or annuity contract, the custodian shall have all of the incidents of ownership in the contract which he may hold as custodian to the same extent as if he were the owner thereof personally. The designated

beneficiary of any such contract held by a custodian shall be the minor or, in the event of his death, the minor's estate."

On page 10, lines 11 and 12, strike out "member of the minor's family".

On page 10, line 22, immediately after "registered form" insert "and each life insurance or annuity contract".

On page 11, line 5, immediately after "successor custodian," insert "each life insurance or annuity contract registered in the name of the successor custodian,".

On page 12, line 20, immediately after "broker," insert "insurance company,".

The committee amendments were agreed to.

Mr. WHITENER. Mr. Speaker, the purpose of the bill is to substitute the "Uniform" Gifts to Minors Act for the present District of Columbia "Model" Gifts to Minors Act, approved August 3, 1956—70 Stat. 1028; District of Columbia Code, 1961 edition, sections 21-204 and the following. The effect will be to broaden the old "model" present law to permit gifts of money and insurance, as well as securities, to a minor; to enlarge the choice of custodians; and to permit compensation to said custodians.

Early experience in various States—14—with the Model Act led to the drafting of a shorter, improved version, called the Uniform Gifts to Minors Act, which was approved by the National Conference of Commissioners on Uniform State Laws and by the American Bar Association, and is the basis of H.R. 11018. The Uniform Act has had almost nationwide acceptance. As of today it has been enacted and is in effect in 47 States; only three—Alaska, Georgia, and New Jersey—and the District of Columbia still use the earlier model law.

H.R. 11018, as reported, defines "custodial property" to mean "securities, money, life insurance, and annuity contracts." Eight of the States which have adopted the Uniform Act, Illinois, Kentucky, New Hampshire, North Carolina, Ohio, Wisconsin, Massachusetts, and Michigan—likewise include "insurance" in their Uniform Acts. It is recommended by the American Life Convention and the Life Insurance Association of America, having a combined membership of 306 life insurance companies—representing 94 percent of the legal reserve life insurance business in the United States—150 of which do business in the District of Columbia.

The committee intends the phrase "life insurance" to include endowment policies, it having been advised by the local insurance associations that this is a proper interpretation of said language in this jurisdiction. The specific amendments reported with respect to insurance follow closely the provisions in the North Carolina and Kentucky statutes, and they restrict the life insurance under the bill to insurance on the life of a minor or a member of the minor's family.

With respect to custodians, the bill, as reported, provides that the donor may select as custodian any adult person in whom he has confidence, and this includes banks and trust companies. These, as well as the guardian of the minor, may also qualify as successor custodian.

Under present law, a custodian receives no compensation unless he is a court appointed guardian, and the property is held by him as guardian. To compensate the nonfamily types of custodians, permitted under the reported bill, provision is made to permit compensation to the custodians.

As with present law, the bill provides that the gifts permitted under the bill vest indefeasible legal title in the minor, and may not be revoked by the donor. The bill also follows the Uniform Act by broadening existing law to permit gifts of money for investment under the "prudent man" rule prescribed in section 4(e).

No opposition to the bill was expressed in the public hearings held. In addition to those mentioned, the Bar Association of the District of Columbia, the Association of Stock Exchange Firms of New York, and the Board of Commissioners of the District of Columbia also urge the passage of this bill.

Mr. Speaker, I move the previous question.

The previous question was ordered.

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.

REPORTS OF COLLISIONS IN DISTRICT OF COLUMBIA

Mr. WHITENER. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill—H.R. 8737—to amend section 10 of the District of Columbia Traffic Act, 1925, as amended, so as to require reports of collisions in which motor vehicles are involved, and ask unanimous consent that it be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from North 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 subsection (a) of section 10 of the District of Columbia Traffic Act, 1925, as amended (43 Stat. 1124; sec. 40-609(a), D.C. Code, 1951 ed.), is amended (a) by adding at the end of the first paragraph the following: "In addition to the preceding requirements with respect to the action to be taken immediately in cases involving personal injury or substantial damage to property, every person who, in the District of Columbia, operates a motor vehicle which is involved in a collision with any person or object, shall, within forty-eight hours from the time such collision occurs, make a written report thereof to the Chief of Police, on a form prescribed by him. Such written report shall be made without regard to the extent or amount of the damage or degree of personal injury resulting from such collision. In the event the operator of a motor vehicle involved in a collision is injured or otherwise disabled to such an extent as to render him incapable, in the opinion of his attending physician, of making any report of the collision within the time required by this subsection, such operator shall make such report within forty-eight hours after the date on which, in the opinion of his attending physician, he can reasonably be expected to

have recovered from his injury or other disability to the extent of being able to prepare and submit the required report."; and (b) by striking "substantial" in the third paragraph.

Sec. 2. Nothing in this Act shall be construed so as to affect the authority vested in the Commissioners by Reorganization Plan Numbered 5 of 1952 (66 Stat. 824). The performance of any function vested by this Act in the Commissioners or in any office or agency under the jurisdiction and control of said Commissioners may be delegated by said Commissioners in accordance with section 3 of such plan.

With the following committee amendments:

Page 2, beginning line 1, strike out the words "with any person or object, shall, within forty-eight hours from the time such collision occurs" and substitute in lieu thereof the words "which has resulted in damage to the property of any one person in excess of \$100 or in bodily injury to or in the death of any person, shall immediately".

Page 2, line 5, strike out the words "extent or amount of the damage or".

Page 2, line 10, strike out the words "within the time" and substitute in lieu thereof the word "as".

The committee amendments were agreed to.

Mr. WHITENER. Mr. Speaker, at present, only those motor vehicle collisions in the District of Columbia which involve personal injury are required to be reported to the Police Department. In addition, collisions which result in property damage in excess of \$100 must be reported to the District of Columbia Safety Responsibility Officer, who functions as part of the Department of Motor Vehicles. However, these reports do not reach the Police Department, and hence the only motor vehicle accidents not involving personal injury which come to the attention of the District of Columbia Police Department are those which are voluntarily reported to them.

This situation came to our attention a year or more ago, when it developed in a hearing that the Police Department was unable to furnish statistics as to the frequency of motor vehicle accidents in a certain heavily traveled area of the city, because only those accidents resulting in personal injury would necessarily have been reported to them.

We were informed that during fiscal year 1962, some 9,000 motor vehicle accidents involving substantial property damage in the District of Columbia were never reported in any way to the Police Department. This situation is unsatisfactory for several important reasons.

The safety responsibility officer's chief function is to ascertain the financial ability of the drivers of the vehicles in collisions to satisfy claims which are brought against them as a result, and in some cases to take steps which may lead to the suspension or revocation of drivers' permits. While this is of course a useful and important service, the fact remains that the Safety Responsibility Division cannot initiate court action against any of the drivers in these 9,000 accidents per year, and in many such cases, particularly those involving repeat offenders, legal prosecution is the only adequate means of serving the interest of public safety.

Also, the Police Department's accident reports are made available to the Bureau of Traffic Engineering of the District of Columbia Highway Department, where they serve as an invaluable guide to the identification of dangerous areas in the city's street system. The reports to the safety responsibility officer, on the other hand, are said not to be suitable for this purpose, and hence 9,000 possible indications of need for correction of perilous street conditions are lost each year.

I feel that these conditions should not be allowed to continue, and that the protection of the public demands the improvements which will be possible only when all such motor vehicle accidents are required to be reported immediately to the Chief of Police.

Mr. GROSS. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, will the gentleman give us a brief explanation of the purpose of this bill?

Mr. WHITENER. I am happy to. At present in the District of Columbia only those motor vehicle collisions which involve personal injury are required to be reported to the Police Department. In addition, collisions which result in property damage in excess of \$100 must be reported to the safety responsibility officer through a functionary of the Department of Motor Vehicles. These reports do not reach the Police Department and therefore the only motor vehicle accidents not involving personal injury which come to the attention of the Police Department are those which are voluntarily reported to them.

Briefly, I can tell the gentleman that according to the testimony before the committee there were some 9,000 motor vehicle accidents involving substantial property damage in the District of Columbia during 1962 fiscal year which were never reported to the Police Department. This came up in the hearings on another matter before the subcommittee of which I am the chairman and hence this bill was introduced. While we feel that the reporting to the Safety Responsibility Division is important from the standpoint of civil damages and statistical data as to highway safety we also feel that the Police Department should be the recipient of this information where the damage exceeds \$100 to the property of any person involved.

Mr. GROSS. The bill states as follows, "shall immediately make a written report thereof to the Chief of Police, on a form prescribed by him."

I take it that in the case of an accident involving an estimated damage of \$100 or more, it would be sufficient for the person or persons involved in the accident to go to any precinct police station, and this would meet the requirement of making a report to the Chief of Police?

Mr. WHITENER. There is no question about that. In many cases the report can be made at the scene of the collision to the investigating officer.

Mr. GROSS. There is nothing in the bill to that effect. It says only that the report must be made to the Chief of

Police. The bill does not state that the report can be made to the investigating officer or to any precinct station. I am confident the gentleman is correct and it is my purpose only to establish legislative intent.

Mr. WHITENER. We have to presuppose as we use the words "Chief of Police" that we are referring to the Department. That is the intent, and I am sure that there will be no problem created by the legislation such as the gentleman means to convey.

Mr. GROSS. The gentleman probably cannot answer this question and I am not addressing it to him, but I assume that had the accident in which a Mr. Powers, an employee at the White House, and his family, was involved last Friday evening, using a White House car and an Army chauffeur to drive him to the President's rest haven up at Camp David, occurred in the District the details would have been reported to the police since there was at least one serious injury. I am sure the gentleman from North Carolina and the gentleman from Iowa regret injury to anyone in an accident, but otherwise we seem to be unable to find out how White House cars and White House rest havens are being used for the weekend pleasure of White House employees and their families. So if this bill will require a reporting of information that the public might not otherwise obtain, I am glad to support the legislation.

Mr. WHITENER. I am not familiar with the case the gentleman mentions.

Mr. Speaker, I move the previous question.

The previous question was ordered.

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.

MUNICIPAL COURT FOR THE DISTRICT OF COLUMBIA

Mr. WHITENER. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (H.R. 12708) to increase the jurisdiction of the municipal court for the District of Columbia in civil actions, to change the names of the court, and for other purposes, and ask unanimous consent that the bill be considered in the House as in the Committee of the Whole.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North 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 the court established by the first section of the Act entitled "An Act to consolidate the Police Court of the District of Columbia and the Municipal Court of the District of Columbia, to be known as 'the Municipal Court for the District of Columbia', to create 'the Municipal Court of Appeals for the District of Columbia', and for other purposes", approved April 1, 1942, as amended (56 Stat. 190; D.C. Code, sec. 11-751), hereafter shall be known as the "District of Columbia Court of General Sessions". Whenever reference is made in any Act of Congress (other than

this Act or the amendments made by this Act) or in any regulation to the Municipal Court for the District of Columbia, such reference shall be held to be a reference to the District of Columbia Court of General Sessions.

SEC. 2. Subsection (a) of section 4 of such Act, approved April 1, 1942, as amended (D.C. Code, sec. 11-755(a)), is amended to read as follows:

"(a) The District of Columbia Court of General Sessions, as established by this Act, shall consist of the criminal, civil, and small claims and conciliation, and domestic relations branches. The court and each judge thereof shall have and exercise the same powers and jurisdiction as were heretofore had or exercised by the Municipal Court for the District of Columbia or the judges thereof on the day before the effective date of this amendatory subsection, and in addition the said court shall have exclusive jurisdiction of civil actions commenced after the effective date of this amendatory subsection, including such actions against executors, administrators and other fiduciaries, in which the claimed value of personal property or the debt or damages claimed, does not exceed the sum of \$10,000 exclusive of interest and costs, and, in addition, shall have jurisdiction of all cross-claims and counterclaims interposed in all actions over which it has jurisdiction regardless of the amount involved: *Provided, however,* That nothing herein shall deprive the United States District Court for the District of Columbia of jurisdiction over counterclaims, cross-claims, or any other claims whether or not arising out of the same transaction or occurrence and interposed in actions over which the United States District Court for the District of Columbia has jurisdiction. The District of Columbia Court of General Sessions shall also have jurisdiction over all cases properly pending in the Municipal Court for the District of Columbia on the effective date of this amendatory subsection."

SEC. 3. Subsection (a) of section 5 of such Act approved April 1, 1942, as amended (D.C. Code, sec. 11-756(a)), is amended to read as follows:

"(a) If, in any action, other than an action for equitable relief, pending on the effective date of this amendatory subsection or thereafter commenced in the United States District Court for the District of Columbia, it shall appear to the satisfaction of the court at or subsequent to any pretrial hearing but prior to trial thereof that the action will not justify a judgment in excess of \$10,000, the court may certify such action to the District of Columbia Court of General Sessions for trial. The pleadings in such action, together with a copy of the docket entries and of any orders theretofore entered therein, shall be sent to the clerk of the said Court of General Sessions, together with any deposit for costs, and the case shall be called for trial in that court promptly thereafter; and shall thereafter be treated as though it had been filed originally in the said Court of General Sessions, except that the jurisdiction of that court shall extend to the amount claimed in such action, even though it exceed the sum of \$10,000."

SEC. 4. Subsection (c) of section 5 of such Act approved April 1, 1942, as amended (D.C. Code, sec. 11-756(c)), is amended to read as follows:

"(c) The District of Columbia Court of General Sessions shall have the power to compel the attendance of witnesses by attachment and any judge thereof shall have the power in any case or proceeding whether civil or criminal to punish for disobedience of any order, or contempt committed in the presence of the court by a fine not exceeding \$50 or imprisonment not exceeding thirty days. At the request of any party subpoenas for attendance at a hearing or trial in the District of Columbia Court of General Ses-

sions shall be issued by the clerk of the said court. A subpoena may be served at any place within the District of Columbia, or at any place without the District of Columbia that is within one hundred miles of the place of the hearing or trial specified in the subpoena. The form, issuance and manner of service of a subpoena shall be as prescribed by Rule 45 of the Federal Rules of Civil Procedure."

SEC. 5. (a) Section 1114 of the Act entitled "An Act to establish a code of law for the District of Columbia", approved March 3, 1901 (31 Stat. 1189; D.C. Code, sec. 11-1520), is hereby repealed.

(b) The paragraph relating to witness fees under the heading "District of Columbia" in the Act entitled "An Act making appropriations to supply deficiencies in the appropriations for the fiscal year ending June thirtieth, nineteen hundred and two, and for prior years, and for other purposes", approved July 1, 1902 (32 Stat. 552, 561; D.C. Code, sec. 11-1520a), is amended by striking "cases in the police court of the District of Columbia" and inserting in lieu thereof "criminal cases in the District of Columbia Court of General Sessions".

(c) The fees and travel allowances to be paid any witness compelled by subpoena to attend any branch of the District of Columbia Court of General Sessions other than the criminal branch shall be the same amount as paid a witness compelled to attend before the United States District Court for the District of Columbia.

SEC. 6. The court established by section 6 of the Act of April 1, 1942 (56 Stat. 190; D.C. Code, sec. 11-771), hereafter shall be known as the "District of Columbia Court of Appeals". Wherever reference is made in any Act of Congress (other than this Act) or in any regulation to the Municipal Court of Appeals for the District of Columbia, such reference shall be held to be a reference to the District of Columbia Court of Appeals.

SEC. 7. This Act shall take effect on the first day of the first month which begins after the sixtieth day following the date of its enactment.

Mr. WHITENER. Mr. Speaker, the pending measure, H.R. 12708, a bill to increase the jurisdiction of the municipal court for the District of Columbia, to change its names, and for other purposes, is a clean bill. Following hearings on the original bill, H.R. 12202, by a subcommittee of the Committee on the District of Columbia, changes were approved by the subcommittee and H.R. 12708 was introduced.

The purposes of H.R. 12708 are the following: First, to change the name of the municipal court of the District of Columbia to the District of Columbia Court of General Sessions; second, to change the jurisdiction of the court as to the value in controversy by increasing the amount from the present maximum of \$3,000 to \$10,000; to give the court of general sessions the power to secure the attendance of witnesses within a radius of 100 miles of the place of the hearing or trial; and third, to change the name of the municipal court of appeals of the District of Columbia to the District of Columbia Court of Appeals.

The present maximum jurisdiction amount for the municipal court was established at \$3,000 by the act of April 1, 1942—56 Stat. 190. In 1958, when Congress was studying methods of relieving the U.S. district courts of their increasing burden, it was proposed that the jurisdictional amount of the U.S. district courts be increased to a minimum of \$10,000.

Such legislation—Public Law 85-554; 72 Stat. 415—was approved and the new jurisdictional minimum has been operative in other U.S. district court jurisdictions but not in the District of Columbia.

The question of increasing the jurisdictional amount of the municipal court of the District of Columbia from \$3,000 to \$10,000 and the proposal to empower the court to secure attendance of witnesses within a radius of 100 miles came before the Judicial Conference for the District of Columbia in May 1960. Thereafter, study committees were set up to review the problems involved in the proposed changes and to make recommendations for legislative action. The study committee recommendations were reviewed and further views and recommendations were expressed by the judicial council, the judicial conference and the bar association. The pending bill, H.R. 12708, represents the product of this careful legislative effort.

At hearings on the legislation, the committee was advised that the bill was approved by the Judicial Conference for the District of Columbia, the Bureau of the Budget, the Commissioners for the District of Columbia, and the bar association. Favorable testimony was received by the committee in behalf of the chief judge of the U.S. District Court for the District of Columbia, and the chief judge of the U.S. Court of Appeals for the District of Columbia. Similar approval and support for the bill was expressed by representatives of the municipal court of appeals and the municipal court for the District of Columbia. No witness nor any communication to the committee expressed any objection to the legislation.

The first section of the bill provides that the municipal court established by the act of April 1, 1942, shall be known as the District of Columbia Court of General Session. This, the committee believes, is in keeping with the dignity and importance of the court.

Section 2 of the bill provides that the court of general sessions and its judges shall have the same powers and jurisdictions as were available to the court immediately preceding the effective date of these amendments. In addition, the court shall have exclusive jurisdiction of civil actions, including actions against executors, administrators and other fiduciaries where the value in controversy does not exceed \$10,000, exclusive of interest and costs. The court of general sessions shall also have jurisdiction of all cross-claims and counterclaims interposed in all actions regardless of the amount of such claims. The section also assures that the U.S. District Court for the District of Columbia shall continue to exercise the same powers as to all actions over which it has jurisdiction.

Section 3 provides that in any action for other than equitable relief, pending on the effective date of these amendments or commenced thereafter in the U.S. District Court for the District of Columbia, if the court is satisfied at or after any pretrial hearing but before trial that the action will not justify a judgment in excess of \$10,000, the court

may certify the action to the District of Columbia Court of General Sessions. In such case, the pleadings, docket entries, court orders, and any deposit for costs shall be sent to the clerk of the court of general sessions. The case shall be treated as though it had been originally filed in the court of general sessions which shall have jurisdiction even though the amount claimed is in excess of \$10,000.

Under the terms of section 4, the court of general sessions is given the power to compel the attendance of witnesses in cases pending before it and enforce its orders. The court may serve subpoenas within a 100-mile radius of the place of hearing or trial. The procedure for the service of subpoena shall be as prescribed in rule 45 of the Federal Rules of Civil Procedure.

Section 5 of the bill repeals the present provisions of law as to the payment of fees and travel allowances to witnesses in civil cases who are compelled to attend the municipal court of the District of Columbia and provides that such fees and travel allowances shall be the same as in cases before the U.S. District Court for the District of Columbia. This section also continues the present witness fees for the court of general sessions as are provided for the municipal court in criminal cases.

Section 6 of the bill provides for the changing of the name of the "District of Columbia Municipal Court of Appeals" to the "District of Columbia Court of Appeals."

Section 7 provides the effective date for the act. This date is the first day of the first month which begins 60 days after the enactment of the bill.

This bill, H.R. 12708, was reported to the House by the full Committee on the District of Columbia, all members present concurring in recommendation of its approval by the House.

Mr. Speaker, I move the previous question.

The previous question was ordered.

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.

AMENDMENT OF FOREIGN SERVICE BUILDINGS ACT, 1926

Mr. MADDEN. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 741 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 (H.R. 11880) to amend the Foreign Service Buildings Act, 1926, to authorize additional appropriations, 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 Foreign 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.

CALL OF THE HOUSE

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

The SPEAKER pro tempore. Evidently a quorum is not present.

Mr. DAVIS of Tennessee. 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. 190]

Abernethy	Gilbert	Mosher
Andersen,	Goodell	Moss
Minn.	Granahan	Moulder
Avery	Grant	Multer
Baring	Gray	Nedzi
Barrett	Green, Oreg.	O'Brien, N.Y.
Bass, N.H.	Griffiths	O'Hara, Mich.
Battin	Gubser	Osmer
Blitch	Hansen	Powell
Bolling	Harrison, Va.	Purcell
Boykin	Harrison, Wyo.	Randall
Breeding	Harsha	Reece
Brewster	Harvey, Ind.	Riley
Bromwell	Healey	Rogers, Tex.
Broomfield	Hébert	Santangelo
Buckley	Hoffman, Ill.	Saund
Cannon	Hoffman, Mich.	Schadeberg
Casey	Hull	Scott
Celler	Ichord, Mo.	Scranton
Chamberlain	Inouye	Seely-Brown
Clark	Jarman	Shelley
Coad	Jonas	Sheppard
Collier	Jones, Mo.	Shipley
Colmer	Karsten	Shriver
Conte	Kearns	Smith, Miss.
Cook	Kilburn	Smith, Va.
Corman	King, Utah	Spence
Cunningham	Kitchin	Stephens
Curtis, Mass.	Kyl	Stratton
Curtis, Mo.	Landrum	Taber
Derwinski	Lankford	Thompson, La.
Diggs	Latta	Thompson, N.J.
Dingell	Lesinski	Thornberry
Dole	Loser	Tuck
Dooley	McSween	Tupper
Dulski	McVey	Van Zandt
Durno	Macdonald	Weis
Ellsworth	Martin, Mass.	Whitten
Farbstein	Martin, Nebr.	Wickersham
Findley	Mason	Winstead
Flood	Merrow	Yates
Flynt	Minshall	Younger
Frazier	Moeller	Zelenko
Garland	Moore	
Gialmo	Moorhead, Pa.	

The SPEAKER pro tempore. On this rollcall, 303 Members have answered to their names, a quorum.

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

AMENDING THE FOREIGN SERVICE BUILDINGS ACT

The SPEAKER pro tempore. The Chair recognizes the gentleman from Indiana [Mr. MADDEN].

Mr. MADDEN. Mr. Speaker, I yield 30 minutes to the gentleman from California [Mr. SMITH]; and pending that I yield myself such time as I may require.

Mr. Speaker, House Resolution 741 provides for the consideration of H.R. 11880, a bill to amend the Foreign Service Buildings Act, 1926, to authorize additional appropriations for the acquisition of sites and buildings in foreign countries for use by the United States, and for other purposes. The resolution

provides for an open rule with 2 hours of general debate.

The purpose of H.R. 11880 is to authorize an appropriation of \$31,806,000 for the purchase, construction, major alteration, and long-term leasing of buildings overseas needed by the Department of State in connection with the operation of its 293 posts. The amount authorized in the reported bill will make available to the Department sufficient funds to carry out the 2-year building program justified to the committee. The bill also authorizes the appropriation of such additional sums as may be necessary for the operational activities of the building program such as maintenance, repair, and furnishing. Finally, the bill deletes from existing law all references to the Foreign Service Buildings Commission.

Mr. Speaker, I urge the adoption of House Resolution 741.

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

Mr. Speaker, House Resolution 741 provides for the consideration of H.R. 11880, on an open rule with 2 hours of general debate.

The purpose of H.R. 11880 is to authorize an appropriation of \$31,806,000 for the purchase, construction, major alteration and long-term leasing of buildings overseas which are maintained by the Department of State in connection with the operation of its 293 posts. This is a 2-year building program. In addition to this money there will be approximately \$11 million per year for alterations, repairs and the like.

There is undoubtedly some waste in this program. There are undoubtedly some buildings that will cost more than perhaps we should pay to construct them. But this is the type of program, in my opinion, that is extremely difficult to police. Certainly the Members of the House individually are not able to go around the world and check on the building of these various buildings to determine whether the cost is correct or whether we especially need them. In that regard we rely upon the committee.

The report, in my opinion, is a very good report. I think the testimony of the members of the committee before the Committee on Rules was entirely honest and straightforward.

When this program was originally submitted to the committee on a 4-year basis with \$100 million requested, they sent it back to the administration, as I understand it, and said, "We will not do it on a 4-year basis, we are going to reduce this to a period of 2 years. You are asking for too much money." The administration came in with the request for a little over \$40 million, and the committee has reduced that to about \$32 million.

They have said in all honesty that there are too many people overseas. If they provide fewer facilities for them they think there may be less desire to send more people overseas.

I was impressed by the gentleman from Indiana [Mr. ADAIR] who stated that in his 10 years on this committee he believes this is the most thorough review this program has ever had. The gentleman

from Ohio [Mr. HAYS] was very straightforward in saying that the committee intended to police this program to see that there are no waste or unnecessary expenditures therein. We will probably have some questions on Africa, as to whether the buildings there are necessary.

I think the program was considered in a very able way by the committee. I support the bill, and I know of no objection to the rule.

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

The previous question was ordered.

The resolution was agreed to.

Mr. HAYS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 11880) to amend the Foreign Service Buildings Act, 1926, to authorize additional appropriations, 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 H.R. 11880, with Mr. DAVIS of Tennessee in the chair.

The Clerk read the title of the bill.

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

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

Mr. Chairman, I well realize that this piece of legislation is not one which will grip the Committee with consuming interest all the way through it, but I will say that the subcommittee of which I am chairman was faithful in its attendance. We did hear the administration witnesses and examined them thoroughly.

As has been stated in the debate on the rule, we told them to submit a 2-year program, that we felt 4 years was too long for us to give an authorization and try to police it. They did come back with a 2-year program.

We were concerned with the foreign buildings. We hope that we can reduce the amount of money we pay out in rents and quarters allowance and by acquisition we can save the Government money.

In the case of Africa which caused the most questioning in the Committee on Rules, we pointed out that we are paying at the present time in Africa the sum of \$1,236,802 for leases. Many of these leases are written in such a way that when they expire, the rental goes up. Space is in very short supply in Africa and rentals are exceedingly high. We have a 2-year program of \$5,747,000 for residential buildings which will take care of about half of the personnel that are presently in Africa. I might say, we lectured the Department at length about keeping the number of personnel down. If this building program is carried through, it will result in an annual savings in rents of \$707,303 per year; or in 8 years we will have saved enough to pay for the cost of the building program.

The committee felt that this makes sense. We, therefore, have cut the requests for Africa less percentagewise than in any other area.

There were some questions about the situation in Paris. This is a matter to

which the committee has given a good deal of study. The problem in Paris as it exists today is that the offices for American personnel are scattered all over the city. We own a lot of property in Paris. There are four different major locations. It is proposed to consolidate and to dispose of some of the property so as to get away from so much driving around from place to place, by consolidating our activities in one place. Although the total appropriation in the bill may seem large, actually the sale of property, the money from which will revert to the Treasury will cut that down to a rather negligible figure.

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

Mr. HAYS. I yield to the gentleman. Mr. CEDERBERG. With reference to this Paris situation, can the gentleman enlighten us on just what is contemplated? As a member of the appropriations subcommittee handling this very same question, I wonder if the Department of State has really come to a decision as to what they are going to do in the way of consolidation and whether the matter of a new residence for the Ambassador has come up for discussion.

Mr. HAYS. As the gentleman, perhaps, knows, we have an embassy residence on the Avenue Gabrielle. At the moment it is proposed to sell that at quite a good price which is, I believe, approximately a million dollars. We also own property known as the Rothschild property which is about two doors from the chancellery. This property will need extensive rehabilitation, if it is to become usable. But, at the moment it is standing there almost unused. It is one of the most valuable pieces of real estate in Paris. Even by spending a considerable amount of money—more than we will get from the Avenue Gabrielle property—to rehabilitate it, it will be property which will be worth more and which, in my opinion, will go up in value all the time.

The gentleman is familiar with the situation in the Bois de Boulogne where the NATO building is. The French Government has just about agreed to let us have a piece of property directly across the circle which is now part of a park where we can put up an office building so that the people who are directly concerned with the NATO operations will be able to save a lot of time instead of having to drive through Paris from the Talleyrand Palace and other places through heavy traffic. This way they can merely walk across the street to NATO headquarters. But it is the opinion of the subcommittee that it will make a difference of about a million dollars which will be released from the sale of the property from what this program would cost not including the cost of construction of a new office building.

Mr. CEDERBERG. The reason I raise the question is because on this matter of consolidation, I believe, we have about five properties there now and, if I understand correctly, on the Avenue Gabrielle where the main Embassy is at the present time, that will remain intact and we will build another building to be used for the NATO building.

Mr. HAYS. That is correct.

Mr. CEDERBERG. So we will still have two buildings instead of five?

Mr. HAYS. That is right. Then the Ambassador's residence will be moved to the Rothschild property, which is about a half block from the chancellery. This will not require travel through heavy traffic.

Mr. CEDERBERG. The reason I have questioned the Ambassador's residence is because I recognize that in the neighborhood of the present Ambassador's residence you have a traffic problem that does cause some concern. However, in 1948 we paid \$1,459,000 for this building and the gentleman knows that if we were to restore the present property it would cost another million and a half. I am taking figures from the hearings in the gentleman's committee. So the expense would be considerable.

I was over there with my colleague, the gentleman from California [Mr. LIPSCOMB]. We went through that Rothschild property. It seemed to us that this would be a good place to build an office building. I understand, however, that they want to be closer to NATO. I realize there are a lot of employees of the present Embassy working under almost intolerable conditions, but I have a deep and serious concern about the fact that we would have some \$4 million tied up in a residence for the Ambassador, and that just seems to me exorbitant.

Mr. HAYS. I am sure the gentleman knows the nature of the property. It would be used not only for a residence but many offices would be in the area, so we would get some additional office space. It looks high as the gentleman states it, and his figures are as sound as anything any of us have, but when the gentleman realizes that the purchase of this property was made with counterpart funds, and they are funds we could not use except for acquisitions of this kind that we would probably have lost on conversion, the price is not so high, especially when it is realized we can sell the Avenue d'Ilena property.

Another factor that has to be considered is that it must be in keeping with other buildings in the area—the British Embassy is next to ours. Another factor is adequate space for conferences at the Presidential level and the secretarial level, a problem which arose, as the gentleman will remember, when former President Eisenhower was there with his staff.

The figures look high as the gentleman states them, but as you evaluate them further they do not seem so high.

Another factor that has to be taken into consideration is the Paris Beaux Arts Commission. While the Rothschild mansion may be a shell, French authorities do not want it turned into a high-rise office building.

Mr. CEDERBERG. I realize there is some question with the Beaux Arts people, but I understood that the office could be erected on the back side of the Rothschild property. I had understood the project could be handled so it would be in line with the regulations.

Mr. HAYS. The exterior would have to conform at least to the wishes of the Beaux Arts Commission. You cannot

build a high-rise office building within the limitations. I do not know whether the gentleman is familiar with the site by the NATO building. There is space for an office building there no matter what we do with the Rothschild site.

Mr. CEDERBERG. If the gentleman will yield for another question, there is no escaping the fact that the present property needs modernizing; I think it certainly needs it. Is there any thought of moving the entire Embassy out to this NATO area now that we are getting this international complex out there?

Mr. HAYS. If there is, it has not been brought out. We feel this is a sensible solution. The committee was unanimous in its decision as was the subcommittee, and I am sure this can be testified to by the gentlewoman from Ohio [Mrs. BOLTON], and the gentleman from Ohio [Mr. ADAIR], who were very regular in attendance.

We were convinced that is the feasible thing to do, with a very little cash expenditure when you consider what we would be taking in.

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

Mr. HAYS. I yield to the gentleman from New York.

Mr. BARRY. The gentleman stated that this property was purchased with counterpart funds. Would the construction of a new building in NATO and the repair of the Rothschild Building be also with counterpart funds?

Mr. HAYS. We put in the report we expected them to use local currency funds whenever it was available and feasible. I understand there will be an amendment submitted which will write that into the bill. The committee is prepared to accept that amendment. We thought putting it in the report would do the job, but if it is written into the bill, that is fine with me and fine with the other members of the committee, because we consulted with them. Exactly what local currency funds are available in France I do not know, but I think there is sufficient that would probably see this thing through.

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

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

Mr. GROSS. On page 2 of the report it is stated that the subcommittee recommends \$31,806,000. On page 5 of the report there is a table which states that the committee recommendation is \$27,250,000. Can the gentleman tell me why this difference in figures?

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

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

Mr. ADAIR. I have a copy of the bill here and I may say to the gentleman if he will turn to page 2 of the bill, paragraphs (F) and (G) will total to the amount necessary to increase the \$27 million figure to the \$31.8 million figure.

Mr. GROSS. So it is then as the committee report states on page 2, \$31,806,000?

Mr. HAYS. Yes. That includes the U.S. Information Agency funds. The first figure included only the State Department.

Mr. GROSS. Is this the total expenditure for these buildings or is there other money authorized to be expended by way of counterpart funds that do not show up here?

Mr. HAYS. No. I will say to the gentleman we had intended, and had written into the bill, a continuing authorization for maintenance and repairs. In other words, under the present law, if the wind blows the roof off a building, they have to have money authorized and appropriated to fix it. We met with some questions and resistance in the Rules Committee, I will be very frank with the gentleman, so the committee has an amendment authorizing a specific fund for annual maintenance and repairs for 2 years. I propose at the proper place to offer that amendment. It will be on page 3, line 8, of the bill and will make specific authorization for each of the fiscal years 1963 and 1964. That will run in the neighborhood of \$11 million a year. So that the total amount authorized and including new construction, the U.S. Information Agency, maintenance and repairs will total \$53 million.

Mr. GROSS. The maintenance and repair item is in addition to the \$31 million?

Mr. HAYS. Yes. The \$31,806,000 is for acquisition and new construction.

Mr. GROSS. That will total around \$50 million.

That would be, then, the total expenditure for new construction, for maintenance and repair, and for renovation and remodeling; is that approximately correct?

Mr. HAYS. That is correct.

Mr. GROSS. What is the situation then with respect to counterpart funds? Will they be purchased out of these funds?

Mr. HAYS. That is right. The local currency funds are held by the Treasury. If we authorize \$53 million and if the Committee on Appropriations appropriates substantially that amount, wherever they use local currency funds, it would actually be a bookkeeping transaction. They would take dollars appropriated and pay the Treasury for the like amount of local currency funds and use that currency in construction.

I might tell the gentleman the total amount expended over the years for this program is about 85 percent in local currency funds and not in dollars. Page 4 of the committee report gives the details. We have had a very fine record on that. We have accumulated a substantial amount of property around the world for which we are not paying rent and which we obtained with money which we could not otherwise have used.

I might say further that out of around \$241 million total expenditures—all but about \$32 million have been local currency funds. About \$209 million have been local currency funds.

Mr. GROSS. If the gentleman will yield further, we can thank the farmers of this country and their surpluses disposed of under Public Law 480 for some help in this direction—a small part of the help in this direction?

Mr. HAYS. Yes; very definitely. I would anticipate—and I am speaking

only for myself—that there would be some Public Law 480 funds used in this particular program.

Mr. GROSS. I would hope so.

Mr. HAYS. And, the amendment will provide that to the maximum extent possible they be used. We hope that that will represent a very high and substantial amount.

Mr. GROSS. The gentleman spoke of space and rentals. I do not want to take all of the gentleman's time. Does the gentleman care to yield further?

Mr. HAYS. I would be glad to yield further to the gentleman from Iowa.

Mr. GROSS. The gentleman spoke of space being scarce and rentals high in Africa. The space would not be so scarce and the rentals so high if this Government did not have so many people over there. Does the gentleman agree or disagree with that statement?

Mr. HAYS. The gentleman will agree, and I am sure the distinguished gentleman from Iowa has probably read the hearings more thoroughly than anyone not on the committee.

Mr. GROSS. Yes, I have read the hearings, I will say to the gentleman and they are the most informative that have come out of the Foreign Affairs Committee in years. I commend the gentleman from Ohio and his subcommittee.

Mr. HAYS. The gentleman I think would find in the hearings that the chairman of the subcommittee who is now speaking lectured the representatives of the various agencies and departments repeatedly about the number of people they have. I think we have made some impression upon them, and we are going to keep on doing it, because I could not agree more that many of these African countries, as small as they are, with a small population require a certain basic number of people to run any kind of embassy, but there is no use ballooning the staffs. Therefore, we have made it perfectly clear that within a period of 2 years they are going to get into serious trouble if that situation is not corrected and if these staffs are not brought within reasonable figures.

Mr. GROSS. Is there any evidence of a change in this sort of a situation—and I gleaned this from your hearings—in the request for a \$70,000 residence for the Ambassador in Uganda as well as a \$175,000 house for the Ambassador in Somalia? Did the committee take a position with respect to changing those plans?

Mr. HAYS. Yes. The committee told them that it thought these figures were too high. I am sure the gentleman can gather this from the hearings: No one was harder on them than I was.

Mr. GROSS. I agree with that. The gentleman repeatedly made his position clear.

Mr. HAYS. But, taking Somalia, for example, it looks like a high figure, and it is a high figure. But one has to take into consideration the fact that there is no water supply, no sewage system, and there is no electricity for this Ambassador's residence and compound. We have to provide our own electrical plant, water system, and a sewage disposal system. These items are

what runs the price up in that particular instance. I am against that kind of money being expended in any country like that. We made it clear to them that we expect those figures to be cut down. I am sure the gentleman read about the fight with reference to the Ambassador's residence in Cyprus where they wanted \$300,000 for the Ambassador's residence.

We told them that this was ridiculous and to forget the plans which they had for such construction, and to obtain some new ones and start over and cut it down at least by 50 percent or better.

If these people who represent the Department will do as we suggest—and frankly I say this without any fear of reservation—they will all try, and if I am chairman of the subcommittee when they come back in the next Congress and they have not done as the subcommittee has indicated or tried to save money, and hold down costs, they will have a real rough time getting any funds at all on which to operate in the future.

Mr. GROSS. Mr. Chairman, I hope that through this and other devices they will be impressed with the necessity of getting rid of some of the surpluses of personnel they have in these foreign countries. As the gentleman from Ohio well stated in the hearings time after time, "You have altogether too many chiefs for the number of Indians you have." I hope the committee will bear down and bear down hard upon this surplus of personnel overseas that brings about unnecessary spending to house and otherwise take care of them.

With respect to Somalia, the gentleman made a very good point in the hearings, I thought, that within 10 years or even less, there may be no Somalia as an independent country, as an entity. If that is true then this Government is going to spend a lot of money to really no good purpose.

Mr. HAYS. Mr. Chairman, I might tell the gentleman an interesting little story about that, and I think I shall take a minute to do it. He might be interested to know that the deskman for Africa came up and wanted me to delete that remark from the hearings because it might offend somebody in Somalia. I said, in the first place, I do not think anybody in Somalia is going to read these hearings; if they do and they are offended by an actual statement of fact, that is just too bad; they would have to be offended.

In other words, the people from the Department did not dictate to the subcommittee. We listened to them, we criticized them, sometimes we sympathized with them. But I think, and I am sure my colleagues on the gentleman's side of the aisle can testify, we made an impression on them.

Mr. GROSS. I thank the gentleman for yielding so much of his time and for his frankness in dealing with this subject.

Mrs. BOLTON. Mr. Chairman, I yield myself such time as I may require.

Mr. Chairman, I simply want to say that I echo in every regard what the chairman of the subcommittee has said. I have been on this committee some

time and I can truthfully say that we have never had such thorough hearings, nor have we ever had such a responsive group from the administration. They listened to our complaints and assured us they would conform. We are going to see how much they really digested of what they were given.

The gentleman from Ohio [Mr. HAYS] is an exceedingly hard taskmaster, but he is exceedingly just. There were several times when he and I disagreed, but that is all right, too. The justice of his final word has been very much appreciated in the Department as well as by the other members of the subcommittee.

Mr. Chairman, I yield 5 minutes to the gentleman from Indiana [Mr. ADAIR].

Mr. ADAIR. Mr. Chairman, I would urge the committee and the House to adopt this bill. It is a very carefully thought out and worked over piece of legislation. There are two or three things, perhaps, that might be pointed out about it in addition to what has already been said.

In the first place, when this legislation was brought before the subcommittee, it called for a 4-year program costing in the neighborhood of \$100 million. It was immediately sent back with the admonition that we did not want that much of a program. When it was returned to us as a 2-year program, it called for the approximate amount of \$40 million for the building and long-term leasehold aspects of it.

As has been pointed out, the subcommittee reduced that part of the bill to something over \$31 million, a reduction of between \$8 and \$9 million.

The question always presents itself, I suppose, as to whether an authorization of this sort should be for the world at large without any regional political boundaries or whether it should be made for specific countries. The subcommittee chose neither. It chose, upon reflection and discussion, to make this authorization available by regions of the world. Those who are interested may refer to page 5 of the report and there find the five regions of the world, the amount of the executive request, and the committee recommendations for these various regions. It was felt, Mr. Chairman, that by this device certain elasticity and flexibility would be provided to the Committee on Appropriations to work within these boundaries. We would not be hampering them by tying them down to specific countries but we would be giving them the opportunity to work within these regions of the world. That is what we desire to do.

Reference has been made here earlier this afternoon to the use of local foreign currencies. It has been suggested that possibly an amendment along this line would be offered, and it is my intention to offer such an amendment. In the hearing before the Committee on Rules the gentleman from Kansas [Mr. AVERY] and others suggested that although we have wording in the report and although the hearings are replete with statements that local currencies would be used, and although the record indicates that such has been the case in the past, many

would feel more assurance if we did actually write into the legislation the stipulation that these currencies must be used to the extent possible. Therefore, at the appropriate time this will be done.

Mr. Chairman, I should like to conclude by echoing a statement that has been made here today, that is, that I think within the experience of most of us now serving on the Committee on Foreign Affairs this proposal has received the most careful consideration by all odds of any such proposals as have come before us. We went over the situations country by country, city by city, and project by project. It is true that in many of these areas, and I would refer particularly to some of the newly independent nations of Africa, the costs seem excessive, but we made the closest inquiry upon these matters. We required assurance that the U.S. Government was not paying more than other countries or other individuals. In case after case we went into it on this basis. So that although the costs do seem high, as the chairman of the subcommittee has indicated, in practically all instances we believe they are comparable with costs for similar developments in the respective countries.

On the basis of the study that has been made and the assurances which have been given, and upon the further basis of the amendments which are to be offered, I would urge the adoption of this legislation.

Mr. HAYS. Mr. Chairman, I yield 5 minutes to the gentleman from Connecticut [Mr. MONAGAN].

Mr. MONAGAN. Mr. Chairman, I rise in support of this bill.

This is really a housekeeping bill. It is something that we as a nation are compelled to consider and act upon as a result of the many branches of our Foreign Service which represent us throughout the world. Certainly, it costs us a great deal of money but it is a necessity for the proper carrying on of our diplomatic service that the members of the Foreign Service and the office in which they do their work should be physically adequate. This is a somewhat complex matter because the buildings with which we are concerned are located all over the world. Many of them are situated in Africa, as the chairman has said, and the need for action there has come suddenly.

The birth of these new governments is something over which we have no control. That is beyond our power, but it is necessary, when governments are created, that we have representatives to deal with them and, therefore, this housekeeping or functional activity is necessary.

I want to express my appreciation too for the careful manner in which the hearings on this bill were conducted. I am proud to be on this committee which has so carefully gone into this very complex and difficult matter. The chairman was extremely cautious and extremely searching in his questioning of the witnesses who appeared before the subcommittee.

I should like to say too that the representatives of the Department of State were, in my opinion, exceedingly forth-

right and frank and cooperative. They are not often the recipients of bouquets on this floor, but I should like to be an exception to the rule and pass on a few compliments. I feel that the procedure in this committee might well serve as a model for other relations between the executive and legislative branches of Government in important matters such as the considerations with which this bill is concerned.

With reference to the use of foreign currency which was previously referred to, I should like to point out the table on page 4 of the committee report which shows that throughout the years from 1946 until the present time, the sum of \$209 million has been appropriated for the use of foreign currency as against a U.S. dollar appropriation of \$32,525,000. This is an important and constructive use of counterpart and has saved us many dollar expenditures.

I should like to say, too, that the Public Law 480 funds which the gentleman from Iowa [Mr. GROSS] referred to amount to \$9,150,000 and that this sum in foreign currencies is in addition to the amounts contained in the table to which I refer.

There is one other point which I should like to mention and it is an important point. That is the interest that the committee has had, and this interest is set forth specifically on page 5 of the report, in requiring that buildings abroad be furnished with materials and equipment of American manufacture. Certainly, we do not want to be chauvinistic about this matter, but the fact remains there are many times when it is unnecessary that exclusively foreign materials be bought for our buildings and there are many times instead when it is appropriate from an esthetic point of view that American furniture and American equipment be used in these buildings. This has been pointed out in our report and, I am sure that the representatives of the department will bear this in mind in future purchases. It has importance at a time when we are concerned with our balance of payments.

So, Mr. Chairman, I believe this is a very constructive bill. I would call to the attention of the committee in closing the table on page 5, in which there is set forth a division of authorizations into regions and where the African countries, the American republics and so forth are considered separately rather than on a worldwide basis. I think this contributes to clearer thinking and better legislation than otherwise might be the case.

The CHAIRMAN. The time of the gentleman has expired.

Mrs. BOLTON. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. BARRY].

Mr. HAYS. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, I take this time to say just one word about something I forgot that the gentleman from Connecticut [Mr. MONAGAN] brought out, that is the matter of furnishings and equipment for some of these embassies.

We made it very plain to the people in the State Department that an American

Embassy was a bit of America abroad. When we found that they were buying their silver, for example, in Peru, their glassware in Sweden or some other foreign country, and the same with other things, we told them that American silver and glass manufacturers had a product which is beautiful, which is unique, and which should be used in the Embassy. I cited as an example the British Embassy here in Washington. They are very proud to serve visitors on British china and other products of the British Empire. I do not see any reason why we should not be proud to have our Embassy not exclusively using everything American, but at least a substantial part. It would have an effect on the outflow of gold, but also it would reflect some of the art and industry of America.

Mrs. BOLTON. Mr. Chairman, I yield 5 minutes to the gentleman from Iowa [Mr. GROSS].

Mr. GROSS. Mr. Chairman, I think the cart is before the horse in this bill and I doubt very much that I can support it to the tune of \$53 million.

When I say the cart is before the horse, I think Congress ought to have some clear assurance that the State Department and other agencies will cut the personnel they have overseas before we build residences, apartments, and embassies to accommodate the surplus.

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

Mr. GROSS. I yield.

Mr. ADAIR. It can be said that by the reduction the committee has made in some of the requests in all probability a reduction in personnel will result; in other words, if there are not places to house people in a good many of these countries abroad, the newly independent ones particularly, in my opinion they are not going to send people there. I think that will serve as a governor upon the number of people.

Mr. GROSS. I will say to the gentleman that I am pleased to see the ranking members of the Appropriations Subcommittee on the floor at this time, the gentleman from New York [Mr. ROONEY] and the gentleman from Ohio [Mr. BOW]. It is my hope that when this bill is approved and goes to the Appropriation Committee for funds that they wade in, as I am sure they will, and find out the why of this overstaffing in so many oversea posts.

Mr. ADAIR. As I pointed out to others this afternoon, we certainly would welcome a very close scrutiny on the part of the Subcommittee on Appropriations that deal with this matter. We have tried by this legislation to set guidelines and general philosophy, but there is certainly plenty of room for the Committee on Appropriations to operate in.

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

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

Mrs. BOLTON. I want to make it very clear that the State Department itself does not occupy all of this property. You will note in the report that the Department of Agriculture, the USIA, and various other departments, including

Defense, have representatives over there. Instead of making it necessary for them to go out on their own and find housing for these people, which would be difficult, we have taken them all into this bill and we are insisting on a cut of personnel.

Mr. GROSS. I may say to the gentleman from Ohio that my remarks are not confined to the State Department. They are directed to all other agencies, including the Peace Corps, which I notice is coming in for quarters in some of these compounds and residences that are in existence and proposed to be built.

Mrs. BOLTON. I thank the gentleman for his assistance.

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

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

Mr. HAYS. This committee has no jurisdiction over authorizing money to pay the salaries of personnel. That is a continuing authorization. The committee headed by the gentleman from New York [Mr. ROONEY] and the gentleman from Ohio [Mr. Bow] has done a very good job in holding these figures down. I told the witnesses I did not mean any reflection of the two gentlemen I just mentioned. However, these were ceilings and on past performance we expect they may not get up to the ceiling. I will say to the gentleman from New York [Mr. ROONEY] that his committee passes on the amounts to be allocated for salaries. I am sure the gentleman has read this in the testimony. When we questioned them about the number of people at a post, we found a minor number of them were State Department people. There were people over there from every other agency of Government. I am talking from memory now, but in Liberia we found in that country of a few million population that there were 501 American personnel.

Mr. GROSS. That is right.

Mr. HAYS. Which is one for every 2,000 Liberians. Again I am speaking from memory, but I think Mr. ROONEY and Mr. Bow had only authorized money for a very small number. The rest of the 501 came from the Department of Agriculture, the Department of Commerce, AID, and other departments and agencies. I think the State Department is getting into a crossfire not only from this subcommittee but also from the Subcommittee on Appropriations.

Mr. GROSS. What we are doing here, at least to some extent, is providing accommodations, residence, and what have you for all of these people.

Mr. HAYS. I may say to the gentleman not nearly all of them were State. We told them that they would have to cut their personnel down to fit the buildings.

Mr. GROSS. Your hearings show—and correct me if I am wrong—that 4 years ago the State Department had one officer in Brazzaville, however it is pronounced. I cannot pronounce any number of these names.

Mr. HAYS. The gentleman is right.

Mr. GROSS. Today, how many? Ten officers of one description or an-

other. Do I understand that with other and lesser American employees and natives it all adds up to 501 people on our payroll in Brazzaville?

Mr. HAYS. No. That was in Liberia. I may say to the gentleman I brought that out in committee because I had been in Brazzaville 4 years ago. There was one person at that time. Now there are 32. But let me say I am not defending them because I was rough on them. Brazzaville is directly across the river from Léopoldville. Brazzaville is the capital of the Congo, which we knew as the French Congo.

The explanation was—and I think it was at least partially justified—that they had more people over there because of the sensitivity of the situation across the river. Once that quieted down they would not need nearly so many on the French side of the Congo. But these are two separate countries. You can cross the river there within 15 or 20 minutes by boat. This is the reason we have some people over there, which is another country where they are safe and where they can conduct their business without shooting in the streets, and what have you.

Mr. GROSS. In connection with Dakar—if that is the way it is pronounced—you questioned State Department officials and they stated that aside from the Deputy Chief of Mission they had two political officers, an economic officer as well as an administrative officer. I do not know whether one of those was the labor officer or not. You questioned whether there should be a labor officer in such a post, and so do I.

Mr. HAYS. I say to the gentleman again that I did question them. I again say that we have no authority in this committee to make them cut down. If they have too many at many of these posts, and I am sure, based upon what I have heard on the floor year in and year out, that the members of the Committee on Appropriations and others think so. I cannot say anything else to the gentleman.

Mr. GROSS. I agree with the gentleman. But it adds up to one thing: We are building housing accommodations for a substantial number of unnecessary employees and with servants' quarters so they will have them at their beck and call. Some of them never had it so good.

Then, there is another reason why there is apparently some overstaffing, which reason is to be found on page 86 of the hearings when Mr. Dumont said "Whether we like it or not in the Foreign Service, we have people come in under the recommendation of the Government—Agriculture, Members of Congress—and we have to take care of them. We are glad to take care of them. A lot of them are chores." Perhaps Congress can take credit for at least a little of this.

I am not opposed to oversea travel on the part of Members of Congress if those who engage in it work at the job of trying to ascertain how the taxpayers' money is being spent. I think the value of some of the traveling showed up in the questioning by various members of the subcommittee in eliciting information that we did not previously have out of the Foreign Affairs Committee. So I

do not think all of this is bad. It is the outright junketing to which I take exception.

Mr. HAYS. If the gentleman will yield further, Mr. Dumont had a pretty rough time in the committee. He was probably a little provoked in what he said and, perhaps, what he said was right. But I will say this to the gentleman: I have traveled a good deal. As the gentleman said, many of the questions there came about because I had some personal knowledge of the situation. But in all the traveling I have done I have stayed exactly two nights at an American Embassy or American consulate. During all the rest of the time—the other 14 years—I have stayed at hotels. I will say something else which we have done: When I have traveled as chairman of the subcommittee, if there was any entertainment, we always sent out a telegram requesting that such entertainment be kept to a minimum. But on one occasion I remember in one of the African countries the Chief of State gave a dinner for us and we felt we had to reciprocate. I think it did some good. We found it was going to take most of the amount that the post had for representation. I ordered the staff to pay for the cost of that, which I think came to \$150, out of counterpart funds authorized to us, and not to take it from the Embassy. Whenever the gentleman talks about freeloaders the gentleman is not talking about the chairman of this subcommittee, or others.

I think, anyway, what Mr. Dumont said is exaggerated. I have observed members of other committees who were traveling and I think they do the same as I do; they stay in hotels, and pay their bills out of funds allocated to them, so that it does not come out of the State Department's pocket.

Mr. GROSS. Mr. Chairman, I will say in conclusion that I think the bill is pretty rich under the circumstances. I do not see how I can support it. I hope that the Appropriations Subcommittee when it gets to the business of providing the cash will use a sharp pruning knife on it.

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

Mr. GROSS. I yield.

Mr. BARRY. I would like to say to the gentleman that even though the costs may appear high, especially in Africa, a great deal of it is for land costs. It may surprise us in America to think of land costs being high in some of these cities in Africa, but the fact is that they are high and if the United States wants to be represented in a location where other nations' embassies are, in the heart of the city, we have got to pay those costs.

Mr. HAYS. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mrs. KELLY].

Mrs. KELLY. Mr. Chairman, I am very happy to be a member of the Committee on Foreign Affairs and also happy to be a member of this Subcommittee on State Department Organization and Foreign Operations. I am proud to have the gentleman from Ohio [Mr. HAYS], as chairman of this subcommittee. In addition, the following members serve on

the subcommittee: the gentleman from Wisconsin [Mr. ZABLOCKI], the gentleman from New York [Mr. FARBERSTEIN], the gentleman from California [Mr. SAUND], the gentleman from Connecticut [Mr. MONAGAN], the gentlewoman from Ohio [Mrs. BOLTON], the gentleman from Indiana [Mr. ADAIR], and the gentleman from Connecticut [Mr. SEELY-BROWN].

We worked diligently in bringing to the House an outstanding bill. The administration requested \$110 million for a period of 4 years. The subcommittee wisely decided on a 2-year authorization. The administration requested authorization of approximately \$62 million. This request was reduced to \$31 million.

Mr. Chairman, I would like to answer some of the questions raised by my colleague the gentleman from Iowa [Mr. GROSS]. There may be a large number of people representing the United States in many small countries. Nevertheless I only wish that we had one or more additional in Cuba before the Castro takeover and in Peru before the elections, including representatives of labor, so that we would know more what has happened or is expected to happen.

Mr. Chairman, I see on the floor the very able chairman of the Appropriations Subcommittee, the gentleman from New York [Mr. ROONEY]. I think he performs very nobly in his position. The seniority he has attained as a Member of the House and as chairman of the subcommittee is a tribute to the great service he has rendered to his country. I want to say to the Members of this House that I hope he will pay sympathetic attention to the revision of the Foreign Service Act by the Committee on Foreign Affairs for I feel that in some cases reductions on specific embassy projects have been too deep. I understand he has granted practically every cent requested by the State Department for the administration of our embassies abroad, which I think was very noble of him, but also I think some items should be increased, such as representation allowances for our ambassadors.

When I was in Yugoslavia, the amount allocated to our Ambassador at that time for entertainment was only \$1,000. He had to take money out of his own pocket for entertainment in that country. I was very happy to reimburse him for my stay at the Embassy since hotels were not available. This was embarrassing to the Ambassador.

I have heard that our present Ambassador to France was forced to resign for the very same reason, finances. I think the time has come when we would like to have our ambassadors given a sufficient amount of money to run their embassies and that personal wealth should not be the basis for the selection of ambassadors. There are many in this country, meritorious civil servants, who would like to serve at these posts but are prevented because of their financial limitations.

Mr. Chairman, I think this is an outstanding bill. The committee did a very good service to our country by offering

it and I hope it will pass as it was brought to the floor.

Mrs. BOLTON. Mr. Chairman, I yield such time as he may require to the gentleman from Indiana [Mr. BRUCE].

Mr. BRUCE. Mr. Chairman, I shall take only a minute or two to say that I do share some of the apprehensions expressed by the gentleman from Iowa [Mr. GROSS]. Also I would like to express my appreciation as a Member of the House to the chairman of this subcommittee and the members of the subcommittee for a very thorough and penetrating hearing.

As I read the hearings, for one of the few times I became encouraged at the decisiveness of the questioning. Anyone who could read these hearings and reach the conclusion that the subcommittee was a rubberstamp of the State Department or the Executive would be reading between the lines better than I could.

I want to express my thanks to the chairman and the members of the subcommittee for a very thorough piece of work in these hearings and in presenting this proposal.

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

Mrs. BOLTON. Mr. Chairman, I yield 5 minutes to the gentleman from Indiana [Mr. HARVEY].

Mr. HARVEY of Indiana. Mr. Chairman, I should like to direct this question to the chairman of the subcommittee, the gentleman from Ohio. I am sure the gentleman from Ohio recalls that several years ago we served together on a subcommittee that investigated the facility needs of our Foreign Service in the Middle East. I am sure the gentleman's interest in this problem has been a continuing one since that time.

At that time we found a great deal of diversity of opinion as to what type of facilities were needed and the extent of the facilities needed for the Information Agency. I have not had an opportunity to study the hearings, but I note that some of the provisions of authorization in here are for the Information Agency. I wonder if the gentleman would tell me just a bit in brief as to what type of facilities is proposed here and whether he feels that a better scheduling of the plans and arrangements for the use of these facilities is in being than has prevailed in the past.

Mr. HAYS. I may say to the gentleman that because of other commitments of the full committee, and I want to be very candid and honest about this, the subcommittee just simply did not have the time to go into the U.S. Information Agency request in detail as we did the others. We asked the building people what was the minimum amount they could usefully use, and they came up with a figure. Most of it is for reading rooms, places for dissemination of information about the United States. Most of the money will be used in new places where we have not had such facilities, such as in Africa. In their justifications they point out that there is need in these newly created nations for the dissemination of information. Also, being very candid, these new countries have one vote apiece in the United Nations.

Not all the work of selling our point of view in the United Nations is done in the United Nations. A considerable amount of it is done in the nations themselves. We felt that the way they outlined their needs the money would be well spent, and we allotted it. We do plan on going into this in much greater detail in the next session, when they will be coming up with a bill for the fiscal years 1965 and 1966.

Mr. HARVEY of Indiana. I am not in any way criticizing the gentleman or the subcommittee. I hope he understands that. By way of suggestion I am saying that I think there is probably a considerable need in some of the nations that have recently become members of the United Nations to have more adequate facilities there. I am also at the same time suggesting that possibly some of the rather obvious errors we made in our initial efforts in this area can be overcome, and that we will thereby not continue making some of the mistakes we made in the past.

Mr. HAYS. I well recall this at the time it started in 1949, and I have followed this very closely since then.

Mr. HARVEY of Indiana. I am sure the gentleman has.

Mr. HAYS. I am sure the gentleman will agree they made a lot of mistakes then, and have continued to do so, but they have improved over the years.

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

Mr. HARVEY of Indiana. I yield to the gentleman from Indiana.

Mr. ADAIR. May I say to the gentleman from Indiana that most of this information service money provided in this bill goes for three categories.

Principally, it goes for information centers where information relative to our Nation and our philosophy can be disseminated and made available to the peoples of the countries in which these centers are located. There is a little money for cultural centers and a little money for residences of public relations officers. In those three categories, however, lie almost all of the money, with emphasis on information centers.

Mr. HARVEY of Indiana. I thank the gentleman. In conclusion, I want to reiterate the fact that too often in the past we have been guilty of the error of feeling that if we hire so many people and build so many buildings, we are going to solve the problems. If there has been any one area where we have been remiss, it has been in this area and that is evidenced by the reaction I get from people in whom I have a good deal of confidence who have returned from visits to these various areas who have complained to me that they do not feel that we, as a country, have been putting forth our best image—that we have not projected ourselves properly and while they are not entirely critical, they feel in many respects we have done a good job, but there is always a feeling that we have not done nearly as good a job as we can. So I hope that we will improve in our tactics and our efforts as we move along.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MORSE. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. MORSE. Mr. Chairman, although I will support H.R. 11880, I would like to call to the attention of this body an example of what I regard as a totally indefensible policy that concerns the furnishing of our embassies throughout the world.

I was troubled when I read in the New York Times of Friday, July 20, 1962, an article appearing on page 11 of that issue, entitled "Elegance Prevails in U.S. Embassies Throughout the World." In the course of the article, which appeared under the byline of Charlotte Curtis, appears a very disturbing paragraph. Let me read it:

Although most furnishings ordered by the State Department are designed and made in the United States, some are bought abroad. Most of the sterling silver platters, trays, and flatware used in the official buildings abroad are made in Lima, Peru.

I cannot help but wonder what our American silversmiths, many of whom are located in my home State of Massachusetts, might think upon reading this report. I am reliably informed that for many years other nations have been pirating American patterns, producing exact duplicates which are heavy in silver but otherwise of inferior quality. Can the purchase by the State Department of Peruvian silver for use in our embassies be regarded as other than discrimination against the silverware industry of the United States which helps to pay the taxes that contribute to the support of those very embassies?

Although I supported the Trade Expansion Act which this House passed recently, I am convinced that the purchasing policies of the State Department require an immediate examination, as well as a continuing review.

And, it seems to me, when guests at our embassies abroad examine their shrimp forks, they should reasonably expect to find that they are American-made products, and I will welcome an explanation of this purchasing policy by the Secretary of State.

Mrs. BOLTON. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. All time has expired.

The Clerk will read.

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 section 4 of the Foreign Service Buildings Act, 1926 (22 U.S.C. 295), is amended by adding at the end thereof the following new subsection:

"(d) In addition to amounts authorized before the date of enactment of this section, there is hereby authorized to be appropriated to the Secretary of State—

"(1) for acquisition, by purchase or construction (not including acquisition of leaseholds) of sites and buildings in foreign countries under this Act, and for major alterations of buildings acquired under this Act, the following sums—

"(A) for use in Africa, not to exceed \$10,500,000, of which not to exceed \$6,000,000 may be appropriated for the fiscal year 1963;

"(B) for use in the American Republics, not to exceed \$4,300,000, of which not to exceed \$1,800,000 may be appropriated for the fiscal year 1963;

"(C) for use in Europe, not to exceed \$7,500,000, of which not to exceed \$2,250,000 may be appropriated for the fiscal year 1963;

"(D) for use in the Far East, not to exceed \$2,250,000, of which not to exceed \$2,000,000 may be appropriated for the fiscal year 1963;

"(E) for use in the Near East, not to exceed \$2,800,000, of which not to exceed \$2,100,000 may be appropriated for the fiscal year 1963;

"(F) for facilities for the United States Information Agency, not to exceed \$1,854,000, of which not to exceed \$759,000 may be appropriated for the fiscal year 1963; and

"(G) for facilities for agricultural and defense attaché housing, not to exceed \$800,000, of which not to exceed \$400,000 may be appropriated for the fiscal year 1963;

"(2) for acquisition of leaseholds under this Act, for payments under such leaseholds, and for contingencies, not to exceed \$1,802,000, of which not to exceed \$802,000 may be appropriated for the fiscal year 1963 for leaseholds; and

"(3) such additional sums as may be necessary to carry out the other purposes of this Act. Sums appropriated pursuant to this authorization shall remain available until expended."

Sec. 2. (a) Section 2 of the Foreign Service Buildings Act, 1926 (22 U.S.C. 293), is repealed.

(b) The first section of such Act (22 U.S.C. 292) is amended—

(1) by striking out "subject to the direction of the commission hereinafter established,";

(2) by striking out "under such terms and conditions as in the judgment of the commission may best protect the interests of the United States,";

(3) by striking out "to the extent deemed advisable by the commission,"; and

(4) by striking out "which buildings shall be appropriately designated by the commission, and the space in which shall be allotted by the Secretary of State under the direction of the commission" and inserting a period and the following: "The space in such buildings shall be allotted by the Secretary of State".

(c) Section 3 of such Act (22 U.S.C. 294) is amended—

(1) by striking out "subject to the direction of the commission," and "in the judgment of the commission,"; and

(2) by inserting immediately before the period at the end thereof the following: "and without regard to section 3648 of the Revised Statutes of the United States (31 U.S.C. 529)".

(d) Section 4 of such Act (22 U.S.C. 295) is amended by striking out "subject to the direction of the commission,".

(e) Section 9 of such Act (22 U.S.C. 300) is amended—

(1) by striking out "with the concurrence of the Foreign Service Buildings Commission,"; and

(2) by striking out "as in the judgment of the Commission may best serve the Government's interest".

(f) Section 1(e) of Reorganization Plan Numbered II of May 9, 1939 (53 Stat. 1432), is repealed.

(g) All references to the Foreign Service Buildings Commission, originally established by the Foreign Service Buildings Act, 1926, in all laws of the United States are hereby repealed.

Mr. HAYS (during the reading of the bill). Mr. Chairman, this is a short bill, and I ask unanimous consent that the

bill be considered as read and open for amendment at any point.

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

There was no objection.

Mr. HAYS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HAYS: On page 3, strike out lines 8 and 9 and insert in lieu thereof the following:

"(3) for use to carry out the other purposes of this Act, not to exceed \$22,093,000, of which not to exceed \$10,893,000 may be appropriated for the fiscal year 1963."

Mr. HAYS. Mr. Chairman, this amendment, as I said in general debate, sets a specific ceiling for money to carry on the necessary maintenance, repairs, and other operating expenses for the next 2 years. We encountered some opposition to an open-end authorization in the Committee on Rules, and I gave an implied promise that we would correct that situation. This amendment attempts to do that. I want to say in all candor this is a ceiling. We did not go over these items by item, but we do know that the Appropriations Subcommittee will. This is a maximum amount that they can appropriate. They can appropriate any amount under that that they think is necessary to carry on these functions.

Mr. Chairman, I ask that the amendment be adopted.

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

Mr. HAYS. I yield to the gentleman.

Mrs. BOLTON. May I say that the committee members on our side are happy to accept this amendment.

Mr. HAYS. I thank my colleague.

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

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

Mr. GROSS. I understand that the gentleman cannot commit the conferees on this bill, if a conference is called for, and a conference probably will be necessary in view of the upping nature of the other body. I wonder if the gentleman can give us any assurance—this bill being \$8 million below the administration's request—whether we could have assurance that the conferees will stand firm against the other body putting that money into the bill?

Mr. HAYS. I will say to the gentleman as chairman, and I assume I will be, of the House conferees, you can have every assurance that we will stand firm. In the conference on foreign aid, the other body came down \$690 million and we went up \$3,500,000. So I think that was a pretty good deal—\$3,500,000 for \$690 million—and I expect to be about as generous in compromising with the other body on this bill as we were on that bill.

Mr. GROSS. I thank the gentleman for his statement.

The CHAIRMAN. The question is on the amendment.

The amendment was agreed to.

Mr. ADAIR. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ADAIR: On page 3, line 11, immediately before the quotation mark insert the following new sentence: "To the maximum extent feasible, expenditures under this Act shall be made out of foreign currencies owned by or owed to the United States."

Mr. ADAIR. Mr. Chairman, this is the amendment to which I made reference earlier in the debate. It simply would write into law an understanding we have with representatives of the State Department. As was said earlier this was suggested in the Rules Committee. We on the committee had felt that the matter was sufficiently well understood. However, it was suggested that to assure that foreign currencies were continued to be used to the extent possible it might have a wholesome effect to have it stated in the bill. That is the purpose of the amendment. I urge its adoption.

The CHAIRMAN. The question is on the amendment.

The amendment was agreed to.

Mr. HAYS. Mr. Chairman, I move to strike out the last word and ask unanimous consent to proceed out of order.

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

There was no objection.

NEAR-TRAGIC AIRPLANE ACCIDENT

Mr. HAYS. Mr. Chairman, I just wanted to remark that I am very happy to have the Chairman of the Committee of the Whole with us today. We have been reading in the newspapers recently of tragic airplane accidents, and we read of the near-tragic accident last evening in which our Chairman and one other Member were involved, an accident which could have been another disaster save for the intervention of the Almighty. He and 66 passengers and crew were spared.

Our Chairman was a member of my NATO committee last year and did yeoman service. I am always glad to have him with me, for he seems to bear a charmed life. He was present when the shooting occurred here several years ago and a number of Members were shot down, among them the Chairman who is presiding today. Fortunately his wound turned out to be not serious and he recovered rapidly.

So my advice to you if you are going on a trip is to take the gentleman from Memphis with you to insure your safety.

The CHAIRMAN. Thank you.

Under the rule the Committee rises.

Accordingly the Committee rose, and the Speaker having resumed the chair, Mr. DAVIS of Tennessee, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 11880) to amend the Foreign Service Buildings Act, 1926, to authorize additional appropriations, and for other purposes, pursuant to House Resolution 741, he reported the bill back to the House with sundry amendments adopted in 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 gross.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

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

The SPEAKER. The question is on the passage of the bill.

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

Mr. GROSS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Pursuant to the previous order of the House further proceedings on the bill will be postponed until tomorrow.

Mr. GROSS. Mr. Speaker, I withdraw my point of order.

WARS OF NATIONAL LIBERATION

The SPEAKER. Under previous order of the House, the gentleman from Florida [Mr. SIKES] is recognized for 30 minutes.

Mr. SIKES. Mr. Speaker, I wish to discuss a matter of current singular importance in the national defense—the development of our capability to counteract the wars of national liberation so glowingly praised by Chairman Khrushchev. I recognize that a great deal of thought and effort, numerous studies, and other activities are in progress in this area. My investigation of the present situation leads to the conclusion that there is some confusion and misunderstanding in the minds of civilians as well as the military with regard to the relationship of the Air Forces counter guerrilla organization and the missions of the other services. In essence, the Air Force considers their counterinsurgency organization to be an aspect of one of their longstanding missions, that of conducting air operation in support of the ground forces.

I consider it most important that there be an air element in our modern-day counter guerrilla forces.

The Air Force, in April of last year established the so-called Jungle Jim organization at Eglin Air Force Base. This original Jungle Jim unit, equipped with propeller-driven aircraft specially modified for low-altitude, unprepared field operations, has practiced incessantly in developing techniques of airlifting personnel into guerrilla-infested areas, and identifying and attacking guerrilla units from the air.

The Jungle Jim unit has recently been succeeded by the Special Air Warfare Center with the mission of developing tactics and techniques for the application of airpower in operations against guerrillas. This organization is intended to provide a capability of accomplishing only those tasks which logically fall within the airpower spectrum. In order to support these tasks, the Air Force proposes to develop equipment, tactics,

and techniques which would apply the scientific and technical capabilities of the United States to counterinsurgency air problems.

I might digress at this point to state that we cannot ever expect to meet Communist aggression throughout the world on a man-to-man basis. Accordingly, we must seek other areas in which to gain superiority. Our acknowledged technical and operational capabilities in the air warfare spectrum certainly deserve consideration as a counter to the Communist hordes.

This is not to say that we can expect miraculous results from airpower or any other approach in countering guerrilla operations. It is a slow, tedious task. However, there are specific airpower missions which can make major contributions in securing mobility for friendly forces, and delaying, harassing, and inflicting casualties on the insurgents. In order to accomplish these objectives the Air Force counterinsurgency organization will contain airlift, reconnaissance, and strike capabilities. Primarily, their purpose will be to train indigenous forces in order that local defense capabilities may be developed. Also, they will be able to conduct counterinsurgency operations on their own in support of host countries requesting this type of assistance. The organization will have no infantry capabilities. On the other hand, because of the remote areas in which these forces will be operating, the ground support personnel will have to be trained to protect themselves. The organization will also have combat control teams consisting of airmen who are trained parachutists who will have the job of marking airdrop and air-landing zones, and establishing airheads in the case of an airborne or air assault operation.

Eglin Air Force Base has been selected as the home of the Special Air Warfare Center. This center, commanded by Brig. Gen. Gilbert L. Pritchard, has two subordinate operations: a combat applications group whose purpose will be to seek out and develop equipment, tactics, and procedures for air operations in the counterinsurgency field, and an air commando group which will train Air Force personnel to apply these tactics and procedures in field operations.

The air commando group traces its parentage to the versatile and highly successful air commando organization of Col. Philip Cockran in the World War II Burma campaign. This successful application of airpower to surmount dense, virtually impassable, jungles and defeat an enemy who was living on the land is an inspiration to the present-day air commando unit.

The air commando unit will draw from the large reservoir of highly experienced and skilled pilots in the Air Force inventory. We can count on their years of training in propeller-driven aircraft to enable them to quickly orient themselves in this activity.

I am proud that the Air Force has chosen the unique Eglin Air Force Base area, with its 464,831 acres of superb training facilities as the home of this extremely important adjunct of our

national defense capability. Eglin, in addition to its unequalled environmental testing facilities, has large areas suitable for exercises under both controlled conditions and those which might be expected to occur in the developing nations.

The total Eglin complex represents an investment of about \$900 million. Not only is there the completely modern heavy bomber base at Eglin main base, but scattered throughout the reservation are a number of auxiliary airstrips ideally suited for training in counter-insurgency operations.

In summary, we must be prepared to meet the Communist challenge throughout the spectrum of warfare. Air Force recognition of the fact that this spectrum extends from guerrilla operations to thermonuclear warfare and their vigorous approach to all phases of the problem is a source of great personal satisfaction to me.

PUERTO RICO

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

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

There was no objection.

Mr. BOW. Mr. Speaker, the Congress has in the past and will again in the future be called upon to give attention to the political status of Puerto Rico.

President Kennedy has suggested that action should be taken to determine the ultimate solution to its status.

Gov. Muñoz Marín will convene the legislative assembly to put before it the need to hold a plebiscite.

The President and the Governor of Puerto Rico have every right to discuss these matters. The legislative assembly has the right to direct that a plebiscite be held.

However, the final determination will be the legislative responsibility of the U.S. Congress.

I suggest, Mr. Speaker, that orderly procedure would require that Congress be fully informed during the progress of these proceedings and that hearings also be held by the appropriate committees of Congress and that before a plebiscite be held, a resolution be passed by the Congress indicating that it be the sense of Congress that such plebiscite be submitted to the people of Puerto Rico.

Mr. Speaker, I believe in the political maturity of the people of Puerto Rico. I believe in the right of the people of Puerto Rico to express their desired political status. They have since the days of Public Law 600 proven their ability of self-government and have made rapid strides in their development.

My great concern is the probability of a plebiscite held without congressional accord that might later be found unacceptable. Such a situation would be to the detriment of all concerned and cause a serious blight on the long history of our relations with our loyal and patriotic citizens of Puerto Rico.

I trust that we approach this historic action with careful appraisal of all of the many problems it entails.

I call to the attention of the House an editorial from the newspaper *El Mundo*, of San Juan, P.R., of July 30, 1962, which I believe to be a sound approach:

PINPOINTING

Due to their vital and far-reaching results it is necessary to pinpoint, without delay, different aspects of the projected plebiscite.

Firstly, there is no reason to push these proceedings with undue haste especially since they have lain abandoned and ignored for so many years.

It is absurd to speed up the plebiscite as if it were a boat race. Such a step, of exceptional importance to the life of a country, requires time for thought and analysis. Time to orient. Time to think deeply of the far-reaching results of the vital decision to be taken.

We fail to understand the haste with which the legislative assembly is to be convened and even the idea of holding the plebiscite before the year ends.

We believe that the plebiscite requires at least several months to set up and could never be held before April 1963.

This is no matter to be disposed of in fit of rage as a question of little importance to which risks and errors are of no account.

Secondly, it must be made clear why this plebiscite is initiated in Puerto Rico, without the prior intervention of the Congress of the United States.

For obvious reasons, during many years we favored that the plebiscite should be originally sponsored by the Congress.

A plebiscite proposed by the Congress would mean prior recognition besides all the moral and effective support of the Nation. In fact, its results would bind the Congress.

On the other hand, a plebiscite originating in Puerto Rico, even with all the moral force it would muster, is not binding on the Congress.

Puerto Rico, however, cannot keep on disregarding an ultimate solution to its political status. We Puerto Ricans must know and are under the obligation to settle, once and for all, where we are going and what we are going to be. Thus, we must put our demands before the nation with the support of all the Puerto Rican people. A people that need to establish their destiny as the most important step toward the solution of all their other problems.

In the third place, a plebiscite is the supreme responsibility of all the people and should not be aired among the passions of political partisanship.

If the plebiscite is to be promoted and agitated among the political parties, it would be best not to hold it at all because that would mean deceiving the right of the people to settle its political future without the fatal pressures of opportunism and compromise.

Governor Muñoz-Marín will convene the legislative assembly to put before it the need to hold a plebiscite.

Whose need is it? Is it the need of the governing party? Does the so-called Commonwealth need to buttress itself as a political formula? Or, as it should be, is it not the need and the supreme obligation of the people of Puerto Rico to settle its political destiny?

The Governor has told President Kennedy that it would be convenient to show the whole world and especially Latin America, that Puerto Rico supports, through a plebiscite, this accommodating formula.

This is no legitimate reason to justify a plebiscite. The ultimate solution of our political destiny should not be used as a show for such and such a purpose.

The only reason to hold a plebiscite is the vital need of Puerto Ricans to settle what

we are to be, now and forever. And this decision must be made on the basis of eternal formulas which would run no risk of withering or growing as transitory things.

That is why we have always insisted that the plebiscite must be held on the basis of statehood or independence since these are not formulas that would merely grow because in practice each means sovereignty. And if we have said that we would accept the plebiscite hindered by the ballast of Commonwealth it is only because we refuse to believe that, in this grave hour when we are about to settle our destiny forever, Puerto Ricans will disgrace themselves by voting for accommodating and transitory formulas subject to the seesaw of political partisanship.

We have already heard highly authorized voices from the Congress of the United States asking whether Puerto Rico wants a sweetened independence on the basis of an easy plebiscite to be shown to the world as evidence of American democracy and how it operates in Puerto Rico.

These voices would never dare to use such language were we to demand our inalienable right to settle our destiny within the time-honored and sovereign formulas of statehood or independence.

We proudly accept the plebiscite to definitely settle our political status. We repudiate the idea of a plebiscite based exclusively on the so-called need to buttress and to give more prestige to an accommodating formula.

DISARMAMENT COMMITTEE AT GENEVA

Mr. KEITH. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. HESTAND] may extend his remarks at this point in the RECORD.

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

There was no objection.

Mr. HESTAND. Mr. Speaker, I wish to bring to your attention a recent statement by Secretary of State Rusk. He told the 18-nation Disarmament Committee at Geneva on July 24:

The U.S. does not insist on foolproof arrangements in a disarmament agreement and is ready to share certain risks.

This statement, Mr. Speaker, is tragically absurd and should be repudiated.

This country cannot afford to leave any loose ends when considering a disarmament agreement. I am shocked by Secretary Rusk's admission that this country is willing to share certain risks in a disarmament plan.

I do not like the militant nature of today's world any more than the ivory tower boys, but I realize that the surest way to invite disaster is to disarm by sharing certain risks without foolproof arrangements. The Soviet Union has shown itself to be wholly unreliable in honoring treaties and international agreements.

The Soviet Union's decision to resume nuclear testing is evidence they are only stringing us along at Geneva. The President said recently that we are very reluctant to test again. In my opinion, we must do whatever is necessary to protect ourselves—including nuclear testing. While I realize that disarmament negotiations seem to have become a permanent fixture of our tense world, we

must never consider accepting any agreement that does not give us absolute guarantees.

The Secretary has also pointed out that studies are underway in the United States on all aspects of disarmament and that new possibilities were continually under consideration.

Mr. Speaker, I must emphasize that, in my opinion, the Secretary of State should, in the Nation's interest, repudiate his certain-risks statement.

ANOTHER BOOST

Mr. KEITH. 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 Massachusetts?

There was no objection.

Mr. MORSE. Mr. Speaker, the following editorial from my hometown newspaper, the Lowell Sun, describes the finest sort of teamwork between private, civic, and Federal efforts in solving the economic problems besetting so many communities:

ANOTHER BOOST

The expansion of Lowell Industrial Park through the reclamation of 63 acres of what might be called wasteland provides another insurance policy for the future of the city and the area in general.

There is a potential of 2,500 jobs according to the plans and expectations of the Lowell Industrial Commission and the Area Redevelopment Administration. A grant of \$166,500 by the Federal Government has already been approved and there should not be too great a delay in getting this land, with roads and utility installations, ready for bids by industry.

According to the present needs of industry, this area is unquestionably one of the best in New England. Major highways stretch in all four directions of the compass and access to the city will be simple, convenient, and fast when the connector is opened several weeks hence.

Route 3, going north and south, and Route 495, running east and west, offer just about the best combination of modern, two-barreled roads at this intersection. For that reason, it is probable that Lowell industrial agents will have little difficulty in attracting industry.

And if Lowell and the nearby towns are going to have an additional 2,500 jobs right in their own backyard, we need have no fear about the economic stability of the area in the immediate future.

CAPTIVE NATIONS WEEK

Mr. HAYS. Mr. Speaker, I ask unanimous consent that the gentleman from Rhode Island [Mr. ST. GERMAIN] 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 Ohio? There was no objection.

Mr. ST. GERMAIN. Mr. Speaker, there are few individuals in our Nation who have taken a more active interest in the tragic difficulties which are faced by those who suffer under Communist oppression than has Mayor Robert F. Wagner, of New York City.

On Tuesday, July 17, the city of New York commemorated Captive Nations

Week. Mayor Wagner was in Europe on that occasion visiting the divided city of Berlin. He was struck, as I was on my visit to that city last fall, with the awesome separation of the free from the enslaved which is symbolized by the Communist-erected wall which partitions the city.

Mr. Speaker, I will insert a cablegram, which Mayor Wagner sent to the Captive Nations Week observance, and the address delivered at the ceremony by Acting Mayor Paul R. Screvane at this point in the RECORD:

FRANKFURT, GERMANY,
July 16, 1962.

HON. PAUL R. SCREVANE,
Acting Mayor, City of New York,
New York, N.Y.:

I know that tomorrow you will be officiating at a gathering on the steps of city hall, observing Captive Nations Week. My heart is with you.

I have just looked over the wall in Berlin and into the eyes of tyranny and slavery. There the tyrant forces have sought to build a structure high enough and strong enough to separate the free from the enslaved and to keep the enslaved from escaping to freedom. That wall in itself is a monument to slavery. In the name of the people of New York City, you are proclaiming Captive Nations Week. I join with you in vowing in the name of freedom's cause shall prevail against the total threat of slavery and enslavement. On the basis of what I have seen we may all be confident that one day all who love and still hope for freedom will enjoy its blessings.

ROBERT F. WAGNER.

CAPTIVE NATIONS WEEK

(By Acting Mayor Paul R. Screvane)

As acting mayor of the city of New York, I am honored to continue the tradition established last year by Mayor Wagner in proclaiming "Captive Nations Week" and holding this ceremony on the steps of city hall.

New York can rightly claim, in one sense, the proud title of being the capital city of the free world. It has earned this right, not only for its preeminence in many social, economic and cultural fields, but through the historic tradition it has established for all the world of hospitality and sanctuary for the homeless and friendless stranger. The upraised arm of the Statue of Liberty at the gates to our city beckons and bids the newest refugee from Cuba and Hungary welcome with the same humanity with which this city has welcomed its new arrivals for nearly three centuries. New York City has been the gateway to a new life for most of the millions who sought freedom from oppression by coming to this land of the United States. Many have remained here and, with the tender threads of memory, tradition and language, still keep a web of sympathy stretched between this, their new homeland, and the distant places whence came many of them and their forefathers.

The last 20 years has witnessed the greatest flood of refugees from tyranny in the whole history of mankind. Except for the barbed wire and watchtowers which wall in the totalitarian world, millions more would certainly have fled to the freedom they are denied. For those who escape and for that who long to escape, America remains a living beacon to their hopes.

In commemorating Captive Nations Week, we are, thus, living up to both our noblest traditions and highest ideals. It is a frightening thought that through modern technology, ill used, modern tyranny has become far more sinister and total than any tyranny dreamt of, by Nero or Caligula. There has never been a tyranny as complete as that fostered by the modern totalitarian state.

But it is unlikely there has ever been a time in history in which the love of liberty, which we sometimes take for granted, has burned as clearly and fervently as it does behind the walls which enemies of freedom have built as unknowing prisons for themselves. No wall can last as long as man's love of liberty. Eventually the walls will come down and tyranny, which is contrary to the spirit of man, must crumble with them.

In celebrating this Captive Nations Week, we are not acting as New Yorkers alone, but as Americans. We are carrying out the letter and the spirit of the congressional resolution of 1959 which established Captive Nations Week and the proclamation of President John F. Kennedy which he has issued again this year.

In his Fourth of July speech on the steps of Independence Hall in Philadelphia, President Kennedy issued a new declaration of interdependence of all free nations and eloquently reaffirmed America's dedication to the freedom of the peoples behind the Iron Curtain. He said that the union of the Atlantic world "would serve as a nucleus for the eventual union of all freemen, those who are now free and those who are vowing that someday they will be free."

And the President went on to explain the great issue which differentiates us from the Communists. He said: "If there is a single issue which divides the world it is independence—the independence of Berlin, or Laos, or Vietnam; the longing for independence behind the Iron Curtain, the peaceful transition to independence in those newly emerging areas whose troubles some hope to exploit."

"This Nation," the President concluded, "conceived in a revolution, nurtured in liberty, maturing in independence, has no intention of abdicating its leadership in that worldwide movement for independence to any nation or society committed to systematic human oppression."

The spirit of these words is a legacy that has been handed down to us from the days of Thomas Jefferson and Thomas Paine. It is today the continuing spirit and principle of American foreign policy. It is today the cause to which we rededicate ourselves during this commemoration of Captive Nations Week.

SET-ASIDES FOR SMALL BUSINESS IN THE CONSTRUCTION INDUSTRY MUST BE CONTINUED

Mr. HAYS. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. MULTER] 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 Ohio?

There was no objection.

Mr. MULTER. Mr. Speaker, 15 bills have been introduced in the Congress of the United States which provide that the program under which Government contracts are set aside for small business concerns shall not apply to construction, maintenance, and repair procurements. The number of these bills indicates that the program, commonly known as the construction set-aside program, has engendered some controversy.

I shall directly demonstrate that it is based on erroneous information, doctored statistics, and misconceptions. I shall further demonstrate that, if enacted, these bills would be harmful to the Government, harmful to small business, harmful to the building construction in-

dustry, harmful to labor, and harmful to the country as a whole.

First, I should like the RECORD to show that under existing SBA size standards 90 percent of the construction industry contractors qualify as small business concerns. It follows, that those who oppose the construction set-aside program are doing battle for and on behalf of only 10 percent of the industry, and that all that sound and fury concerning the alleged injustices of the set-aside program in the construction industry originates with a handful of firms, the giants of the industry, who are using the Associated General Contractors of America—AGC—as their mouthpiece.

Who, you may ask, is this vociferous AGC, which seeks the elimination of the small contractor from the American scene? Does it speak for the industry, as it alleges that it does? Does its views on the construction set-aside program square with those of the 455,000 small construction contractors whose livelihood the AGC is threatening?

There are, Mr. Speaker, some 479,000 construction firms in the United States. Of these, only 7,300, or less than 2 percent, are AGC members, and the AGC does not speak even for all of these. In fact, the small contractors among the AGC members are frightfully aware of the AGC's assault upon their livelihood. Their deep concern is expressed in the multitude of letters pouring in from all over the country. Of these, I shall take the liberty of reading but three or four. One such letter, for instance, reads:

It has been brought to my attention, that there are organizations, working to abolish the small business set-aside program.

I trust that the Small Business Administration will do everything in its power to keep this program in operation.

Another letterwriter states briefly:

We have heard that some pressure is being brought about to discontinue the set-aside [sic] program for small business. We ask that you do everything you can so that this program is continued.

Another correspondent says:

We understand that there has been a movement to try and abandon the Small Business Administration set-aside program. Being in this small business capacity, we are definitely opposed to this good program being abandoned.

If this is done, it will put the bulk of the construction work back under the control of the major companies in their respective fields, leaving the smaller contractors to again fight a losing battle for survival.

Other letters from AGC members go even further, and directly disavow the position taken by their organization. One such letter, for instance, states:

For some time we have been following the controversy between the Associated General Contractors and the Small Business Administration involving the reserving of the smaller construction contracts for the smaller firms.

As our letter indicates, we are members of the Associated General Contractors and are a relatively small organization. Our views are not at all represented by the National Associated General Contractors organization. This is an extremely competitive field today, and a small organization with

limited resources has a very difficult time surviving the cutthroat competition.

I think you will find that all the noise and commotion is being caused by 5 or 10 percent of the AGC membership that represents the large, long-entrenched organizations that have the resources to survive in these competitive times and would like nothing better than to see their weaker and smaller competitors fall by the wayside.

A director of the Portland, Oreg., chapter of the AGC feels that the program has never been fully presented to the AGC membership. AGC opposition, he says, is that of the "large contractors who dominate the thinking and actions of the AGC."

I could go on reading many more such letters, but I believe that this sampling sufficiently conveys the idea that the AGC is out to establish a monopoly for its big wire pullers and that its small members know it and fear it.

The AGC's assumed position as an alleged spokesman for the construction industry has, thus, been severely shaken. In fact, a recent survey conducted by the SBA has clearly demonstrated that the AGC speaks neither for the industry nor for its small members. Although it does speak, it does not speak the truth.

Invited by the SBA to join it in an industrywide survey regarding AGC's members' views on the construction set-aside program, the AGC dodged participation. SBA thereupon proceeded with the survey on its own, polled 976 small business construction firms, including 401 AGC members.

Of these, Mr. Speaker, 86.7 percent favored the small business set-aside program while only 7 percent were against it.

How many small contractors were coerced into being AGC's yesmen I cannot say. I do venture to say that of the relatively few votes against the program, the majority came from the industry barons who, notwithstanding the set-aside program, are still receiving the lion's share of the dollar value of all Government construction contracts.

Although representing but 10 percent of the industry, big business is still receiving over 60 percent of all construction awards; and not only would they like to keep it thus, but their insatiable appetite is still growing.

Mr. Speaker, the sad truth is that at a time when 90 percent of the industry—all small business firms—is receiving less than 40 percent of all military construction awards; and, worse yet, when its share is still on the decline, a concerted effort is underway to accelerate this decline still further.

There was a time when small business concerns were awarded 72.8 percent of the dollar value of all military construction procurements. That was in fiscal year 1958.

A hue and cry was then raised against the small contractor, and successfully.

We knew then, as we know today, that giving in to big business clamor would ultimately result in the displacement of the little fellow. We were right. Immediately after suspension, in May 1959, of the construction set-aside program, the small business share of military construction contracts declined from

the previous 72.8 to 65 percent. When it dropped still further to 50 percent in fiscal year 1960, the Department of Defense agreed to the reactivation of the set-aside program for construction contracts. But, even after this was done, an increase to only 54 percent was achieved in fiscal year 1961. Moreover, this small increase was only temporary. Since then a steep decline has set in anew, and during the first 9 months of fiscal year 1962 the figure sank to 39.6 percent.

These statistics speak for themselves. The small business share of military construction is still steadily declining and small construction firms, representing 90 percent of the industry's membership, are rapidly being displaced from Government work by the monopolists of the industry.

The construction set-aside program, Mr. Speaker, constitutes but one means, if not the only effective one, of arresting this dangerous trend. Without it, the figures cited would doubtlessly plunge to new lows.

The proposal, therefore, to discontinue the construction set-aside program is most inappropriate.

Such a step would be entirely inconsistent with the repeatedly expressed intent of Congress that small business shall share equitably in Government contracts. It would also be inconsistent with the expressed desire of the President of the United States that all Government procurement agencies adopt every feasible measure to increase the small business share of the procurement dollar.

In the light of this, and in the face of the continuing decline in the small business share of Government procurement, now is certainly not the time to tamper with the construction set-aside program. In its present phase it is a new program. It is, therefore, necessary that it be given a fair trial. It has been operational only since the latter part of 1960, and it is too young yet to be appraised properly as regards its effects on either large or small business.

The large construction firms and AGC know this to be true. In fact, I believe that their primary concern is really not the military construction program, although they would not mind gobbling this up too. The real purpose of their maximum effort, Mr. Speaker, is much bigger. It is designed to nip in the bud possible and well justified efforts that must be made to extend the set-aside program into those areas where big construction firms have today an almost absolute monopoly. I refer to the proposed programs for school construction, for highway construction, and for public housing.

The Honorable RUSSELL B. LONG, the distinguished Senator from Louisiana, in a hearing held by the Senate Select Committee on Small Business said:

Why did you leave out Capehart housing? I know that down our way Capehart housing is one area where you should have made small business get some of it. It is a program in which one big fellow can get it all. If you break it up into 100 units at a time, the small fellows can get it.

Why should not Capehart housing be included? That is one thing small business can do. (Hearings, Senate Select Committee on Small Business, 87th Cong., 1st sess., June 21, 1961, p. 25.)

That question, Mr. Speaker, was and still is a good one, and the answer thereto, supplied by SBA's capable Deputy Administrator for Procurement, Mr. Irving Maness, is simply that Capehart housing is now being excluded from the set-aside program solely because the military construction set-aside has created such a furor and controversy that SBA does not want to add new fuel to the already burning fires.

Let there be no mistake about it. The giants of the construction industry are not really concerned with the measly share of military construction awards made to the small construction firms of the country. The truth of the matter is that they are not dissatisfied with their present near monopolization of all Government construction contracts, including highway and public housing construction. Their clamor serves but one purpose, and one purpose only—to frighten the little fellow from reaching out for a share of Capehart housing and highway construction. This is now big business' exclusive domain, which it has, thus far, succeeded in keeping to itself. Theirs is, therefore, a policy of intimidation.

If you do not believe that their aim is monopoly on housing and school construction, read please the resolution adopted last January by the Montana Building Chapter of AGC. There, they openly state that they are determined "to prevent the set-aside program of the Small Business Administration from being extended to—the public housing program, the proposed school construction program—or future Federal construction programs that would in the future be awarded under this set-aside program."

Read please, also, a fairly recent issue of the Constructor, an official AGC publication. There, again, it is openly stated:

SBA is increasing the already devastating competition in the industry by bringing in many new small firms, and now is getting into the highway program.

No one can doubt the true purpose of this anti-set-aside campaign. The cat is out of the bag. The issues raised are artificial, the criticisms unfounded, the statistics in support thereof manufactured. The only thing that is not fictitious in this whole sordid matter is the purpose to destroy the set-aside program.

Although the issues raised are artificial, the arguments advanced in support thereof are even more so. They are based, as I said before, on erroneous or misinterpreted statistics, erroneous and misleading assumptions, and outright untruths. I shall not take up your time with the many inane and self-defeating accusations broadcast by the AGC in a widely distributed pamphlet of February 1962, entitled "What Every Taxpayer Should Know About the Small Business Administration." I will limit myself to the refutation of those statements which,

without knowledge of the facts one might take seriously. Here they are:

First. They falsely claim that small contractors performing set-aside contracts are less efficient.

It is asserted that the small business set-aside program, as it relates to the construction industry, is subsidizing inefficient and marginal small business contractors at the expense of solid and responsible businessmen. Paralleling this allegation is the one that the set-aside program is bringing new contractors into a field in which competition is already acute and where the existing firms are by no means fully occupied. This, it is alleged, is accomplished by grants of loans to people who cannot obtain them elsewhere, because they are unable to show the loans would be sound investments. These firms, it is further said, are without sufficient skills, knowledge, and background, and, therefore, inferior in job performance; and they are only able to compete as a result of SBA's issuance of certificates of competency.

The facts are, of course, otherwise. SBA is not setting up anybody in business, nor does it make business loans unless there is a reasonable assurance that the loan can and will be repaid in full.

You are aware, no doubt, that the law does not authorize the making of a direct loan to a small business loan applicant, unless his inability to obtain such from a private lending institution has been satisfactorily evidenced. Those who interpret this as an indication that SBA is financing bad credit risks, overlook the fact that credit standing is not the sole determining factor of a bank's loan policies. The maturity length of loans, for instance, has a great effect upon their lending willingness. It is common knowledge that banks do not customarily make commercial loans in excess of 3 or 4 years. In fact, we hear repeatedly from the banks that bank examiners scrutinize their portfolios, and if they find too many long-term loans, these become criticized assets. This is one of the foremost reasons given by banks to prospective small business borrowers of reasonably good credit standing requiring loans for 7, 8, or up to 10 years. It is in cases like these, and where there is reasonable assurance of repayment of the loan, that SBA steps in and renders the necessary financial assistance. More often than not it is done in conjunction with private lending institutions on a participating or a deferred basis.

All loans, whether granted by SBA alone or in conjunction with a private lending institution must be of such sound value and so secured that there is reasonable assurance of repayment. In no event does SBA extend credit to a borrower who is considered a poor credit risk.

Please note, Mr. Speaker, in this connection, that due to the prudence exercised by SBA in this respect, the dollar rate of loss evaluated as of December 31, 1961, was only 1.6 percent in construction loans as against 1.3 percent of all other business loans. These figures are most significant in view of the false impression created by AGC and its

satellites that 18 percent of SBA's construction loans will result in a dead loss. This is just not true.

Furthermore, the law and regulations require that all bidders, large or small, must be responsible and competent.

A new company finds it most difficult to prove its competency. Part of the proof of competency is past successful operation in the very field of business in which the award is to be made.

Part of the proof of responsibility is evidence of financial ability to perform. Just as the procurement office must find these facts, so too must the SBA official find them in order either to issue a certificate of competency or to approve an application for a loan.

The two applications by the same firm are rarely simultaneous or coincidental or dependent one on the other.

Second. They falsely assert that set-asides lower performance standards.

Neither is there any valid basis for big business' assertion that furnishing assistance to small business concerns lowers performance standards. The fact that a contractor obtained a contract under a set-aside procurement, or the fact that a contractor has an SBA loan, has no bearing whatsoever on his efficiency. His efficiency must be established in advance of either event.

I invite your attention to the fact that construction work inspection is a responsibility of the contracting agency and is carried on to the same degree with all contractors, large or small. This was established beyond question at a hearing before the House Appropriations Subcommittee last May, and at a February joint meeting of staff members of the Senate Committee on Banking and Currency and the Senate Select Committee on Small Business with representatives of the Small Business Administration, the Department of Defense, and the General Services Administration.

The Department of Defense and General Services Administration representatives indicated that contracts awarded under the construction set-aside program have been satisfactorily performed; that inspection by the procuring agency during the performance of the contract, as well as the inspection after the completion of the job, is the same in set-aside contracts as in other construction contracts entered into by the Government; and that these contractors are bonded by private bonding companies in the same manner under set-aside contracts as in other construction contracts.

Generally, the decision whether a particular firm can handle a contract is made by the contracting officer. The great bulk of the small concerns to which such contracts have been awarded, obtained them not because of SBA's intervention, but because the contracting officer made a favorable finding respecting their ability to perform. In these cases SBA did not participate in the award decision.

Where there is a doubt as to the capability of a small contractor—and such doubts are sometimes expressed by contracting officers—SBA pursuant to section 8(b)(7) of the Small Business Act, is empowered to certify that a small

business concern has the capacity and credit to perform a specific contract. Such certification must be accepted by the procuring agency as conclusive.

In carrying out this certificate of competency program, SBA conducts a thorough and careful investigation and analysis of a small business concern's financial and technical ability to perform the specific contract. A certificate of competency will not be issued unless this investigation and analysis establish a reasonable assurance that the contract will be satisfactorily performed.

In the construction industry, where from 1953 to date SBA issued some 30 certificates of competency, not one of the contracts involved in these certifications have been terminated for default. This, I suggest, sufficiently proves that SBA does not certify competency unless it is there, nor does it bring into the program inefficient contractors.

It is, therefore, absurd to charge that the construction set-aside program places Government defense construction in the hands of less capable, less efficient contractors. Admiral Peltier, in testimony before the House Appropriations Subcommittee last May, was asked:

To what degree do you exercise the same prerogative of checking competence in the award and set-aside with small business as compared to what you had in the regular routine procedure where you selected contractors in the usual way?

His answer was:

We make the same check. Since so many people in the construction field are small business, they are competent. There is no question about that.

Third. They falsely claim that construction set-asides result in higher costs to the Government.

Another AGC misrepresentation relates to the claim that construction set-asides result in additional costs to the Government.

To my knowledge, there is no evidence to support this view. The evidence is to the contrary. People who make this allegation do not seem to realize that protection against unreasonable prices lies in the fact that pertinent regulations authorize the contracting officer to reject all bids and readvertise any proposed procurement, including a small business set-aside, if he determines that the prices submitted are unreasonable. The final determination in this regard rests with the Government procuring agency. Once all bids are rejected, the award based on the new bidding must go to the lowest competent, responsible bidder, big or small.

In this connection it is to be noted that the Government engineers designing the technical specifications for a construction contract, normally prepare an advance estimate of the costs involved. In fact, such an estimate is required in case of construction contracts which are expected to cost more than \$10,000. The estimate, which is kept secret until the bids are opened, provides contracting officers with reliable guidance in determining whether the lowest bid received represents a reason-

able price. This safeguard is just as effective in the set-aside program as it is in every other procurement program.

The procurement agencies of the Government have repeatedly asserted that they have no evidence that the small business construction set-aside program involves additional costs to the taxpayer. Former Secretary of the Navy Connally, in testifying not so long ago before the Senate Procurement Committee said:

I do not know of a case where the Navy or the Government has wound up paying more money for an item as a result of doing business with small business firms.

And, in a report to the Senate Small Business Committee, on February 5, 1962, the Department of Defense included the following statement:

Some questions have, in fact, been raised as to whether we have not overemphasized the role of small business in our construction programs at the cost of paying unreasonable prices to effectuate set-asides. We have, however, conducted a thorough review of construction contracts awarded during the 6 months ending June 1961, and have concluded that this allegation is unfounded.

And just the other day, on July 19, 1962, to be specific, in a hearing before the Senate Armed Services Committee, the Assistant Secretary of the Department of Defense, the Honorable Thomas D. Morris, reiterated that there is no evidence bearing out a charge of higher cost to the Government as a result of set-asides.

Where, then, does the higher prices allegation by those who parrot the AGC line stem from? I believe that it stems from the isolated few instances where a large contractor has submitted a lower, nonresponsive bid on a set-aside procurement. Since under a small business set-aside unsolicited bids by large contractors cannot be accepted, and large contractors are aware thereof, some have submitted lower than normal bids knowing that they can do so with impunity, for they cannot be called upon to perform at the low bid price. These ineligible large firms are, thus, free to bid unrealistically or even at a loss in order to discredit the bids offered by small firms who are bound by the prices they quote.

On the other hand, the records affirmatively disclose that during the last fiscal year alone, the SBA certificate of competency program saved our Government \$4.5 million and at the same time provided employment to 1,360 workers who might have had no jobs.

Fourth. They also claim there is too much subcontracting.

Still another irresponsible complaint made against construction set-asides is that small firms which receive the contract subcontract too much of the work.

The AGC knows that in the construction industry a prime contractor rarely handles the whole project himself. They have no reason to believe that small construction firms subcontract more of the work than is customary in the industry. No less than their large competitors, these small firms assume all of the risks and burdens of prime contractors, and they deserve recognition as

such. The fact is that the larger the contractor, the more the subcontracting.

Fifth. They falsely assert that SBA makes the set-asides.

Another charge, a double-barreled one, is that first, SBA arbitrarily determines the size of contracts to be set aside for small business; and second, SBA takes away from contracting authorities most of their discretionary power.

Neither of these charges is true. The dollar value is not one of the criteria.

Congress in sections 2(a) and 15 of the Small Business Act declared it to be the Government policy, and directed that all Government agencies utilize all means properly available to set aside a portion of all Government contracts exclusively for small business participation so as to assure small businesses the opportunity to bid on and receive a fair share thereof.

In order to effectuate this congressional mandate small business set-aside criteria have been developed not by SBA alone, but by it in cooperation with the military and civilian agencies of the Government.

The program is a relatively simple one. Its purpose being to assure small business the opportunity to bid on and receive a fair share of Government contracts, SBA has assigned representatives to as many major Government purchasing offices as can be covered by the agency's limited staff. These SBA representatives and the purchasing officials screen proposed purchases. Some of the agencies have small business specialists. These men are not employed by or responsible to SBA. They are responsible only to the agency employing them. The representatives of the procurement agency and those of SBA jointly determine whether small firms can supply the items or services. They jointly evaluate the small business competition; and, if there is a reasonable expectation that sufficient responsible small business competition can be obtained, earmark the purchases for bidding by small firms. If they do not find at least three responsible and competent small business firms who will bid, there is no set-aside. If at least three do not bid, the set-aside is revoked.

Although the above procedure is followed in setting aside maintenance, repair, and construction contracts, AGC is persistently fostering a misunderstanding to the effect that all construction contracts between \$2,500 and \$500,000 are automatically set aside for small business. It is claimed, or at least suggested, that procurement officials have been deprived of discretion with respect to the award of such contracts. That is untrue, for no purchase can be set aside for small business by anyone but the procuring agency. SBA can only recommend, period.

When the set-aside program was first established, it was necessary for the SBA procurement center representative to review each procurement and to initiate individual set-aside action on each procurement meeting the established statutory and regulatory criteria for a set-aside—the availability of a sufficient

number of qualified small business concerns to assure competition at fair and reasonable prices. Furthermore, it was necessary to repeat this action even when the same items were purchased recurrently and there had been no changes in conditions which justified the original set-aside. This resulted in a duplication of effort. In order to simplify and expedite the program the Congress amended the Small Business Act in 1958 to authorize set-asides, not only with respect to individual awards or contracts, but also for classes of awards or contracts.

Now, where SBA has reason to believe that the criteria are generally applicable to a class of contracts, it requests the procurement agency to treat each contract in such class as if it had been the subject of a specific set-aside recommendation by SBA. In no respect does this impair the right of procurement officials to reject a recommendation. In fact, they can and do call SBA's attention to those contracts in which the particular circumstances would not justify a set-aside. Where warranted the recommendation is rescinded.

In cases of disagreement section 15 of the Small Business Act specifically provides that—

The matter shall be submitted for determination to the Secretary or the head of the appropriate department or agency.

Thus, all SBA can do in such cases is to appeal. The final authority is in the procuring agency.

The application of this procedure to construction contracts is merely an extension of the class recommendations made in other industries for items such as adhesives, ready-mix asphalt, boxes and crates, cement, various types of containers, and for services such as dry-cleaning, janitorial, guard, and watchman services.

As the procurement agencies gained experience in the field of construction, it became apparent that the class set-aside procedures are applicable to the bulk of construction contracts between \$2,500 and \$500,000. Accordingly it was agreed that the contracting officer should consider each requirement for construction within these dollar limitations as if SBA had made a specific recommendation to restrict it to small business. But he still retains full jurisdiction to exercise his own discretion.

An analysis prepared by the Department of Defense covering the first half of calendar year 1961 illustrates the workings of the system. During this period the Department of Defense awarded 5,291 construction contracts under \$500,000. In approximately 20 percent of these cases the Department of Defense determined with the concurrence of SBA that the governing facts would not justify a set-aside. This record will hardly sustain the contention either that SBA arbitrarily determines the size of contracts to be set aside for small business or that it is taking away from the contracting authorities most of their discretionary power.

Sixth. Another falsehood is the claim that the small business size criteria are unrealistic.

Complaints have been voiced by the AGC and its minions, regarding SBA's definition of "small business" in the construction industry, especially that the criteria established are unrealistic.

In the construction industry, SBA's former size criteria were independent ownership and operation, nondominance in the field, and annual average receipts for the past 3 years not exceeding \$5 million. SBA changed its size definition, effective as of August 1, 1962, thus allowing firms with average annual receipts of up to and including \$7½ million to qualify as small construction firms. Although the changed definition will give an additional number of contractors an opportunity to participate in Government construction, the AGC is continuing its drum beating.

Anyone having a just complaint as to size standards may present it and get a full hearing and relief, if justified, either on a specific case basis or on an industry-wide basis.

Seventh. Labor opposition is not justified.

In a separate category entirely is the grievance voiced by some representatives of labor against the construction set-aside program. This, Mr. Speaker, is the most painful aspect of this entire matter. The AGC and the enemies of labor have succeeded in persuading some labor representatives that labor's interests lie with the large construction firms. I am confident, however, that when all the facts are bared and understood, better judgment will prevail and the few opposing labor leaders will realize that their interest and that of the public lies not in the destruction, but in the support of the small construction firms of the country.

Let us examine for a moment the allegations concerning labor.

(a) They mistakenly assert that small contractors are not required to pay prevailing wage scales.

They say that contractors performing set-aside contracts are not required to pay prevailing wage scales and therefore the set-aside program is undermining union wage rates.

This criticism is as unjust as it is untrue. Nothing could be further from the truth, and labor should be well aware of that. Witness the legislative program of 1962 of their building and construction trades department presented at the eighth annual legislative conference held March 5-8 at the Sheraton Park Hotel in Washington, D.C.

Although they there opposed the set-aside program, they did not do so on the wage account, but for the alleged and equally unjustified reason that the program causes unemployment.

If unemployment, however, is labor's concern, little do they realize that their opposition to the small business set-asides equally spells the death knell of the labor set-asides, a measure designed solely to alleviate unemployment in labor surplus areas. Their position, then, is contrary to their very own vital interests and demonstrates incomprehensible shortsightedness. This is why I say that if all facts are bared, and the impact of the proposed bills under-

stood, the misguided will retreat from their too hastily occupied position.

But until then let me return to the alleged detrimental impact of the set-asides on wages.

The small construction concerns are not enjoying any preferential treatment as regards compliance with the prevailing wage provisions of the Davis-Bacon Act—49 Stat. 1011. Compliance therewith is required, regardless of size, of all contractors performing Government construction contracts in excess of \$2,000. I am confident that there is no method whereby a small construction contractor can legally avoid the provisions of the act. Labor in response to my request has failed to identify a single instance where that has occurred.

(b) They also mistakenly say that set-asides cause unemployment of union labor.

Since the wage charge falls of its own weight, it is asserted that the set-aside program hurts the members of building trade unions who become unemployed.

Let me analyze that validity of this complaint.

First, the matter of whether or not employees are unionized or not has, as the Congress well knows, nothing whatsoever to do with whether a Government contract is awarded by the method of set-aside or otherwise. Unionization is a matter for consideration by the industry and the trade unions, and there are simply no grounds for the assumption that set-asides have an effect on unionization. But, they do have an effect upon employment. In fact, they constitute one of this administration's most effective weapons in its struggle against the continuing national plight of unemployment. Based on past experience, I concluded that if the objectives of the set-aside program were to be achieved, there would be an increased need, and not a lessening one, for construction workers, especially in areas other than metropolitan.

The law very properly requires set-asides in labor distress areas even at higher prices in order to give work where otherwise there would be none.

I do not stand alone in this view on the beneficial effect of the set-aside program on the employment situation. Only recently the Oklahoma Department of Highways and the Oklahoma Highway Commission submitted a joint resolution to the Congress, urging confinement of highway construction bidding to small business as one means of alleviating unemployment in that State.

Any hopes anybody may have that an increase in construction contracts awards to large firms will result in an increased demand for labor are illusory. Experience shows that large concerns are often able to perform additional contracts with their existing labor force, whereas small concerns are almost always hiring additional labor when awarded a Government contract.

CONCLUSION

In closing, I should like to reiterate emphatically, Mr. Speaker, that opposition to the construction set-aside program stems from only a few large contractors and association officers and

directors, not rank and file members, of the various branches of AGC. Letters I have seen bear this out fully.

I exhort the opponents of the program to ask themselves what would happen if set-asides were really to be discontinued and construction contracts awarded on the basis of competitive bidding open to small and large firms alike.

Theoretically the idea sounds great. The fact of the matter, however, is that large companies have the mobility which enables them to enter any State of the Union where contracts are available and bring with them many of their employees, and bid against the local small contractor. This possibility is denied to the little firm by virtue of its very smallness. Thus, deprived by the powerful outsider of its local opportunities and unable to seek work elsewhere, the small contractor is doomed to economic extinction.

This, Mr. Speaker, is the reason why I, the SBA, and 90 percent of the construction industry feel that in the face of the continuing decline in the small business share of Government procurement, the program must be maintained and strengthened as well.

The alternative, I submit, is a stunt of the economic growth of the industry, and absolute concentration thereof in the hands of a few. I urge you to believe me when I say that the 90 percent of the construction industry cannot be preserved unless the actual and potential capacity of small business is encouraged and fostered under the set-aside program. Small business has the technical know-how and resourcefulness but is in no position to compete with big business. It looks to this Congress to help it stay viable and share in the defense and well-being of our country.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. CUNNINGHAM (at the request of Mr. ARENDS) from August 7 through August 14, on account of official business.

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. KEITH) and to include extraneous matter:)

Mr. JOHANSEN.

Mr. GLENN.

Mr. FINO.

(The following Members (at the request of Mr. HAYS) and to include extraneous matter:)

Mr. MULTER.

Mr. POWELL.

Mr. MORRIS K. UDALL.

Mr. BARING.

ENROLLED BILL SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that

that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 2206. An act to authorize the construction, operation, and maintenance by the Secretary of the Interior of the Fryingpan-Arkansas project, Colorado.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 1771. An act to improve the usefulness of national bank branches in foreign countries;

S. 2869. An act to amend chapter 31 of title 38, United States Code, to afford additional time during which certain veterans blinded by reason of a service-connected disability may be afforded vocational rehabilitation training;

S. 2978. An act 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;

S. 3109. An act to amend chapter 17 of title 38, United States Code, in order to authorize hospital and medical care for peacetime veterans suffering from noncompensable service-connected disabilities; and

S. 3525. An act 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.

BILLS PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on August 6, 1962, present to the President, for his approval, bills of the House of the following titles:

H.R. 3822. An act for the relief of Ahsabet Oyuncyan; and

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.

ADJOURNMENT

Mr. HAYS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 28 minutes p.m.) the House adjourned until tomorrow, Wednesday, August 8, 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:

2377. 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 \$80 million for the Agency for International Development (H. Doc. No. 503); to the Committee on Appropriations and ordered to be printed.

2378. A letter from the Secretary of Defense, relative to the loan of one destroyer

to the Government of Pakistan, pursuant to section 7 of Public Law 87-387; to the Committee on Armed Services.

2379. A letter from the Secretary of the Army, transmitting the annual report of the U.S. Soldiers' Home for the fiscal year 1961, pursuant to an act approved March 3, 1883, as amended (24 U.S.C. 59 and 60); to the Committee on Armed Services.

2380. A letter from the Comptroller General of the United States, transmitting a report on the examination of the pricing of spare engines for fire-crash vehicles under Department of the Air Force fixed-price prime contracts with Continental Motors Corp. (Continental), Muskegon, Mich.; to the Committee on Government Operations.

2381. A letter from the Assistant Secretary of the Interior, transmitting a draft of a proposed bill entitled "A bill to authorize the acquisition of lands for addition to the Adams National Historic Site"; to the Committee on Interior and Insular Affairs.

2382. A letter from the executive secretary, National Music Council, New York, N.Y., transmitting the financial report of the National Music Council for the year ending April 30, 1962, pursuant to Public Law 873, 84th Congress; to the Committee on the Judiciary.

2383. A letter from the Administrator, National Aeronautics and Space Administration, transmitting a report to the Committee on Science and Astronautics of the House of Representatives pursuant to section 3 of the act of July 21, 1961 (75 Stat. 216, 217), and submitted to the Speaker of the House of Representatives pursuant to rule XL of the Rules of the House of Representatives; to the Committee on Science and Astronautics.

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. PRICE: Committee on Armed Services. H.R. 5423. A bill to amend title 10, United States Code, to authorize the Secretary of the Navy to take possession of the naval oil shale reserves, and for other purposes; with amendment (Rept. No. 2141). Referred to the Committee of the Whole House on the State of the Union.

Mr. PRICE: Committee on Armed Services. S. 2020. An act to amend part IV of subtitle C of title 10, United States Code, to authorize the Secretary of the Navy to develop the South Barrow gasfield, naval petroleum reserve No. 4, for the purpose of making gas available for sale to the native village of Barrow and to other non-Federal communities and installations, and for other purposes; without amendment (Rept. No. 2142). 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. BARING:
H.R. 12789. A bill to direct the Secretary of the Interior to convey to the city of Henderson, Nev., at fair market value, certain public lands in the State of Nevada; to the Committee on Interior and Insular Affairs.

By Mr. BELL:
H.R. 12790. A bill to provide, for purposes of income taxes under the Internal Revenue Codes of 1939 and 1954, that awards received under the Japanese-American Evacuation Claims Act of 1948 shall not be included in gross income; to the Committee on Ways and Means.

By Mr. BREWSTER:

H.R. 12791. A bill to provide that participation by members of the National Guard in the reenactment of the Battle of Antietam shall be held and considered to be full-time training duty under section 503 of title 32, United States Code, and for other purposes; to the Committee on Armed Services.

By Mr. DORN:

H.R. 12792. A bill to prohibit strikes in certain strategic defense facilities; to the Committee on Education and Labor.

By Mr. HOLLAND:

H.R. 12793. A bill to authorize modification of local participation in flood control projects; to the Committee on Public Works.

By Mr. JOELSON:

H.R. 12794. A bill to provide for the sale of the U.S. Animal Quarantine Station, Clifton, N.J., to the city of Clifton to provide for the establishment of a new station and for other purposes; to the Committee on Agriculture.

By Mr. MATHIAS:

H.R. 12795. A bill to provide that participation by members of the National Guard in the reenactment of the Battle of Antietam shall be held and considered to be full-time training duty under section 503 of title 32, United States Code, and for other purposes; to the Committee on Armed Services.

H.R. 12796. A bill to amend the act entitled "An act to provide for a mutual-aid plan for fire protection by and for the District of Columbia and certain adjacent communities in Maryland and Virginia, and for other purposes"; to the Committee on the District of Columbia.

By Mr. MOORE:

H.R. 12797. A bill for the relief of the State Centennial Commission of West Virginia; to the Committee on the Judiciary.

By Mr. MURPHY:

H.R. 12798. A bill to facilitate the entry of alien skilled specialists and certain relatives

of U.S. citizens, and for other purposes; to the Committee on the Judiciary.

By Mr. O'HARA of Michigan:

H.R. 12799. A bill to provide Federal assistance for programs in the States for projects which will benefit older persons; to the Committee on Education and Labor.

H.R. 12800. A bill to extend for two additional years the temporary provisions of Public Laws 815 and 874, 81st Congress, to eliminate certain limitations on the applicability of such acts, and for other purposes; to the Committee on Education and Labor.

By Mr. SEELY-BROWN:

H.R. 12801. A bill to amend the Tariff Act of 1930; to the Committee on Ways and Means.

By Mr. SMITH of Iowa:

H.R. 12802. A bill to provide further for cooperation with States in administration and enforcement of certain Federal laws; to the Committee on Agriculture.

By Mr. WHARTON:

H.R. 12803. A bill to amend section 1461 of title 18 of the United States Code with respect to the mailing of obscene matter to minors, and for other purposes; to the Committee on the Judiciary.

H.R. 12804. A bill to protect postal patrons from obnoxious mail matter; to the Committee on Post Office and Civil Service.

By Mr. CRAMER:

H.J. Res. 844. Joint resolution proposing an amendment to the Constitution of the United States permitting nonsectarian religious observances founded upon the recognition of God in public schools or other public places, if participation therein is voluntary; to the Committee on the Judiciary.

By Mr. HARDING:

H.J. Res. 845. Joint resolution designating the dam and reservoir constructed as a part

of the Palisades Dam and Reservoir Federal reclamation project, Idaho, as the "Henry C. Dworshak Dam and Reservoir"; to the Committee on Interior and Insular Affairs.

By Mr. ST. GERMAIN:

H.J. Res. 846. Joint resolution requesting and authorizing the President of the United States to officially proclaim the week beginning November 4, 1962, as National Folk Music Week; to the Committee on the Judiciary.

By Mr. THOMPSON of New Jersey:

H.J. Res. 847. Joint resolution authorizing the President of the United States to designate the period from November 26, 1962, through December 2, 1962, as National Cultural Center Week; 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. HARDY:

H.R. 12805. A bill for the relief of Lt. Claude V. Wells; to the Committee on the Judiciary.

By Mr. KILBURN:

H.R. 12806. A bill for the relief of Bok H Lee; to the Committee on the Judiciary.

By Mr. MICHEL:

H.R. 12807. A bill for the relief of Eugene Ahrends; to the Committee on the Judiciary.

By Mr. MURPHY:

H.R. 12808. A bill for the relief of Elvira V. Sommers; to the Committee on the Judiciary.

By Mr. ROOSEVELT:

H.R. 12809. A bill for the relief of Tom You Hong, Wai Kuen Wong (also known as Alice Tom), and Peter Tom; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

Labor Dumps Baring for Stand Against Socialized Medicine

EXTENSION OF REMARKS

OF

HON. WALTER S. BARING

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 7, 1962

Mr. BARING. Mr. Speaker, under leave to extend my remarks, I should like to have inserted in the CONGRESSIONAL RECORD a reprint of a speech I made which was reprinted and circulated by friends who have the same belief as I do regarding medicare under the social security system, which appears to me to be the start of socialized medicine.

This speech was made at the AFL-CIO convention in Las Vegas, Nev., which endorsed my opponent after I had been told in advance that such endorsement would be mine if I would vote for the King-Anderson bill:

NEVADA LABOR BOSSES DUMP CONGRESSMAN BARING FOR HIS COURAGEOUS STAND AGAINST SOCIALIZED MEDICINE PLAN

This will be the eighth time in 16 years that it has been my pleasure to appear be-

fore your group and seek labor's support for my candidacy for the Congress of the United States.

Seven times over a period of 14 years your group has overwhelmingly supported my candidacy. Labor has always joined with me and I with them in facing our common foe at election time. The results generally have been quite favorable but we have always had a pretty rough road to travel. The record of that 14 years speaks for itself.

Your national representatives have been high in their acclaim of my stand on matters affecting organized labor. Within the State itself, your leaders and members of the various locals have from time to time contacted me and have expressed their satisfaction with my representation not only of the State of Nevada, but of organized labor itself.

I have journeyed here for the purpose of receiving my eighth consecutive endorsement. I have read and heard of criticism in some quarters as to my standing on some present matters of legislation. Frankly, I was not too concerned. I attributed the apparent misunderstandings to an unfavorable press.

However, shortly after arriving in town I had a visit from two of the leaders of this State organization, and was advised by them that unless I came forward and made an out-and-out commitment to be in favor of the King-Anderson bill, otherwise known as medicare, my continuing support by your organization would be in jeopardy.

Let's see what my stand on this matter is.

The King-Anderson bill was introduced in both the House and the Senate, and in neither body were the proponents of the bill able to get it out of committee. (For your information, I did not serve on the House committee which had the bill under consideration. At the time the King-Anderson bill was introduced, it contained certain language and methods which I did not feel were in the interest of the majority of the people in either the State of Nevada or the United States of America. I therefore announced to the press that I was opposed to the King-Anderson bill in its original form. Let's see what happened.)

The proponents of the bill, who had the strong support of President Kennedy, and after consultation with him themselves decided that the bill in its original form had no chance of passing.

They amended and watered down the King-Anderson bill substantially through legislative maneuver, and put it on as a rider to the welfare bill in the Senate. The Senate defeated the measure by a narrow margin. Those voting against were 21 Democratic Senators, constituting a third of the Democrats in the Senate, and 31 Republican Senators. This bill has never been voted on in the House and will not be presented until the next session of the Congress.

I am as compassionate as anybody living for the fine elderly and needy people in our