

I presume I should ask for equal time but I do not think this would really reach to the heart of the question.

Meantime, I assure you of my esteem of what I am sure are your high principles and aims.

Sincerely,

O. R. STRACKBEIN,
Chairman.

[From the Steubenville (Ohio) Register,
May 31, 1962]

FATHER O'BRIEN CHARGES TV SHOW RIGGED,
SLANTED

NOTRE DAME, IND.—A priest who was one of three Catholic spokesmen on a nationally televised program dealing with birth control has charged "the whole format of the program was rigged against those who opposed, on moral grounds, the use of artificial contraceptive devices."

Father John A. O'Brien, research professor of theology at the University of Notre Dame, complained in a letter to Frank Stanton, president of the Columbia Broadcasting System, that the May 10 program "CBS Reports: Birth Control and the Law," was "one sided, slanted and biased."

The priest recounted that after he accepted an invitation to appear on the program, he

found the procedure "quite unsatisfactory and bewildering."

"I was before the camera for approximately 2 hours in which I answered a great variety of questions about whose formulation I had nothing to say as well as nothing to say in regard to what portions of this material would be used," Father O'Brien detailed.

"My uneasiness and concern over this unusual arrangement were further heightened by the consciousness that the director of the program itself (Eric Sevareid), was an all-out partisan of the opposing side. Can you imagine any court of justice allowing what portions of the testimony of witnesses of the opposing side were to be presented to the jury and what were to be excluded? Yet this was precisely the strange and almost incredible arrangement to which my two colleagues and I were subjected," he continued.

Father O'Brien emphasized in the letter that there "is a hard core of rigorous intellectual reasoning underlying the opposition of the Catholic Church to the use of artificial contraceptive devices, mirroring the ethical conviction held by virtually all Christendom up until the last decade or two, which never came to the surface in the program."

"On the contrary," Father O'Brien continued, "practically every device was used to

promote the use of contraceptives and even to render that mandatory in public institutions, and to belittle and disparage the viewpoint of the opposing side."

Father O'Brien pointed out Federal law requires equal time be allocated each side in airing divergent views of the two major political parties and said substantially the same arrangement should be expected in presenting divergent views of two major religious faiths on such a program.

The priest said he has advocated repeatedly for the removal of birth control in politics, "for ending the cold war on this subject and for the working out of an arrangement in connection with public institutions which will respect the constitutional rights of both sides to follow their religious and ethical viewpoints."

"I greatly fear that programs of the one-sided, biased, and rigged character of 'Birth Control and the Law' will not be conducive to the achievement of that desired end," he said.

The Catholic spokesmen with Father O'Brien on the program were Father Dexter L. Hanley, S.J., a professor of the Georgetown University Law School, Washington, D.C., and John Philbin of the Cana Conference in the Chicago archdiocese.

HOUSE OF REPRESENTATIVES

TUESDAY, JUNE 12, 1962

The House met at 12 o'clock noon.

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

Psalms 86: 7: In the day of my trouble I will call upon Thee: for Thou wilt answer me.

Almighty God, grant that the reality and blessedness of Thy companionship and counsel may be with us during these days of stern demands and difficult decisions.

May it be our constant and abiding certainty that Thou wilt help us when we fall and heal us when we fail.

We earnestly beseech Thee that we may sense the pressure and urgency of our high vocation and act without delay in discharging the duties and tasks which await us.

Wilt Thou give wings to our prayers that they may lift us unto the highlands of the spiritual and bring back the blessings we so greatly need, although we know not how to ask for them except with the cry of a broken spirit and contrite heart, which Thou art always ready to hear and answer.

In Christ's name we offer our petition. 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. Ratchford, 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 May 24, 1962:

H.R. 10607. An act to amend the Tariff Act of 1930 and certain related laws to pro-

vide for the restatement of the tariff classification provisions, and for other purposes.

On May 28, 1962:

H.R. 1372. An act for the relief of Rocco Cambrea;

H.R. 1435. An act for the relief of Jacinto Machado Ormonde;

H.R. 1533. An act for the relief of Lee Kyong Ja;

H.R. 5610. An act for the relief of Pierino Renzo Picchione;

H.R. 7777. An act for the relief of Elisabetta Piccioni;

H.R. 8195. An act for the relief of Ronald L. Mutter; and

H.R. 8515. An act for the relief of James R. Banks.

On May 31, 1962:

H.R. 1349. An act for the relief of Fong Chun Hong;

H.R. 1588. An act for the relief of Fong Kai Dong;

H.R. 1604. An act for the relief of Spencer E. Hewitt;

H.R. 1650. An act for the relief of Irene Kemeny;

H.R. 1697. An act for the relief of Viola Borwick Warbis;

H.R. 1701. An act for the relief of Mrs. Kikue Yamamoto Leghorn and her minor son, Yuichiro Yamamoto Leghorn;

H.R. 1703. An act for the relief of Maximo B. Avila;

H.R. 1918. An act for the relief of John D. Morton;

H.R. 2687. An act for the relief of Miss Helen Fappiano;

H.R. 2838. An act to exempt from taxation certain property of the Army Distaff Foundation;

H.R. 3005. An act for the relief of Sister Mary Aurelia (Chiara Di Gesu);

H.R. 3148. An act for the relief of Madalena Haas;

H.R. 3696. An act for the relief of Gertrude M. Kaplan;

H.R. 4365. An act for the relief of Sp. 5 Daniel J. Hawthorne, Jr.;

H.R. 4380. An act to quiet title and possession to an unconfirmed and located private land claim in the State of Louisiana;

H.R. 4563. An act for the relief of Abraham Gelb;

H.R. 5686. An act for the relief of Mrs. Willie Mae Brown;

H.R. 5689. An act for the relief of Felicja Saulevicz;

H.R. 6344. An act for the relief of Mon Fred Young;

H.R. 6464. An act for the relief of Cecil D. Rose;

H.R. 6772. An act for the relief of Hendrikus Zoetmulder (Harry Combres);

H.R. 6773. An act to repeal the act of August 14, 1957 (Private Law 85-160);

H.R. 7477. An act to repeal section 409 of the Public Buildings Act of 1949, requiring the submission of a report to the Congress concerning eligible public building projects;

H.R. 7671. An act for the relief of Louanna L. Leis;

H.R. 7752. An act to amend the District of Columbia Alcoholic Beverage Control Act, as amended, and for other purposes;

H.R. 8030. An act to amend the act admitting the State of Washington into the Union in order to authorize the use of funds from the disposition of certain lands for the construction of State charitable, educational, penal, or reformatory institutions;

H.R. 8482. An act for the relief of Paul J. Pericle;

H.R. 8628. An act for the relief of Joseph A. Tedesco;

H.R. 8916. An act to authorize grants for planning and carrying out a project of construction for the expansion and improvement of the facilities of George Washington University Hospital in the District of Columbia;

H.R. 8941. An act to authorize acceptance of the gift made to the United States by the will of Esther Cattrell Schmitt;

H.R. 9060. An act for the relief of Rhea G. Burgess;

H.R. 9097. An act to authorize the Secretary of the Interior to sell certain public lands in Idaho;

H.R. 9188. An act to relieve Theodore A. Anderson from loss of agricultural conservation program benefits;

H.R. 9409. An act for the relief of Mrs. Iris Ann Landrum;

H.R. 9596. An act for the relief of Daniel E. Moore;

H.R. 9597. An act for the relief of James N. Tull;

H.R. 9647. An act to authorize the Secretary of the Interior to enter into an amendatory contract with the Burley Irrigation District, and for other purposes;

H.R. 9699. An act to authorize the Commissioners of the District of Columbia to sell certain property owned by the District of Columbia located in Prince William County, Va., and for other purposes;

H.R. 9752. An act to authorize the Secretary of Defense to lend certain Army, Navy, and Air Force equipment and to provide transportation and other services to the Boy Scouts of America in connection with the World Jamboree of Boy Scouts to be held in Greece in 1963, and for other purposes;

H.R. 9753. An act to amend sections 3(7) and 5(b) of the Internal Security Act of 1950, relating to employment of members of Communist organizations in certain defense facilities;

H.R. 9805. An act to change the name of Whitman National Monument to Whitman Mission National Historic Site;

H.R. 9830. An act for the relief of John B. Hogan;

H.R. 10098. An act to authorize the exchange of certain lands at Antietam National Battlefield site; and

H.J. Res. 576. Joint resolution to designate calendar year 1962 as Cancer Progress Year.

On June 8, 1962:

H.R. 1348. An act for the relief of William Burnice Joyner;

H.R. 1395. An act for the relief of Sydney Gruson;

H.R. 1404. An act for the relief of Mrs. Frances Mangiaracina;

H.R. 1712. An act for the relief of Elizabeth Rose DiCarlo;

H.R. 2103. An act for the relief of Antonio C. Ysrael;

H.R. 2672. An act for the relief of Sonia Maria Smith;

H.R. 5652. An act for the relief of Kevork Torolan;

H.R. 8368. An act for the relief of A. Eugene Congress;

H.R. 8570. An act to amend title 10, United States Code, to permit disbursing officers of an armed force to entrust funds to other officers of an armed force;

H.R. 9466. An act for the relief of Sic. Jesse O. Smith; and

H.R. 11261. An act to authorize an adequate White House Police force, and for other purposes.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. McGown, one of its clerks, announced that the Senate had passed a joint resolution and a concurrent resolution of the following titles, in which the concurrence of the House is requested:

S.J. Res. 198. A joint resolution deferring until August 25, 1962, the issuance of a proclamation with respect to a national wheat acreage allotment; and

S. Con. Res. 78. Concurrent resolution requesting the President to return to the Senate the enrolled bill, S. 1745, relating to District of Columbia schoolchildren's fares, and providing for its reenrollment with a certain change.

JAMES B. TROUP

Mr. WALTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 10502) for the relief of James B. Troup, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Line 5, strike out "compiled" and insert "been lawfully admitted to the United States for permanent residence on September 20, 1956, and the time he has resided and been physically present in the United States since that date shall be held and considered as compliance".

After line 6 insert:

"SEC. 2. For the purposes of the Immigration and Nationality Act, the time Sylvia Mattiat has resided and been physically present in the United States since her lawful admission for permanent residence on November 8, 1950, shall be held and considered as compliance with the residence and physical presence requirements of section 316 of that Act."

Amend the title so as to read: "An Act for the relief of James B. Troup and Sylvia Mattiat."

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

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

FERDINAND A. HERMENS

Mr. WALTER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 2865) for the relief of Ferdinand A. Hermens.

The Clerk read the title of the bill.

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

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, in the administration of the Immigration and Nationality Act, section 352(a) of that Act shall be held not to be nor to have been applicable to any period of residence of Ferdinand A. Hermens, a naturalized citizen of the United States, in Germany after April 30, 1962, and prior to May 1, 1965.

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.

HODGES' HALO

Mr. JOHANSEN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

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

There was no objection.

Mr. JOHANSEN. Mr. Speaker, there is something incongruous and ill fitting about Secretary of Commerce Hodges' newly acquired halo.

On May 23, Mr. Hodges offered some glib and vague testimony, before the Committee on Post Office and Civil Service, about doing away with jobs and eliminating obsolete functions in the bureaucracy.

It was subsequently widely reported—quite erroneously—that he had proposed a 10-percent cut in Federal personnel.

Ever since, Mr. Hodges has been receiving editorial encomiums, hailing him as a wise and courageous exponent of economy.

Even the Chicago Tribune, usually realistic about such matters, editorially urged that other Government Department heads be as honest with themselves and the public as Mr. Hodges.

The truth is—as I stated to the House on June 4—that following his testimony,

Secretary Hodges went out of his way to reassure his own Department that he didn't have anything specific in mind in the way of reductions—and to quit worrying.

Since then, the Manpower Utilization Subcommittee staff has abundantly confirmed that he did not—and does not—have anything specific in mind on this score.

What Secretary Hodges does have very definitely in mind points in the diametrically opposite direction.

The Commerce Department budget for fiscal year 1963—now before the Appropriations Subcommittee—calls for an increase of 2,229 permanent positions in that Department.

This is approximately a 10-percent increase in the Department's permanent work force.

Incidentally, these very specific recommendations were already months-old information, buried in the voluminous figures of the 1963 Federal budget, when Secretary Hodges made his recent phony pitch about doing away with jobs.

I do not in the least mind suggesting that Mr. Hodges turn in his halo.

I just hate to disillusion the editorial writers—and the hard-pressed American taxpayers.

INCREASE OF PUBLIC DEBT LIMIT

Mr. BOLLING, from the Committee on Rules, reported the following privileged resolution (H. Res. 685, Rept. No. 1806), which was referred to the House Calendar and ordered to be printed:

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. 11990) to provide for a temporary increase in the public debt limit set forth in section 21 of the Second Liberty Bond Act, and all points of order against said bill are hereby waived. After general debate, which shall be confined to the bill, and shall continue not to exceed four hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means, the bill shall be considered as having been read for amendment. No amendments shall be in order to said bill except amendments offered by direction of the Committee on Ways and Means or an amendment proposing to strike out all after the enacting clause and insert in lieu thereof of the text of the bill H.R. 12026 as an amendment in the nature of a substitute, and said amendments shall be in order any rule of the House to the contrary notwithstanding, but such amendments shall not be subject to amendment. 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.

FRYINGPAN-ARKANSAS PROJECT, COLORADO

Mr. SISK. Mr. Speaker, by direction of the Committee on Rules, I call up the resolution, House Resolution 606, 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. 2206) to authorize the construction, operation, and maintenance by the Secretary of the Interior of the Fryingpan-Arkansas project, Colorado. After general debate, which shall be confined to the bill, and shall continue not to exceed three hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interior and Insular Affairs, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. SISK. Mr. Speaker, I yield 30 minutes to the gentleman from California [Mr. SMITH] and now yield myself such time as I may consume.

The SPEAKER. The gentleman from California is recognized.

Mr. SISK. Mr. Speaker, House Resolution 606 provides for the consideration of H.R. 2206, a bill to authorize the construction, operation, and maintenance by the Secretary of the Interior of the Fryingpan-Arkansas project, Colorado. The resolution provides for an open rule with 3 hours of general debate.

H.R. 2206 would authorize the construction and operation by the Secretary of the Interior of the multiple-purpose Fryingpan-Arkansas project in Colorado, for furnishing supplemental irrigation water, furnishing municipal water, controlling floods on the Arkansas River, supplying electric power and energy, and other incidental purposes. The project would constitute a major step in maximum utilization of water and land resources in Colorado.

Supplemental irrigation water would be made available for approximately 280,000 acres of land through the transmountain diversion of an average of about 70,000 acre-feet of water annually, the conservation of floodflows in the Arkansas Valley, the reregulation of winter flows there and the reuse of return flows. In addition, about 20,500 acre-feet of water would be made available annually to meet the rapidly expanding municipal water needs of Colorado Springs, and other Arkansas Valley towns. Operation of the project for flood control would prevent a large part of the flood damages which, under present conditions, occur annually in the Arkansas Valley. The hydroelectric plants and related facilities would provide over half a billion kilowatt-hours of electric energy annually to meet the expanding power and energy needs in the area. Also, the project would benefit fish and wildlife, provide recreational opportunities, help control sediment, and prevent stream pollution.

Mr. Speaker, the following organizations and groups are in support of the rule and the project now pending. It

has the unanimous endorsement of the Colorado Legislature, the endorsement of labor: the AFL-CIO, both national and local; the chambers of commerce of the Arkansas Valley; the civic clubs of the Arkansas Valley; the National Reclamation Association of Soil Conservation Groups, State and local; of the veterans' organizations, local; of the National Rural Electric Cooperative Association and local REA cooperatives; the private power companies; Colorado Public Service and Southern Colorado Power Co.; the Upper Colorado River Commission; the Izaak Walton League; the National Rivers and Harbors Congress; the Communications Workers of America; the National Wool Growers Association; the National Lamb Feeders Association; the Denver Chamber of Commerce; the Colorado State Chamber of Commerce; the Colorado Farm Bureau; and the National Farmers Union. The project conforms to the formula of the Chamber of Commerce of the United States. It also has the endorsement of the Arkansas-Red-White River Basin Interagency Commission; the Missouri River Basin Interagency Commission; the Arkansas River Compact Administration. It has the unanimous support of the General Assembly of the Colorado State Legislature.

Mr. Speaker, I urge the adoption of House Resolution 606.

Mr. Speaker, I reserve the balance of my time.

CALL OF THE HOUSE

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

The SPEAKER. Evidently a quorum is not present.

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

A call of the House was ordered.

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

[Roll No. 104]

Addonizio	Goodell	Morrow
Alford	Granahan	Miller, N.Y.
Ashmore	Green, Oreg.	Moorehead,
Bass, N.H.	Green, Pa.	Ohio
Blatnik	Hall	Moulder
Blitch	Hardy	Nix
Boykin	Harrison, Va.	Norrell
Brewster	Harrison, Wyo.	Pirnie
Cahill	Healey	Powell
Clark	Hemphill	Riley
Colmer	Hoffman, Mich.	Rivers, S.C.
Curtis, Mass.	Hollifield	Roberts, Ala.
Dawson	Horan	Saund
Dent	Ichord, Mo.	Scott
Diggs	Jennings	Shelley
Dooley	Jones, Ala.	Shipley
Dorn	Kearns	Slack
Dulski	Kee	Stratton
Farbstein	Keith	Stubblefield
Fino	Kelly	Teague, Tex.
Flood	Kitchin	Thompson, N.J.
Fulton	Laird	Tuck
Garland	McMillan	Van Pelt
Garmatz	McSween	Wilson, Calif.
Glaimo	McVey	Yates
Glenn	Macdonald	Zelenko

The SPEAKER. On this rollcall, 357 Members have answered to their names, a quorum.

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

FRYINGPAN-ARKANSAS PROJECT, COLORADO

Mr. SMITH of California. Mr. Speaker, I yield myself 10 minutes, and ask unanimous consent to revise and extend my remarks.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. SMITH of California. Mr. Speaker, House Resolution 606 provides for the consideration of H.R. 2206, a bill to authorize the Secretary of the Interior to construct, operate, and maintain the Fryingpan-Arkansas reclamation project in Colorado. The resolution provides for an open rule with 3 hours of general debate.

Companion bills have been introduced by the gentlemen from Colorado [Mr. CHENOWETH, Mr. ROGERS, and Mr. DOMINICK]. The State of Colorado is presenting a united front in support of this legislation.

Mr. Speaker, this subject has a rather long legislative history. In the 83d Congress the House rejected a rule on a similar measure. The bill was taken up in the closing days of the session, and the House apparently decided that consideration should be postponed until the following session. In the 84th Congress the House rejected a rule on a similar bill. Again the vote was taken during the closing days of the session. I believe on the day before the House adjourned. It was apparently the sentiment of the House that there was not sufficient time to consider the bill on its merits, and that consideration should be postponed until the following session.

At the time the House took the above action there was a division in Colorado concerning this project. There was opposition to the bill on the western slope of Colorado, from which area the water is to be diverted to the eastern slope. Because of this opposition it was impossible for Colorado to present a solid front for this project, and as a result favorable action was impossible. In the 85th Congress the bill was again granted a rule, but it was late in the session, and the rule was not considered by the House.

In 1959 the sponsors of the project began negotiations with the western slope in an effort to work out an agreement. These efforts were successful, and an agreement was reached in 1960.

Hearings were held in June 1961, and this bill was reported favorably. At this hearing witnesses appeared from the western slope of Colorado in support of the project.

We were advised in the hearing before the Rules Committee that there is now full agreement in Colorado on this project, as evidenced by the fact that all four Members of the Colorado delegation have introduced identical bills. In previous years the gentleman from Colorado [Mr. CHENOWETH] was the sole sponsor of the legislation, as his district will receive most of the benefits of the project.

The Colorado Water Conservation Board has unanimously approved this

project. I understand this agency is the official spokesman for Colorado on water matters.

Mr. Speaker, the Fryingpan-Arkansas project is a multiple-purpose development for furnishing supplemental irrigation water, furnishing municipal water, controlling floods on the Arkansas River, supplying electric power and energy, benefiting fish and wildlife, providing recreational opportunities, and helping to control sediment and stream pollution.

The project primarily involves only one State, the State of Colorado and that State's decision as to the use of its available water resources. It would permit the implementation of an agreement among all official water resources agencies in the State of Colorado for maximum beneficial use of a small portion of the State's undeveloped water resources. It provides for development and operation in both eastern and western Colorado under operating principles which have been unanimously agreed to and are a part of H.R. 2206. An average of 69,000 acre-feet of water from the headwaters of the Colorado River in western Colorado, an amount which is about 2 percent of Colorado's share of the upper basin's expected entitlement, would be diverted annually through the Continental Divide into the Arkansas Basin where the water resources are presently overdeveloped and the need for additional water has become critical.

The project is estimated to cost about \$169,905,000 of which about \$151 million or 89 percent will be repaid. About 57 percent of the reimbursable amount will be repaid with interest. The 11 percent of the cost which is nonreimbursable is allocated to flood control and fish and wildlife—costs which are traditionally borne by the Federal Government.

The exportation of water from the Colorado River Basin to the Arkansas Basin makes it possible to use, in the Arkansas Basin, additional water which presently cannot be used.

CALL OF THE HOUSE

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

The SPEAKER. Evidently a quorum is not present.

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

A call of the House was ordered.

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

[Roll No. 105]

Addonizio	Davis, Tenn.	Green, Ore.
Alford	Dawson	Green, Pa.
Ashbrook	Dent	Hall
Ashley	Diggs	Hardy
Ashmore	Dooley	Harrison, Va.
Bass, N.H.	Dorn	Harrison, Wyo.
Blatnik	Doyle	Harvey, Mich.
Blitch	Dulski	Healey
Boykin	Ellsworth	Hemphill
Bray	Farbstein	Hoffman, Mich.
Brewster	Flood	Hollifield
Cahill	Fulton	Horan
Clark	Garland	Ichord, Mo.
Cohelan	Gialmo	Johnson, Md.
Colmer	Glenn	Jones, Ala.
Corman	Goodell	Kearns
Curtis, Mass.	Granahan	Keefe

Keith	Moulder	Stratton
Kelly	Nix	Stubblefield
Kitchin	Norrell	Sullivan
Laird	Pirnie	Taylor
McMillan	Powell	Teague, Tex.
McSween	Riley	Thompson, N.J.
McVey	Rivers, S.C.	Tupper
Maconald	Roberts, Ala.	Van Felt
Miller,	Saund	Wallhauser
George P.	Scott	Whalley
Miller, N.Y.	Selden	Whitener
Moore	Shelley	Wickersham
Moorehead,	ShIPLEY	Wilson, Calif.
Ohio	Slack	Yates
Moss	Spence	Zelenko

The SPEAKER. On this rollcall, 342 Members have answered to their names, a quorum.

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

FRYINGPAN-ARKANSAS PROJECT, COLORADO

The SPEAKER. The gentleman from California [Mr. SMITH] has the floor.

Mr. SMITH of California. Mr. Speaker, this additional water consists of winter flows, return flows, and floodflows and its use increases the water supply available in the Arkansas Valley to about 163,000 acre-feet. This amount would provide for furnishing supplemental irrigation water to approximately 280,000 acres and, in addition, provide 20,500 acre-feet of municipal water for Colorado Springs and other Arkansas Valley cities. About half a billion kilowatt-hours of electric energy annually would be available from the seven powerplants that are included in the project plan to take advantage of the topography of the area. Flood damages which presently average more than \$700,000 annually would be prevented by operation of the project.

The hearings disclosed that this project does not provide for irrigating a new land. The supplemental water supply represents two late seasons irrigations of about 3½ inches each which will make the difference between successful crop operations and failure. This is a program providing relief to the farmers in the Arkansas River Valley who have been suffering over a long period of years from lack of sufficient water for successful irrigation of their crops. Nothing is more distressing to farmers than to have their water give out before crops are matured.

Mr. Speaker, the State of California has indicated opposition to the project. Representatives of the Colorado Water Conservation Board and of the Colorado River Board of California were able to get together and agree, for the most part, on the details of this project. On April 13, 1962, Mr. Northcutt Ely, special counsel of the Colorado River Board of California, wrote to the gentleman from Colorado [Mr. CHENOWETH] and advised the objections we previously raised to the specific provisions of the Fryingpan bill have been met with the single exception noted in my testimony.

The one exception which H.R. 2206 does not contain is one which limits in effect transmountain diversions in Colorado to 25 percent of the total which may be available to that State. Efforts were

made to insert this amendment in the San Juan-Chama Navajo irrigation project, H.R. 7596, with negative results. So I have little hope that it can be added to this measure.

California still feels that these Colorado River projects should not be instituted until the Supreme Court has acted in the Arizona-California lawsuit, which has now been continued until fall, and until a complete study has been made of the presently available water in the upper Colorado.

However, I have recently communicated with the appropriate officials of the Colorado River Board of California, and they advise me that Colorado has been most cooperative in accepting all suggested amendments except the one just referred to above. And that if these reclamation projects are to be started, this should be one of the better ones.

Mr. Speaker, I know of no objection to the rule, and urge its adoption. I reserve the balance of my time.

Mr. SISK. Mr. Speaker, I yield 5 minutes to the gentleman from Massachusetts [Mr. O'NEILL].

Mr. O'NEILL. Mr. Speaker, I wish to add my brief comments in support of House Resolution 606 for the consideration of H.R. 2206. As a Representative of the State of Massachusetts, I am particularly pleased to join with my western colleagues in active support of a water development project which will not only benefit the State of Colorado, but which will likewise further the sound economy of this Nation.

It is sometimes difficult for us who live along the Atlantic coast to visualize the climatic conditions of interior States, such as Colorado, where the average annual rainfall is less than 20 inches. The first and foremost problem of the western pioneer was the securing of an adequate water supply for year-around use. This problem has not abated over the years. Imaginative thinking and dogged determination by the western people, however, have led to the development of a western economy which today is a major factor in our national strength. This Federal Government, through its reclamation program, has often been the catalyst by which riches have been produced from aridity.

The people of Colorado and neighboring States have demonstrated to the appropriate committees of this House a convincing and enduring faith in the merits and necessity of their project. I am advised that to date they have expended almost a million dollars in their own investigation and promotion of this project, in addition to the expenditures by the Bureau of Reclamation. The people of the Arkansas Valley in Colorado have organized themselves into the largest water conservancy district in the history of the State of Colorado. They have bound themselves under State law to raise from ad valorem taxation alone more than \$400,000 annually to assist in project repayment.

Mr. Speaker, I am convinced that the people of Colorado know their own needs better than anyone else. I am likewise convinced that their project is a proper

and sound Federal investment. I, therefore, urge the adoption of House Resolution 606.

Mr. SMITH of California. Mr. Speaker, I yield 8 minutes to the gentleman from Kansas [Mr. AVERY].

Mr. AVERY. Mr. Speaker, as I stood in this well about a month ago and presented as best I could the case for the middle western farmer in opposing the so-called Navajo Reclamation project, so I find myself again today in virtually the same position, and hoping to be able to persuade you not only that there is a case to be made for the middle western farmer but that today we have a case for the taxpayer as well.

I do not make these observations without being mindful of the tremendous importance of this particular piece of legislation to my good friend, the gentleman from Colorado, Representative CHENOWETH, the gentleman from Colorado, Mr. DOMINICK, and also to my good friend from Denver, the gentleman from Colorado, Mr. ROGERS, and of course the chairman who has been in charge of this legislation for many years, the distinguished gentleman from Colorado, Mr. ASPINALL. But despite my love, affection, and admiration for all four of these Members of this body, I feel that my responsibility goes beyond that.

In performing our service in this House, if it were just a matter of standing up to take a position that would accommodate every other Member, our responsibilities would be relatively simple indeed. I do not think however, that is why we are here. That is not why we are selected to represent our areas and people. For all the reasons that I understand and you understand we are here, I think it is necessary in the discharge of our responsibility from time to time to analyze and perhaps oppose a measure, and certainly today would be one of those occasions.

From 10:30 this morning until 12 o'clock, the Committee on Rules heard the gentleman from Arkansas [Mr. MILLS] argue most persuasively, and I am inclined to believe without enthusiasm, that the national debt ceiling should be raised from the temporary ceiling of \$300 billion to \$308 billion. I think everyone in this House has heard the gentleman from Arkansas [Mr. MILLS] debate and present his legislation on the floor on quite a number of occasions, and you are all aware how persuasive he can be. He reminded the Committee on Rules that he felt we were in a situation this morning where we had no choice: The commitment had been made for these certain obligations against the Treasury of the United States and we had no choice except to proceed to authorize an increase in the debt limit to an amount that would accommodate the refunding responsibility of the Treasury of the United States. I, for one, supported the gentleman from Arkansas [Mr. MILLS] in his request. But, I would like to remind the Members of the House of some other things that the gentleman from Arkansas [Mr. MILLS] said. He said, if we were to be able to reduce the national debt limit, if we were ever going to have a tax reduction, Congress must call a halt on spending

at the time of authorization. In my humble judgment, my colleagues, that is today. Why do we pick out this particular project? Well, we are not picking out this particular project—this just happens to be the issue before the House today. We have had the Peace Corps, educational television, and we have had a dozen other issues where we could have faced up to some fiscal responsibility, but we let it go by the board—we let that go over the dam, so to speak. I do not think that establishes any precedent or any justification for just closing our eyes and saying—oh, well, what is the use, this is only \$170 million. These Members from Colorado are fine men so we will stand aside and pass this one, too.

Mr. ROGERS of Colorado. Mr. Speaker, will the gentleman yield?

Mr. AVERY. I will yield to the gentleman in just a minute. I would like to continue with my particular thought at the moment, I might say to my friend from Colorado [Mr. ROGERS].

During general debate I am sure much will be said that the justification for this project is not dependent upon supplemental irrigation; and that may be true. But, if you will read the committee report, you will find estimated \$11 million a year of annual benefits from this project of which over half are dependent upon accelerated agricultural production. If there is a shortage of any kind of food item anywhere in the United States, it has not come to my attention. I would merely cite one example. If the majority and the leadership had felt that they had the votes to pass this farm bill this week, I am sure it would have been on the floor following this particular piece of legislation, probably tomorrow. That bill was to provide for a mandatory reduction in feed grains and a mandatory reduction in wheat. If the Secretary of Agriculture could have had his way, there would have been a mandatory reduction in dairy products. Under the present program, I understand it is only costing \$300 million a year to subsidize the dairy industry. And I am not taking issue with that. I notice in the committee report that the principal agricultural commodities to be produced in the Arkansas Valley are products that come from dairy cattle. There are 14,500 dairy cattle, it has been stated, in the valley, and if this project is approved, there would be an increase not only from the stock that is there, but there is to be more stock too.

I am told that the administration position for justifying the dairy section in the farm bill was that under the present support program, it costs \$4.70 a hundred for each 100 pounds of milk the Government has to buy—that is surplus milk. But if we pass the agricultural bill, it is only going to cost \$2.50 a hundred. So they say, we cannot afford not to pass the agricultural bill; but we are proceeding today to consider an increase in the surplus not only of dairy products but other agricultural products as well. I just cannot see the logic of it. Let me just repeat that for you again.

We are asked to increase the debt limit at 11 o'clock this morning, and come down here at 1 o'clock this afternoon

and are asked to pass a bill costing \$170 million that will increase agricultural production; and Mr. Speaker, the majority, if they had their way, would pass a farm bill tomorrow to roll back agricultural production again. If there was ever an exercise of inconsistency in policy I think the program of the House this week would head the list.

Before I yield to my friend from Colorado, this is an inquiry I would like to submit to the Chairman of the Interior and Insular Affairs Committee. I have a letter from the executive secretary of the Water Resources Board of the State of Kansas, Mr. Robert Smith. He states as well as it can be stated, I think, the position of the State on this particular project. Without reading the letter I insert it in the RECORD at this point:

MAY 25, 1962.

Hon. Wm. H. AVERY,
U.S. Congressman,
House Office Building,
Washington, D.C.

DEAR MR. AVERY: Inquiry has reached this office relative to the possible effects the Fryingpan-Arkansas reclamation project would have on the State of Kansas. Please be advised that Kansas has not voiced any water policy objections to this project. Briefly, the water picture is as follows:

The project involves, among other things, the diversion of a relatively modest amount of water from the western slope of the Rockies to the Arkansas River Basin on the eastern slope. Kansas interests in the Arkansas River flows in eastern Colorado are established by the terms of the Kansas-Colorado Arkansas River Compact. This compact establishes a basis for the operation of the John Martin Reservoir from which ditch irrigators in both Kansas and Colorado obtain irrigation water when same is available. The bulk of the water to be diverted from the western slope by the proposed Fryingpan project is scheduled for use in Colorado upstream from John Martin. It is not anticipated that the diverted water will significantly increase the flows into John Martin, but such effect as there is would be beneficial.

The project also involves reregulation of the native waters of the Arkansas River, and it is most conceivable that ill-advised reregulation of these native waters would have an adverse effect on the waters available to John Martin and hence to users in both States below John Martin. In recognition of this possibility, the Arkansas River Interstate Compact Administration, made up of representatives of both States, has taken the stand that no reregulation of the native waters shall be undertaken except under a plan of operation which has been approved by the compact administration. Both States incorporated the compact administration views in their review comments. Kansas support of the project, therefore, assumes that any reregulation of the native waters will be subject to the approval of the compact administration.

Very truly yours,

ROBERT L. SMITH,
Executive Secretary.

I would like to have the assurance of the chairman of the committee that if this bill is to pass and the project is to be authorized that all management of what is described as "native water in the Arkansas River" will be submitted for approval by the Kansas-Colorado-Arkansas River Compact Administration.

Mr. ASPINALL. I would answer the gentleman this way: The Fryingpan-Arkansas project has the unanimous con-

sent of the Arkansas River Compact Administration, and the Arkansas River Compact Administration has a representative from Kansas. So the answer is "Yes," native waters will be treated as they are supposed to be treated in compliance with the Arkansas River compact.

Mr. AVERY. I thank the gentleman for his reply. I assumed that would be the answer, but since the inquiry was submitted by the State of Kansas I wanted the RECORD to reflect that particular comment.

Mr. ROGERS of Colorado. Mr. Speaker, will the gentleman yield?

Mr. AVERY. I yield.

Mr. ROGERS of Colorado. Further answering the gentleman's question, and emphasizing what the gentleman from Colorado has said, the gentleman from Kansas recognized that there is a compact between the State of Colorado and the State of Kansas which everybody has agreed works perfectly. The enactment of this legislation will not change that situation in any manner whatsoever.

The reason I asked the gentleman to yield is to inquire whether he realizes that the Congress is not giving to the State of Colorado \$171 million but that \$150 million of it is repayable. Is there any project of flood control or development of that nature that has a repayment feature such as is provided in this legislation?

Mr. AVERY. I would agree with the gentleman I do not think there is, because I think this will be largely repaid by agricultural subsidies, and I do not think there is another project that will be repaid that way.

Mr. ROGERS of Colorado. The point is I do not want the House to be misled.

Mr. AVERY. I do not want to be misled either.

Mr. ROGERS of Colorado. Then the gentleman would readily agree that this legislation provides for repayment of at least \$150 million based upon a formula that has been in the reclamation law for a number of years.

Mr. AVERY. I would reply to the gentleman this way: There is a repayment formula in the bill, but as I understand, it applies to the repayment of costs of irrigation and of certain municipal water and power uses, but there is also an offset for certain costs that are not reimbursable. It is a matter of judgment, of course, as to what extent both apply.

The SPEAKER. The time of the gentleman from Kansas has expired.

Mr. SISK. Mr. Speaker, I yield 5 minutes to the distinguished chairman of the Committee on Rules, the gentleman from Virginia [Mr. SMITH].

Mr. SMITH of Virginia. Mr. Speaker, here we go again on the same old merry-go-round, the Fryingpan-Arkansas project. The advocates have never been able to obtain an approval in this House in the many, many years it has been before us. The last time the bill was up for consideration, the rule was defeated, and the House disposed of the matter very expeditiously. In that way some of us who opposed this bill had the hope

it had finally come to rest. But it never rested. In the last session they got a rule, but they did not have the temerity to call it up because they did not have the votes.

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

Mr. SMITH of Virginia. I yield to the gentleman from Colorado.

Mr. ASPINALL. The gentleman, the distinguished chairman of the Committee on Rules, knows that the request was made of his committee in July for a rule, but the Rules Committee did not give us the rule, which is the reason it was not brought up in the last session of the Congress.

Mr. SMITH of Virginia. My figures show differently; in other words, that the Rules Committee did grant a rule. I will check with the gentleman later on in the discussion and verify that. To be frank, I do not think you got out of the Rules Committee without an understanding you were not going to bring it up in that Congress. With that kind of an understanding, I do not think you had much hope of passage.

Mr. Speaker, I have heard my friends over on the left, and I have been with them many times, debate and argue that we must get down to some kind of fiscal responsibility in this Congress, that we must defer some of the things that it would be nice to have until we get in better shape financially. This morning the Committee on Rules passed a resolution which will bring up for your consideration tomorrow an increase of \$8 billion in the national debt. You will recall it was in the last 3 months that you passed one raising it \$2 billion. You will recall that year after year and year after year for the last 6, 7, or 8 years you have every year at least once and sometimes twice increased the debt limit. Yet, with all the appeals that you gentlemen have made, and I have joined with you in them, to this Congress to bring about some financial responsibility in order to avoid the bankruptcy of this country, it has had no effect.

Mr. Speaker, I expect you are going to vote for this bill today, and you are going to vote for a lot more of them. Do you know how much more money it is expected to be spent or asked for in this session of the Congress, and included in the budget for 1961, which is the only budget that has been completed? It jumped from \$81 billion for 1961 to \$99-plus billion for this year.

Mr. Speaker, how are we going to pay these bills? How are we going to get the money? I have been voting every time for an increase in the national debt limit on the theory that you had incurred the bills and you must pay them. However, I have now concluded that the time is past when that argument has any effect on this House or the Congress. I therefore propose to vote against that bill. That is the only way you are ever going to stop this wild spending.

The reason this particular project was defeated before on the rule was because we are arguing now about a farm bill. There is a great discussion going on all over the country trying to reduce this \$6 or \$7 billion annually that we are providing for farm subsidies.

We are raising too much agricultural products, more than the country can consume, and now you are in here with this bill. A couple of weeks ago you came in with the San Juan project; I think it was some \$40 million or \$50 million, and that one bored a hole through the Rocky Mountains down into New Mexico and put the river on the other side so that they could raise some more produce. And, they said, "Well, we are not going to hurt the surplus." But, it does increase the surplus, so that we are spending \$7 billion a year to stop raising things, and here you are spending \$40 million in New Mexico and \$170 million in Colorado so that you can raise some more produce, to increase your surplus and cost your taxpayers more money. Now, does that make any sense? I appeal to you Members of Congress to think about our present fiscal situation.

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

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

Mr. SISK. I know that my chairman wants to be completely accurate, and he remembers, probably, that I had some interest in this bill as well as another reclamation bill, and a rule was reported on April 17, 1962, which was something like 6 weeks ago. The distinguished chairman will remember that we did not hold hearings—

Mr. SMITH of Virginia. Are you talking about this bill?

Mr. SISK. That is right.

Mr. SMITH of Virginia. We granted a rule on the bill, yes. What about it? I am glad to stand corrected.

Mr. SISK. I understood the chairman said we granted a rule last year and it was not called up.

Mr. SMITH of Virginia. No. It was the last Congress, I should have said. We granted a rule in the last Congress.

I am just wondering. You know, I cannot keep up with all of these things.

Now, here is what we are doing. We spent \$81 billion in 1961. In 1963 we are going to project spending to \$100 billion. We increased the debt limit every year over the last 5 and 6 years, and now, after we do all that, and we do not have any money to pay the bills—we are depending upon our tax money—then we get notice that we are going to reduce taxes. We have already passed one tax bill. Many of us thought we were going to raise more revenue, but the net result is, by the prediction of the Joint Committee on Finance of the House and the Senate, that we are going to lose \$1 billion. That is what the chairman said, and I trust him more than any other financial expert in this Government. That is going to lose you \$1 billion. If we are going to reduce taxes, I do not know how many billion dollars we are going to lose, and here we are going to spend more money, and then we think we have got good sense.

Mr. SMITH of California. Mr. Speaker, I yield 5 minutes to the gentleman from Colorado [Mr. CHENOWETH].

Mr. CHENOWETH. Mr. Speaker, I rise in support of this rule. Those of you who have been here for some years know of my interest in this project. There has been some reference made to

the past history of this project. I want to remind you, as has been pointed out by the distinguished gentleman from California, Mr. SMITH, that twice this project was defeated on the rule in the closing days of the session. One time it was the day before adjournment and another time about a week before adjournment. At that time the State of Colorado was divided on this project. We are now presenting a united front. All sections of the State and all groups are united in a solid drive for this project. I want the House to have all of the facts concerning the history of this legislation. This project has never been considered on its merits. The vote on the rule in 1954 was on July 28, and the vote in 1956 was on July 26. Since that time the project has been revised, and it was possible for all interested parties to agree on the same. I feel we have a much better bill before you today, and one that deserves your full support.

Mr. Speaker, I want to thank my distinguished colleagues, the gentlemen from California [Mr. SMITH and Mr. SISK], for their very splendid statements in behalf of this project. We in Colorado appreciate the support of California on this project. I want to thank my colleague, the distinguished gentleman from Massachusetts [Mr. O'NEILL], for his support and his very splendid statement. I am sorry that my distinguished colleague from Kansas [Mr. AVERY], is opposed to the project. I feel that he is a little out of step on this project, as Kansas really belongs with Colorado in this fight. I know the gentleman from Kansas [Mr. AVERY], is concerned over the farmers of Kansas. I can assure him that they are not going to suffer in the slightest as a result of this project. No new land will be brought under cultivation in this project. We are not seeking to take anything away from Kansas. Kansas is also a reclamation State and we have mutual interests.

Mr. Speaker, the project provides for supplemental irrigation water for land which is already under cultivation. Additional water is necessary in order that they may be assured a crop. The water made available by this project is insurance for these farmers against crop failures because of water shortages.

Mr. Speaker, I want to commend my colleague from Colorado [Mr. ROGERS], who referred to the fact that this is a loan. This is not a gift. This is a project which is going to pay back the money that the Government is going to furnish for construction costs. Insofar as the surplus crops are concerned, it is going to be 12 to 14 years before this water is made available to this land. I submit that no one can predict what our food requirements will be 15 years from now. It is obvious we are going to need more production in order to take care of our increased population.

Mr. Speaker, I take second place to none in seeking sound financial and fiscal policies in this country. I feel that we must have a balanced budget, and curtail expenditures wherever possible. I regret that the matter of increasing our national debt limit has been brought into this debate. However, Mr. Speaker, if

we were to follow these arguments to their logical conclusion, the Congress might as well adjourn and go home, since under this approach we would not be able to consider any further legislation at this session. I do not think the Members of the House intend to quit, and we still have much to do at this session. I am satisfied that Congress will consider many other pieces of legislation which will involve Federal expenditures.

Mr. Speaker, I want to remind the Members of the House that this project is not going to have any immediate impact on our budget. This project, as I stated before, will not be completed for 12 to 14 years. The money to be used for the construction costs will not be spent immediately, but will be spread out over that period of time.

By voting for this project today, as I hope you will, you will not be adding to our immediate budgetary problems.

Mr. Speaker, my good friend, the gentleman from Kansas [Mr. AVERY] made reference to dairy products. The Arkansas Valley in Colorado is not essentially a dairy area. I wish to correct the gentleman on that statement. This project is not going to contribute to any surplus dairy products. I am anxious to relieve the gentleman of this apprehension.

Mr. Speaker, I want to say this in closing. This is a good project. This is a project which has had careful consideration, study, and planning over a period of many years. It has had the support of three administrations. President Eisenhower always gave this project his full support. He recommended the Fryingpan in several budget messages from 1955 to 1960. President Kennedy has endorsed this project. It has had the support of four Secretaries of the Department of the Interior—two Democrats, and two Republicans. The project now has completely bipartisan approach.

Mr. Speaker, as I mentioned a moment ago, the State of Colorado is appealing to Congress to make this loan so we can construct this project, and use some of our own water. I am sure you will not regret this action and that when the project is in operation you will be fully convinced that this is a good investment, not alone for the State of Colorado, but for the entire Nation.

Mr. Speaker, I urge the Members of the House to visit our Western States and see these reclamation projects in California, Texas, Oklahoma, the great Northwest, the Missouri Basin, and the Rocky Mountain States. I would like to have you see these great multiple-purpose projects which have been completed and are now in operation. I am sure you would be convinced that this is a good program, not alone for the immediate area where the project is located, but for the entire area, and the Nation as a whole.

Mr. Speaker, I hope the rule will be adopted without opposition. I urge you to vote both for the rule and the bill. I assure the Members of the House that their support of this project will be sincerely appreciated.

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

The previous question was ordered. The resolution was agreed to. A motion to reconsider was laid on the table.

ANNUAL REPORT ON THE OPERATIONS OF THE MUTUAL SECURITY PROGRAM FOR THE PERIOD ENDING JUNE 30, 1961—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 432)

The SPEAKER laid before the House the following message from the President of the United States, which was read and, together with accompanying papers and illustrations, referred to the Committee on Foreign Affairs and ordered to be printed:

To the Congress of the United States:

Transmitted herewith is the final annual report on the operations of the mutual security program for the period ending June 30, 1961. The report was prepared under the direction of the Administrator of the Agency for International Development as coordinator of the foreign assistance program, with participation by the Department of State and the Department of Defense.

This report marks the end of one decade in our aid programs and the beginning of another; the transition from what was primarily a decade of defense to a decade of development. The past decade has seen the strengthening of many of our friends and allies so that they have been enabled not only to thrive without our grant assistance, but also to bear an increasing share of the responsibility of helping the less-developed nations.

Fiscal year 1961 can perhaps best be characterized as a year of reevaluation for the foreign assistance program. A Presidential task force was set up early in 1961 to review the program thoroughly—from basic policy to future objectives. The work of this task force, and subsequently the constructive efforts of the Congress, resulted in the Foreign Assistance Act of 1961, which created the Agency for International Development and in effect inaugurated the decade of development.

For the new decade, new tools have been forged to implement the changes in program emphasis toward economic and social progress through self-help, long-range development, and a shift from grant assistance to loans. These objectives can be realized, however, only if the strength and will of the free world against overt aggression and subversion from within are maintained. We must continue, therefore, to carry forward an effective military assistance program to sustain the safeguards and defensive arrangements necessary for the peaceful development of the free world.

JOHN F. KENNEDY.

THE WHITE HOUSE, June 11, 1962.

FRYINGPAN-ARKANSAS PROJECT, COLORADO

Mr. ROGERS of Texas. 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. 2206) to authorize the construction, operation, and maintenance by the Secretary of the Interior of the Fryingpan-Arkansas project, Colorado.

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. 2006, with Mr. FASCELL in the chair.

The Clerk read the title of the bill.

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

Mr. ROGERS of Texas. Mr. Chairman, I yield 15 minutes to the distinguished chairman of the Committee on Interior and Insular Affairs, the gentleman from Colorado [Mr. ASPINALL].

Mr. ASPINALL. Mr. Chairman, let us first put this program in its proper perspective. We are talking about water resource conservation and wise-use programs. This program of reclamation can no more be divided from water resource conservation programs authorized and constructed and operated for the Department of Agriculture, in conformity with watershed programs, or from flood control or rivers and harbors improvement or from HEW and its pollution program, than one member of the human body can be taken from the body and considered as the whole body itself.

There has not been any fight and there will not be any fight made on flood control, because flood control is a good program. It gives to the body politic the compensating benefits for the investment made. There will not be any fight made upon the watershed program of the Agriculture Department because it is a good and sound program. I do not know how many of you remember, but when we authorized the small watershed program we authorized a Federal expenditure that could reach \$11 billion, dependent entirely upon how the program is sold to the Committee on Appropriations. It might interest you to know that in one State, for example, in the State of Virginia presently there is taking place a Federal cost in the small watershed program of \$17,235,965. The Federal Government is rather attentive and sympathetic to the needs of such State; and it should be. This is not a sectional program.

Why it is that we have to singly point out the reclamation program and try to separate it from the rest of the water conservation programs I have never been able to understand. To build a strong nation you do not try to weaken some of the links. It is just not the thing to do.

With that in mind, I do not believe it is necessary for me to try to sell to this body the necessity of water resource conservation and wise use of those natural resources. I think this body is pretty well sold on that idea, because year after year, session after session, we accept our responsibility and we authorize programs and we appropriate the money.

When we get to the place that we fail to do so, then remember that the most important, the most valuable resource that this Nation has outside of its peo-

ple, its young people, especially, is water, without which this Nation can be expected to decline and waste away.

Mr. Chairman, the legislation before the House today would authorize the Secretary of the Interior to construct, operate, and maintain the Fryingpan-Arkansas project in the State of Colorado. This is a multiple-purpose development for furnishing supplemental irrigation water, furnishing municipal water, controlling floods on the Arkansas River, supplying electric power and energy, and providing fish and wildlife benefits and recreational opportunities. This project would constitute a major step in maximum utilization of water and land resources in Colorado.

The Fryingpan-Arkansas project, along with the San Juan-Chama project which was approved a few weeks ago, constitute a major portion of the program for new reclamation project authorizations that will be considered in the 87th Congress. The approval by the House of this legislation is most important from the standpoint of keeping authorizations in balance with construction appropriations and continuing a sound and orderly Federal reclamation program.

Mr. Chairman, the Federal reclamation program is a program for turning the waters of the West to their maximum usefulness. It is oriented toward full economic development of the West—development which is largely dependent upon the availability of water—water for farms, water for cities, water for industry. The program is designed to put our land and water resources to work—creating new homes and opportunities. It creates new wealth that would not otherwise exist, broadens the tax base, and provides a dependable market for manufactured products from other areas of the Nation. Development of the West to date must be credited almost entirely to the development and beneficial use of the water resources. Almost every population center west of the 100th meridian, outside of seaport cities, has had irrigation farming as a key factor of its origin. While the Federal reclamation program has played an important role, more than three-fourths of the total irrigated acreage in the Western States today was initiated as private development.

Today we have run out of simple projects; however, we have not met the need for continued development. Due principally to our exploding population and expanding industry, the pressures are greater than ever to maintain the pace of economic development. Today our planning is based upon maximum use of the available water resources for all purposes. With the multiplicity of uses that are involved, the projects proposed for Federal construction are those which cannot be undertaken on a solely local basis. The Fryingpan-Arkansas is such a project. It is designed to make maximum use of a portion of Colorado's limited water resources. It involves extensive Federal interests as well as State and local interests. It involves the exportation of water from western Colorado, the source of most of Colorado's

remaining undeveloped water, to the Arkansas Valley where the need is greatest.

Extensive waste would result if attempts were made to serve the various purposes of the project separately. It is not physically or economically feasible for the farmers in the Arkansas Valley to develop only a supplemental supply of water to meet their late season needs or for the Federal Government to build such a project.

Neither is it feasible for the cities in the Arkansas Valley to develop only a source of water to meet their municipal and industrial needs. The electric power development would not be feasible by itself and it would not be feasible for the Federal Government to build storage on the Arkansas River for flood protection alone. However, all these project purposes are adequately served by the Fryingpan-Arkansas project and, in addition, extensive recreation and fish and wildlife benefits will be provided, as well as storage capacity to serve future needs in western Colorado, and the multiple-purpose development is completely feasible from both an engineering and economic standpoint.

The most important purpose of the Fryingpan-Arkansas project is to furnish supplemental water to 280,000 acres in the Upper Arkansas River Basin where, at the present time, the waters are overappropriated and serious losses in crop production on presently irrigated acreage are an annual occurrence. In a sense, the project could be characterized as a "rescue operation" because that is actually what it means to the Arkansas Valley lands. Even with the six-tenths of an acre-foot of late season water made available by this project, long-term average shortages of around 16 percent will still prevail. However, the small amount which would be made available is most important because it represents the difference between successful crop operations and failure for these lands. This small supplemental supply will stabilize the livestock industry in the valley and will permit flexibility in farming operations so that cropping practices can shift to meet marketing demands.

This is the kind of increase in efficiency which Secretary Freeman recently referred to as being entirely consistent with sound long-term agricultural objectives. With a more dependable water supply, the farmers will turn to more diversified cropping and away from those crops which have been contributing to our surplus problem.

I might point out at this point, in answer to a proposal that has been made so often, that the Arkansas Valley portion of the project would be physically infeasible without the exported water from western Colorado. The entire plan for making about 183,000 acre-feet of water usable in the Arkansas Valley is dependent upon a series of exchanges in the upper reaches of the Arkansas River Valley which require the availability initially of the 69,200 acre-feet of exported water.

Although legislation to authorize the Fryingpan-Arkansas project has been

before the Congress since 1953, the project is only now ready for authorization. All the problems which have previously stood in the way of authorization have, in my opinion, now been satisfactorily resolved. Never has a project been as thoroughly studied by Federal and State agencies and by the Congress as the Fryingpan-Arkansas project. While this is the fourth time legislation to authorize this project has been approved by the Interior and Insular Affairs Committee, it is the first time that the project comes to the House with almost unanimous support.

For instance, this is the first time that the legislation has had the full support of both eastern and western Colorado. This is the first time that the project serves the dual purpose of promoting development on both sides of the Continental Divide. It would develop the waters of the Fryingpan River for use in both eastern and western Colorado under operating principles which have been unanimously agreed to and which are, by reference, a part of the legislation. For the first time, the Colorado River Water Conservation District of western Colorado had a representative before our committee testifying in support of the legislation and the southwestern water conservation district also gave its support to the project. Also, for the first time, the economic and repayment studies of the modified plan of development show that the project meets all the standards and criteria normally required for feasibility of reclamation projects without any exceptions. Also, for the first time, there has been practically no objection to the legislation from those agencies and groups in southern California which previously expressed fear that this small transmountain diversion of water would adversely affect the quality of water in the lower Colorado River. They undoubtedly now recognize that this small diversion, which is only about 2 percent of Colorado's share of the upper basin's expected entitlement, cannot possibly have any appreciable effect upon the quality of the water downstream.

The gaining of this new support has not detracted from the support previously given the project. It has the wholehearted support of the Public Service Co. of Colorado and the Southern Colorado Power Co. which are private utilities operating in the project service area. Just last week Mr. R. T. Person, president of the Public Service Co. of Colorado, stated in a letter to me:

We would like to reiterate to you our wholehearted support of this worthy project. Our support is based on the company's recognition that water is one of our most vital resources and its proper utilization, conservation and development are inseparably linked to the continuing growth and economic progress of this region and the entire Nation. It is our firm belief that the proposed Fryingpan-Arkansas project is a needed and worthy reclamation undertaking deserving the broadest cooperation and support, as the economic development of the Arkansas Valley is dependent upon this project for its future growth.

The Fryingpan-Arkansas project was specifically endorsed by former President Eisenhower in his last several

budget messages to the Congress. It also has the unqualified support of the present administration and was mentioned specifically by President Kennedy in his message on conservation as a project which should be authorized and constructed as soon as possible. Secretary Udall personally testified before the committee on H.R. 2206 as to the need for and his unqualified support of this project. Secretary of Agriculture Freeman has specifically endorsed this project.

The official report of the Department of Agriculture approving the enactment of H.R. 2206 was received about a year ago. Just yesterday the committee received a supplemental statement from Secretary Freeman in which he said:

We understand the project would not bring new lands into production but would involve the reorganization of existing irrigation facilities and the supplying of supplemental water to make possible increased efficiency in the management of existing irrigated farms in the project area and minimization of waste that comes from losses in years of short water supply. This is consistent with a major objective of this Department to provide appropriate and needed services for improvement of the family farm pattern and of farm and rural living. It is in keeping with the provision of technical assistance to individual farmers and ranchers, taking into account present national production needs, to help develop efficient use of soil and water resources and to protect productive agricultural land to meet future national needs. We recognize that most of the farm products coming from irrigated land are not those for which there are serious overproduction problems. The provisions of additional water to supplement present inadequate water supplies, as is proposed by the Fryingpan-Arkansas project, helps enable project farmers to adjust their production plans so they can respond to variations in production needs.

The Upper Colorado River Commission has endorsed the project by formal resolution. The Colorado River Water Conservation Board, the official agency of the State of Colorado, in matters pertaining to water resources development, has unanimously approved and endorsed the Fryingpan-Arkansas project. Governor McNichols, in a statement to the committee, endorsed the project and stated that it occupied the highest priority in the development of the water resources of Colorado.

The point I am making is that the Fryingpan-Arkansas project we have before us today is physically different, economically and financially improved and enjoys much greater support than the Fryingpan-Arkansas project previously considered. From the standpoint of the physical plan, the Reudi Dam and Reservoir on the Fryingpan-Arkansas River has been substituted for the Aspen Dam and Reservoir on the Roaring Fork River. This relocation of the western Colorado storage feature from Aspen to Reudi has resulted in almost four times the original storage capacity. This change provides storage to serve western Colorado in the foreseeable future in addition to the replacement storage needed in connection with the Fryingpan-Arkansas transmountain diversion. There is no question but what the water from Reudi Reservoir will be fully utilized in western

Colorado in the near future. In the meantime, as another indication of the solid support for the Fryingpan-Arkansas project in Colorado, the Southeastern Colorado Water Conservancy District has agreed to sign a contract for repayment of the entire cost of the Reudi Reservoir until such time as the excess storage capacity is used to serve western Colorado and the water users receiving this service assume a portion of the reservoir cost.

With respect to feasibility, the project before us today shows a much improved repayment picture. The power allocation will be repaid with interest in 41 years after completion of all power facilities. The municipal water supply allocation will be repaid with interest in 40 years following completion of construction. The irrigation allocation will be repaid within 50 years.

The gentleman from Texas, Mr. WALTER ROGERS, chairman of the subcommittee handling this legislation, will give you further details on the physical plan of development and the financial and economic aspects of the project.

Mr. Chairman, seldom in the history of reclamation has any group of people demonstrated a more convincing faith in the necessity of the reclamation project than the people of the Arkansas Valley. In addition to years of untiring efforts they have expended more than \$700,000 to bring the project to its present status. In 1958, the people of the Arkansas Valley organized themselves into the largest water conservancy district in Colorado and, by so doing, demonstrated their willingness to raise from ad valorem taxes alone approximately \$516,000 annually over the repayment period to assist in project repayment and operation. An additional sum of half of this amount can be raised to cover any deficiencies or defaults in contractual obligations. This is a recognition on the part of all the people of the Arkansas Valley of the value of the development to the overall economy of the area. It is an indication that they recognize that extensive indirect or secondary benefits will flow from the construction and operation of the project. Over 50 percent of the irrigation revenues will come from ad valorem taxes.

I also would like to point out this, that there is being received at this time in the neighborhood of \$450 million each year in income taxes from the Federal Government's investment in irrigation programs. That is twice the amount that we yearly ask for authorization and appropriation for this program. That is how successful the reclamation program has been since its inception in 1902.

You know as well as I know that the reclamation program has more than paid for itself in the last 12 years. That means that we have received into the Federal Treasury more money, just under \$4 billion, than we have paid out for the whole reclamation program since 1902.

Simple projects such as those that were authorized in the early years of irrigation are constructed. There are no more of them. Those projects were the cream of

the crop. They have been taken care of either by private enterprise or by early authorizations and early projects of the reclamation program. So what we have left are these multiple-purpose projects, projects that cannot be handled by single groups, cannot be handled by single local governmental entities, projects that within themselves can be handled only by Federal aid and supervision. One of such projects we have before us today.

May I say generally, and it will be shown to you by those who have the responsibility for giving the details, that this project is one of the best projects as far as reclamation law and established policy is concerned that has been brought to the Congress during my tenure of office in Congress. Its physical feasibility is satisfactory, its economic feasibility is satisfactory, its financial feasibility is satisfactory. It has one thing that no other reclamation program has had, to the extent at least that this project has, and that is the sharing of costs by all local people of the project area. When it is pointed out to you what these procedures mean, I think you will understand what I am talking about.

I should like for just a moment to refer to this map.

Let me show you what is involved. Let us not be misled by any statement about taking water from one watershed to another. That has been done since we have been a nation. Of course, it was not done for reclamation purposes, but it was done for other purposes which were just as necessary at the time that such programs were authorized and built as reclamation is today. For the first decade, the State of Colorado saw transmountain diversions for mining purposes as well as for irrigation purposes just the same as this project which is on a little bit larger scale than the early projects. We have in the State of Colorado at the present time transmountain diversions that are much larger than this. One of these is the so-called Colorado-Big Thompson project in the northern central part of the State and the other, the Denver diversion, for Denver to get its municipal water. So transmountain diversion is nothing to be shied away from simply because some remarks are made about digging holes in the mountains. It is practical and feasible and it is in the interest not only of the State of Colorado but the people of the Nation.

There is one other thing I would like to bring out before I refer to the map. I represent the western part of Colorado. However, not all of my district is on the western slope. The fact of the case is that where the construction is going to take place in this project, most of it is in my district. And where the water to be used, most of that is in the district of my colleague, the gentleman from Colorado [Mr. CHENOWETH]. But, up until just recently we did not have an agreement between western Colorado and eastern Colorado as far as this project is concerned because western Colorado wanted to know whether or not it had sufficient water to send across the ridge into eastern Colorado and still take care of its needs, present and future. We have had surveys which show this project can be

authorized and constructed and still the interest of western Colorado be protected, and that is the reason why we are today supporting this legislation. I think it is in the best interests of our Nation. Not only are the Federal congressional district representatives united in support of this legislation but also the Legislature of the State of Colorado unanimously—65 members of the house and 35 members of the senate passed a resolution showing their support of this project.

If you can find any more unanimity in a State, I would like to know about it. The purpose of the project is to take water out of the Frypan tributaries and send it across the mountains through this tunnel which is indicated here on the map and drop it into the Arkansas Valley and send it down to the users, the agricultural, municipal, industrial, and power users in the Arkansas Valley. That is all that is involved here. The tunnel is not a big tunnel. It is not nearly as large or as long as other tunnels in the State of Colorado. One reason we had so much difficulty before was that in Aspen, it was proposed that there be a reservoir of 28,000 feet, 2 miles above the city. The people of Aspen did not want that. They did not want the reservoir above their city.

So the agreement that has been arrived at is for a reservoir almost four times as large, to be built over the Divide on the Frypan River. The water is available—do not let anybody tell you that the water is not available. The Ruedi Reservoir is to be used for river regulation and also it is to be used for any feasible uses in the future, down in this area indicated here on the map, for agricultural uses and, perhaps, a small power drop—and down in this area, indicated on the map, for municipal uses. The western slope feels that it is protected and it feels its potential uses can be taken care of. The eastern slope feels like it can be taken care of with what is proposed in this legislation.

These lands shown in green on the map are the lands that are under irrigation at the present time. There are between 300,000 and 350,000 acres, if I remember.

Of these lands, only 280,000 acres will be served by this project. These lands are water deficient in the neighborhood of, perhaps, an acre-foot of water per year.

This legislation would provide that they would get about six-tenths of an acre-foot of water annually which would allow for two late irrigations and make farming activities financially feasible in what now is a water-short area. The amount of water is not as much as they would like to have, but at least it would firm up their farm operations.

I spoke a while ago in regard to the contribution to be made by the taxpayers of the district. These areas which are shown in purple, or lavender color, and a part of them outside of the irrigated land area, are the areas of the conservancy district. These are the areas which will have an ad valorem tax. You notice that the city of Colorado Springs, the city of Pueblo, Canyon City, Buena Vista and others are not going to receive

too many direct benefits as far as their cities are concerned, but they will pay part of the irrigation construction cost that is authorized in this bill. The merchants, the professional people, the workers, the whole people all know the indirect benefits that will accrue to them, and they have pledged themselves to pay about \$500,000 a year toward the cost of this project.

Let me now refer to this chart: in this column we have the total cost of the project, \$169,905,000, and this cost starts out with nonreimbursables in the amount of \$18,908,000. Of that, approximately \$15 million is for flood control. The rest of it is fish and wildlife, recreation, and so forth.

In this column, we have the cost of the project broken down into these various allocations: Irrigation \$66,097,000, all of which is reimbursable; then we have allocated to power \$62,667,000, all of it reimbursable with interest at the rate the Federal Government has to pay for long-term loans.

In this column we have municipal and industrial allocations in the amount of \$22,233,000, all of which is reimbursable with interest at the same rate.

In this area we have flood control \$15,014,000. This is nonreimbursable.

Now we come to the column showing \$150,997,000, which is the amount of reimbursables; and we find that irrigation revenues of \$46,686,000 will be paid by the users or by the taxpayers, and that is broken down showing the water users paying \$21,720,000, with the ad valorem tax bringing to the program \$24,976,000.

I know of no project, flood control or otherwise, where the people of the area not directly served by the project—this is in addition to any water toll that the users have to pay—I know of no project that has that kind of sharing program.

In this area we have the power program repayment: \$82,078,000. Besides paying its own costs with interest within the 50-year period power will make a contribution to irrigation of \$19,411,000, which is considerably less than the ad valorem taxpayers will contribute.

In this area of the chart we have set forth the revenues from the municipal and industrial users. The amount shown on the chart, of course, does not include the interest payment that will be made. In other words, this project has a repayment possibility that very few projects have, and that is one of the things that has not only brought about the endorsement of all of those organizations which were mentioned by the gentleman from California [Mr. SISK] when he made his statement on the rule, but it has the complete and unanimous support of all the representatives of the State of Colorado.

Mr. Chairman, this has been studied for 35 years. I think this is one of the beautiful things about this kind of a program. That is the reason that we are here unanimously supporting the legislation. Where it failed of permission to be considered by the House in previous years, it has now been made into a good project.

I think the people of Colorado and the Bureau of Reclamation should be congratulated and commended for bringing a project to us that can stand this lengthy and detailed study.

It has been mentioned in argument on the rule that \$700,000 have already been contributed by the people of this area—that is, the Colorado governmental agencies and the conservancy district—in order to further this project. This is a rather large sum to be raised by the people themselves in the interest of their own project.

Let me refer to the remarks made by the gentleman from Kansas [Mr. AVERY].

It was only in the last Congress that the Congress authorized a project for the State of Kansas, a project which was based upon potential irrigation, although it is true that most of it provides for municipal water and flood control. But it would not have had the support of this Congress if it had not been for the irrigation features. At that time there was no one from Kansas that I heard of complaining about agricultural surpluses, about the question of financing, or anything like that at all. The fact of the matter is that the record will show that the gentleman who made the remarks against this project a while ago made no such utterances against the project in his own State of Kansas.

Mr. Chairman, I desire to answer the points made by those signing the minority report.

The report of the Regional Director, Bureau of Reclamation, dated July 5, 1950, refers to the Fryingspan-Arkansas project as the "initial development, Roaring Fork diversion, Gunnison-Arkansas project," and discusses the possibility of future diversion from the Gunnison River. However, the comments and recommendations of the State of Colorado on that report dated August 7, 1951, made it clear that the State of Colorado did not contemplate the diversion of water from the Gunnison River and that the operating principles did not provide for any such future project. The State recommended that this be made clear in the final report and that, in line with this understanding, the name of the project be changed to "Fryingspan-Arkansas Project."

The report of Secretary Chapman, dated October 19, 1951, goes along with the recommendations of the State of Colorado. The report was sent to the President and later to the Congress on June 9, 1953, with the name changed to "Fryingspan-Arkansas Project" and on the basis that this is a self-contained project and not dependent in any way on additional future diversions. Since that date, no active consideration has been given by the Department of the Interior or the Bureau of Reclamation to diversions from the Gunnison River to the Arkansas Basin. It was also made completely clear by Colorado witnesses at the first hearings on the Fryingspan-Arkansas project in June 1953 that the State of Colorado had no plans for future diversions from the Arkansas River.

H.R. 2206 specifically states in section 1 that nothing in the legislation shall

constitute a commitment to exportations of water beyond that required for the Fryingspan-Arkansas project. Decrees issued by the State courts of Colorado after 1950 have committed the Gunnison River waters to other purposes and preclude the development of the Gunnison-Arkansas project referred to in the Bureau's original report. The operating principles which are a part of H.R. 2206 also would preclude such a development.

Mr. Chairman, while the Fryingspan project bears the same name as the project proposed on which previous hearings have been held, important changes have been made which greatly improve the project, and result in substantial new benefits to both eastern and western Colorado. Specifically the following changes have occurred:

First. Aspen Reservoir—28,000-acre-foot capacity—on the Roaring Fork River has been dropped.

Second. Ruedi Reservoir—100,000-acre-foot capacity—on the Fryingspan River has been added.

Third. The area to be served by the Ruedi Reservoir is entirely different than the area proposed to have been served by Aspen Reservoir; that is, oil shale developments in the vicinity of Rifle will derive substantial benefits from Ruedi Reservoir.

Fourth. The increased cost of Ruedi Reservoir over the cost of Aspen Reservoir—\$5 million—has been guaranteed repayment by the Southeastern Colorado Conservancy District.

Fifth. The water treatment plant for Pueblo has been deleted.

Sixth. The location of the heading for the pipeline to Colorado Springs to be built at the expense of Colorado Springs has been moved a substantial distance.

Seventh. Refinements of facilities to assure wintertime operation have been made. Opponents have pinpointedly attacked wintertime canal operations. The Bureau of Reclamation has reappraised this aspect and fortified the system by making minor changes which insure perfect wintertime operation.

Mr. Chairman, the Fryingspan project is a true multipurpose project; it goes hand in hand with the increased population, and insures resource development and conservation, as well as agricultural security. The towns and cities of the Arkansas Valley require municipal water of a quality suitable for drinking purposes. Melting snow gathered at an altitude of 10,000 feet provides the best possible source and the Fryingspan captures this snow water for the cities. No one portion of the project can be isolated and separately appraised. By combining snow waters at high elevations with the drop in altitude of 5,000 feet to the farming land makes possible the generation of electric energy serving two purposes rather than one. In turn, the Pueblo Reservoir at an altitude of 5,000 feet adds flood control protection and irrigation benefits. All these factors combine to make the project financially feasible. The minority report is misleading: The \$63 million of the project costs charged to irrigation purposes produces 183,600 acre-feet of water for all purposes.

There will be a ready market for all power that can be generated by the time the power is available—construction will require about 10 years—and a price of 6.5 mills per kilowatt hour is assured. Mr. L. R. Patterson, vice president of a private investor utility, the Public Service Co., of Colorado, speaking for that company and also for the Southern Colorado Power Co., confirmed the statement of James R. Meyers, president of the Arkansas Valley Generating & Transmission, Inc., and manager of the South-eastern Colorado Power Association—REA co-ops—and agreed there will be no problem in obtaining 6.5 mills. Both men testified that preference customers will consume most if not all of the power locally; but, if not, the Public Service Co. stated it is willing to buy or wheel any power available. Any statements to the contrary ignore the testimony of these experts—see pages 129-131 of hearings. The assurance of a market is demonstrated by the fact that all power to be generated by the Colorado River storage project has already been oversubscribed.

Mr. Chairman, the suggestion that the system of canals and powerplants cannot operate during extremely cold winter months is completely false. Existing systems, operated by both private and public power agencies, operate at temperatures at and below the temperatures which will be experienced by these project facilities.

Operating techniques have been developed at other installations which, coupled with relative design changes—from lower elevations in warmer climate powerplants—permit the operation of powerplants without undue interference from ice. It is a known physical fact that water reaches its maximum density at 39° F. The water used during the winter months will be released from the lower levels of the reservoirs and the temperature at which the water is released will be in the 39° F. range.

Ice covers will be permitted to form on the surface of the canals and will be maintained by relatively constant levels in the power canals by the use of float-controlled automatic gates, strategically placed along the canals. This ice cover serves as an insulating mat on the surface of the canal and the water flows freely under this cover. Pictures are available to prove this.

Provisions are included in the designs and cost estimates for heating the trash rack structures—when and if necessary—as well as for heating the gates and seals at the check structures so that the trash racks and gates will operate freely. These measures are standard operating and design procedures developed by the engineering profession to permit operation of powerplant facilities during the cold winter months at this latitude and elevation.

The portion of the project charged to irrigation features is \$66 million, and for this 280,000 acres of land can receive supplemental irrigation water, being the difference between a paying crop and no crop. It means having water available for the last two irrigations of any growing season—\$5.40 per acre-foot for this kind of water is a sound investment. At

this stage of the season a farmer has already invested in seed, cultivation, and existing irrigation charges. He has gambled on success or failure for the year. The difference is the last two irrigations. The price of \$5.40 is the price fixed by the farmers under the project as that which they are able and willing to pay in accordance with reclamation law. No new land will be irrigated. The repayment of the \$66 million is also secured by a portion of the power revenues. The Government is assured of the repayment of the \$66 million charged to irrigation.

The optimum of benefits has been combined in this project. The benefit-cost ratio of 1.6 to 1 is one of the highest ratios of any reclamation projects in recent years. This is a result of the blending of all requirements in one project. Personnel of the Bureau of Reclamation testified to the benefit-cost ratio under the existing formulas approved by the Department of the Interior.

Mr. Chairman, the minority proposes that the Pueblo Reservoir should be built and no waters imported from the Colorado River. Pueblo Reservoir by itself is not an answer to the water requirements in the Arkansas Valley. It would provide flood protection, make possible winter storage of water, would save evaporation losses, and impound these waters, plus waters that would spill from John Martin Reservoir. The quality of the water would fail to meet the requirements of the needs of the cities and towns. The minority suggestion would prevent the city of Colorado Springs from obtaining any waters and Colorado Springs is an underwriter of the Fryingpan project and a part of the repayment district. The minority proposal would deny any benefits to western Colorado, and is poor piecemeal planning. Waters imported from the Colorado River greatly strengthen the project. Water of fine quality drops 5,000 feet before use. This imported water benefits the cities and generates power. The 69,000 acre-feet of imported water makes possible the exchange and regulation of Arkansas water that results in a new water supply total of 183,600 acre-feet. The minority suggestion would strike all of these benefits.

Mr. Chairman, the minority report would stress that Colorado has 1 percent of the Nation's farms taken out of production by the soil bank program. The minority ignores the fact that the area in the soil bank program in Colorado is substantially outside of the boundaries of the Fryingpan project. The project area is less than one-tenth of 1 percent of the acreage of the United States, devoted to recent so-called surplus crops—corn grain, sorghums, and wheat, whereas the total population of the project acreage is 341,000 or less than two-tenths of 1 percent of the U.S. population. These figures show that on a per capita food-consumption basis the project area does not contribute to any food or crop surplus. No tobacco or cotton is produced in the project area. The project does not contemplate any new land. All irrigation benefits are restricted to lands presently irrigated with an inadequate supply of water. With a firm supply of water a greater percentage of garden and

vegetable crops will be grown, crops not in a surplus category.

The Arkansas Valley is a feed-deficit area, 80,000 cattle being produced and fed. Irrigated acreage makes possible crop diversification. The Fryingpan project is a rescue operation designed to preserve an existing economy and not to bring raw land into cultivation.

There is no conflict between the objectives of the Departments of Interior and Agriculture. Secretary Freeman has repeatedly stated that sound planning requires and contemplates reclamation development. Water resources development in the moisture-deficient western areas has been one of the greatest factors in establishing the West as an asset to the Nation, rather than a dependency.

It will take approximately 10 years to complete construction of the Fryingpan project. The increase, if any, in the production of agricultural products will not become a reality for many years, and such increase will be in an area where no surplus or only a very small surplus problem exists. Geographically, dispersion of food sources is important to the United States.

Mr. Chairman, the minority report is in error. Every unit of Colorado government having the duty to pass upon any water plan, to protect any water resource, or to participate in any water planning, has officially approved the Fryingpan project. The Colorado River Water Conservancy District, the district having responsibility for water resources in the counties of origin, has approved and is supporting the Fryingpan project. The Southwestern Water Conservancy District, representing the San Juan Basin of Colorado, has also approved the project. The voices of a few chronically dissatisfied individuals should not cloud the issue. The Colorado Water Conservation Board, the official agency representing Colorado, has approved the Fryingpan.

The policy of the United States is to provide financial assistance to local schools in those areas where the number of children attending schools is affected by activities of the U.S. Government. This policy was adopted in the acts of September 23 and September 30 of 1950. The White House through the Bureau of the Budget has objected to section 5. There is no objection to its deletion by amendment either in the House or in the Senate. Language comparable to section 5 was incorporated in the bill authorizing the Trinity project in California.

The first sentence of section 6E copies language found in the Colorado River Storage Project Act, as does the first half of the second sentence, but starting with the phrase "and any person or entity whose rights may be affected," appears new language to which the Department of Justice and the White House have objected.

The deletion of this language in the House by amendment or in the Senate can be anticipated. There is no need for such language. The fifth amendment to the U.S. Constitution affords protection to any individual damaged by any

activities of the United States. Likewise, a State may sue the United States in the U.S. Supreme Court.

The objectionable language might result in a veto of the act by the President, and this hazard should be avoided.

Mr. Chairman, House Document No. 130—operating principles for the Fryingpan project—gives the Aspen area protection it does not now have and cannot get in any other way. Under Colorado law the Roaring Fork River at Aspen can be dried up at any time its flow is required to satisfy decreed ditch rights. The Twin Lakes Co. owns valid decrees on the Roaring Fork and has the right to divert most of the flow of that river. House Document No. 130 in paragraph 11, permits a contract to be made whereby the Twin Lakes Co. will refrain from drying up the Roaring Fork River to the extent that an exchange of 3,000 acre-feet of project water is made available to the Twin Lakes Co. Aspen Reservoir was deleted from the project at the request of the Aspen area, and without Aspen Reservoir the recreational interests have more protection if the Fryingpan is built than they presently have.

The minority report is in error. By virtue of the provisions of House Document No. 130—paragraph 9—the Fryingpan project has a first or prior right over the Basalt project to divert waters to eastern Colorado the extent of 120,000 acre-feet in any 1 year, or 50,000 acre-feet more than the permitted average annual diversion. The cumulative annual average over a long period will not exceed 69,200 acre-feet. This prior right represents all waters physically collectible at an altitude of 10,000 feet. The Bureau of Reclamation has never contemplated diversion for the Fryingpan project, in excess of the quantities or priorities specified in paragraph 9. A full and ample supply of water is assured the Fryingpan project.

The Secretary of the Interior—section 1B of H.R. 2206—is authorized to investigate the feasibility of a 5,000-acre-foot reservoir in the vicinity of Aspen. No construction is authorized. Feasibility of such a dam must be demonstrated by a written report. Any implication in the minority report that an Ashcroft Dam is authorized or will be built is unjustified and unwarranted.

Mr. Chairman, the Fryingpan-Arkansas project falls squarely under reclamation law in all respects and the multiple-purpose concept of making maximum use of available resources. The combining of purposes in one project results in a completely sound and feasible development and prevents a waste of resources which would occur if development were attempted on a single-purpose basis. It is ideally suited for development under reclamation law. It involves extensive Federal interests and is beyond the capability of local enterprise. It benefits an area where the people themselves have gone as far as they can in meeting their needs. Irrigation in the Arkansas Valley, up to this point, has been by private development.

I am sure that all Members of the House who have supported the Federal reclamation program in the past as a means of assisting economic development

of the entire Nation will find this project completely consistent with the objectives of this great program and will give it their enthusiastic support.

Mr. SAYLOR. Mr. Chairman, I yield 10 minutes to the gentleman from Colorado [Mr. CHENOWETH].

Mr. CHENOWETH. Mr. Chairman, I rise in support of H.R. 2206, introduced by my colleague, the gentleman from Colorado [Mr. ASPINALL], a bill authorizing the construction, operation, and maintenance of the Fryingpan-Arkansas project in Colorado. I have sponsored this project from its inception. I have introduced a companion bill, H.R. 2207. My colleagues in the House, the gentlemen from Colorado [Mr. ROGERS and Mr. DOMINICK], have also introduced companion bills.

The Fryingpan-Arkansas transmountain water diversion project is a multiple-purpose project located entirely within the State of Colorado. It derives its name from the Fryingpan River in western Colorado, from which river water will be diverted to the Arkansas River in eastern Colorado.

The purpose of the project is to divert surplus water from the Colorado River Basin in western Colorado to the Arkansas Valley in eastern Colorado. The project will provide supplemental water for irrigation, and also water for municipal, domestic, and industrial purposes, as well as flood control. Hydroelectric power will be generated at seven powerplants. There is also an allocation for the preservation of fish and wildlife resources, and recreation.

This project has been before the House previously, but has never been considered on its merits. In 1954 the House in the closing days of the session rejected a rule for the consideration of the project, and again in 1956 the resolution for a rule was defeated just before adjournment. The Senate has three times passed bills authorizing this project.

The bill now before the House presents a revised project, and in my opinion a much better project than contained in the previous bills. The most important change has been the substitution of the Ruedi Reservoir on the western slope for the Aspen Reservoir. The Ruedi Reservoir will provide storage for 100,000 acre-feet of water for the benefit of western slope water users.

The entire cost of the Ruedi project is being guaranteed by the Fryingpan, and under the operating principles the Ruedi Reservoir must be in operation before any water will be diverted to the eastern slope. This affords full protection to the water users of western Colorado, and there is now complete agreement on this project in Colorado.

This is a feasible project and has been carefully planned by the Bureau of Reclamation. I want to emphasize at the outset that this is a reclamation project, and not a power project. We are primarily interested in the water the project will make available. The development of power is incidental to the water features of the project.

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

Mr. CHENOWETH. I yield to my colleague from Colorado.

Before yielding I want to commend him on his most comprehensive and convincing statement. He presented the details of the project to the House in a most interesting and informative manner.

Mr. ASPINALL. Is it not true that there is in the legislation and that there is in the operating agreement to which reference is made in the legislation protection for all people who have prior present and potential rights in western Colorado?

Mr. CHENOWETH. The gentleman is absolutely correct. Under the provisions of this bill the Ruedi Reservoir would be first built, and under the operating principles which have been agreed upon, and which are included in this bill by reference, that project must be in operation before any water is diverted from the western to the eastern slope.

Mr. ROGERS of Colorado. Mr. Chairman, will the gentleman yield?

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

Mr. ROGERS of Colorado. Also in section 3(c) there is additional protection to those on the western slope. It says:

Any and all benefits and rights of western Colorado water users in and to water stored in the Green Mountain Reservoir, Colorado-Big Thompson project * * * shall not be impaired, prejudiced, abrogated, nullified, or diminished in any manner whatever.

That gives further protection to those on the western slope that we will take this water from.

Mr. CHENOWETH. I thank my colleague from Colorado for making that contribution. That further bears out the fact that there is complete agreement among the water users of the western slope.

Mr. Chairman, I am also happy over the fact that an agreement has been reached with the State of California on this project. On April 13, 1962, Mr. Northcutt Ely, special counsel for the Colorado River Board of California, advised me by letter that except for an overall limitation on transmountain diversions that California had no objections to this legislation. This is most gratifying, as we have been working to obtain this agreement for many years. We are most pleased that the way has been cleared for members from California to support this project.

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

Mr. CHENOWETH. I yield to my distinguished friend from Iowa.

Mr. SCHWENGEL. First, I would like to say that I am very much interested in conservation in America, and that I am impressed with the presentation of the gentleman from Colorado [Mr. CHENOWETH] of this project at this time. However, there are some questions that come to mind which I think ought to be answered at this point. I want to assure the gentleman that I have not yet made up my mind as to how I am going to vote on this question.

Mr. CHENOWETH. I hope that I may be of some help to the gentleman

from Iowa in making up his mind to vote for this project.

Mr. SCHWENGEL. If the gentleman will yield further, how many people will be directly benefited when this project is completed, and as it is being offered here before the House of Representatives today?

Mr. CHENOWETH. I would say several hundred thousand people.

Mr. SCHWENGEL. Three hundred thousand people?

Mr. CHENOWETH. Yes. My congressional district has a population of over 450,000, but not everyone would be benefited by this project. But I would say in the neighborhood of 350,000 people would benefit, directly and indirectly, from this project.

Mr. SCHWENGEL. Three hundred and fifty thousand people?

Mr. CHENOWETH. Probably.

Mr. SCHWENGEL. If the gentleman will yield further, how many millions of dollars are involved in this project?

Mr. CHENOWETH. One hundred sixty-nine million, nine hundred and five thousand dollars, estimated, is the total cost of the project.

Mr. SCHWENGEL. Did the gentleman mention the figure of 350,000 people who would be benefited?

Mr. CHENOWETH. Yes. I think about that number.

Mr. SCHWENGEL. If the gentleman will yield further, based upon a per capita basis, that is quite an investment, is it not?

Mr. CHENOWETH. I have never figured it on that basis, I will say to the gentleman from Iowa. However, these people who are committing themselves to the repayment of this project are anxious and are willing to pay whatever the cost may be to obtain this water.

Mr. SCHWENGEL. I understand that.

Mr. CHENOWETH. These people have pledged their property to repay these costs. Their property is included in a water conservancy district, organized under the laws of the State of Colorado. The tax that is now being paid is four-tenths of a mill. That tax will then go up to 1 mill, which will produce something over \$500,000 a year when the project is in operation. They are willing to pay this money back. All they want is a loan and the Federal Government to advance the money to construct this project. The cost of the same will be repaid, and for the most part with interest.

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

Mr. ROGERS of Texas. I yield the gentleman 5 additional minutes.

Mr. CHENOWETH. I thank the gentleman from Texas for yielding me additional time.

Mr. SCHWENGEL. If the gentleman will yield further, if my arithmetic is correct, we are investing around \$40,000 of Federal money for every person living in this area; are we not?

Mr. CHENOWETH. I have never figured it on that basis, I will say to my good friend from Iowa. The gentleman from Colorado [Mr. ASPINALL] in his

statement called attention to the increased amount of money which is returned to the Federal Treasury in taxes as a result of these reclamation projects. I think it is a good investment. What the investment is for every man, woman, and child in the area I do not know. I have never considered the cost on that basis.

Mr. ROGERS of Colorado. Mr. Chairman, will the gentleman yield?

Mr. CHENOWETH. I yield to my colleague from Colorado.

Mr. ROGERS of Colorado. As I understand it, the gentleman from Iowa [Mr. SCHWENGEL] wants to know definitely how many people will be benefited as a result of the construction of this project, and what it would cost. Further, based upon those facts, the gentleman wants to try to arrive at a figure as to the cost per person.

Mr. SCHWENGEL. I want to know first how many people will be directly benefited if this project is built.

Mr. ROGERS of Colorado. In the first place, the gentleman from Colorado [Mr. CHENOWETH] failed to mention the regulation of the water on the western slope with the construction of the Ruedi Reservoir, which could be included in the number that he has set forth.

Secondly, of the moneys that are advanced, or of the \$171 million, at least \$150 million is repayable. So, it is impossible for the gentleman from Colorado [Mr. CHENOWETH] and myself to say to the gentleman from Iowa [Mr. SCHWENGEL] with any certainty as to how much it would be for each individual who may live in the southern part of the State or the western part of the State.

In addition to that, there are the power projects. Electricity may be sent to the various parts of the State of Colorado. While one cannot say that it will directly benefit everyone, nevertheless, we in Colorado feel that it will benefit the entire State, which has a population in excess of 1.75 million people.

Mr. CHENOWETH. I would like to support what the gentleman from Colorado [Mr. ROGERS] has just stated. The entire State will benefit from this project.

Mr. SCHWENGEL. If the gentleman would yield further, in that sense it could help the whole of the United States?

Mr. ROGERS of Colorado. That is right.

Mr. SCHWENGEL. If the gentleman will yield further, my point is, and the gentleman still has not answered the question, how many people will be directly benefited as a result of the construction of this project so we can arrive at the per capita cost?

Mr. ROGERS of Colorado. If the gentleman from Colorado [Mr. CHENOWETH] will yield further, may I say to the gentleman from Iowa we have never in any of these projects taken an individual count of the heads on, say, a project which is estimated to cost \$20 million, or which amount the Government would be out, of which most of it is for flood control, no more than if the gentleman from Iowa had a flood control project and came to us and stated what it would cost to control a river, and how much

it would cost the people in the gentleman's district per head.

Can the gentleman tell me—

Mr. SCHWENGEL. Oh, yes, I can.

Mr. ROGERS of Colorado (continuing). How much per head it would cost for the people in his district or in any flood control area for a specific project?

Mr. SCHWENGEL. I can.

Mr. CHENOWETH. Mr. Chairman, I want to see the gentleman from Iowa [Mr. SCHWENGEL] satisfied concerning the figures he is seeking.

Mr. SCHWENGEL. I am just trying to get some facts and figures that I can use as a basis for considering the worthwhileness of this project.

Mr. CHENOWETH. This will benefit not merely the people in this immediate area, but the people of the entire State and the entire Nation. I contend an investment in reclamation is a good investment for the entire country. I think the State of Iowa will benefit from this just as much as any other State.

Mr. SCHWENGEL. On a per-acre basis we know how much is involved here. The minority report says that we will be spending \$1,560 per acre for a full water supply. On that basis, this is a rather expensive project.

Mr. CHENOWETH. I do not think it is anything like that. I think around \$250 per acre is a more accurate figure. What I am trying to impress upon the Members is that all of this money is going to be repaid. The farmer is going to pay for his water. The district will be taxed. The money will be paid back to the Federal Government, with interest.

Mr. KING of Utah. Mr. Chairman, will the gentleman yield?

Mr. CHENOWETH. I yield to the gentleman from Utah.

Mr. KING of Utah. Mr. Chairman, I should like to correct what may have been a mathematical error. Based upon benefits to 400,000 people, according to the amount involved, I come to a figure of \$425 as the cost per person; which I think is a very reasonable figure.

Mr. CHENOWETH. I know the gentleman is an expert mathematician and I appreciate his contribution.

Mr. Chairman, the residents of the Arkansas Valley are asking for a loan—not a gift. They have obligated themselves to repay every cent of the construction costs of this project. Their property is included in the Southeastern Colorado Water Conservancy District, organized under the laws of the State of Colorado, which will sign a contract for the repayment of construction costs allocated to irrigation, power, and municipal water. This property will be taxed to assist in repayment of these costs. The farmers using project water will pay for the same. The towns and cities using water for municipal purposes will pay for this water, with interest.

Mr. William I. Palmer, Assistant Commissioner of Reclamation, in his appearance before the House Subcommittee on Irrigation and Reclamation last year, had this to say about the Fryingpan:

We, in the Bureau of Reclamation, believe that this project meets every standard test of current reclamation doctrine, as defined by many recent acts of Congress. All reim-

bursable costs are returnable within a 50-year period of time, and the project is economically justified by the most severe test that has yet been suggested for public works construction. Satisfactory repayment entities have been created under Colorado law and have continuously urged enactment of authorizing legislation so that appropriate repayment contracts might be consummated. The State of Colorado and previously divided factions thereof, we understand, are united in their support of the development.

This project provides for the annual diversion of 69,100 acre-feet of water from the western slope to the eastern slope of Colorado. This will be accomplished by a tunnel 5.3 miles in length, and some 10 feet in diameter.

In addition, it will be possible to capture intermittent floodflows of the Arkansas River and reregulate these waters. The water supplies of the Arkansas Valley would be increased by about 183,000 acre-feet annually. This would furnish 163,100 acre-feet of supplemental water for the 280,000 acres of farmland now under cultivation, and would supply 20,500 acre-feet for municipal purposes.

No new land will be brought under cultivation by this project. The irrigation water will be used to supplement the water now being used on some 280,000 acres of irrigated land in the Arkansas Valley in Colorado. There is an annual shortage of water in this area, and this additional water will be used to firm up crops, which might otherwise be lost for lack of sufficient water at the proper time.

This project is not going to add to the surplus stock of agricultural commodities in this country. On the contrary, the project will enable the farmers of the Arkansas Valley to plant those crops which will bring them the highest yield per acre. These are not crops which are now in surplus. At the present time the farmers must plant those crops which they feel can be harvested. This will depend on the amount of water available. If they had the assurance of adequate water in the late season they would plant the specialty crops which bring them the most money, and provide a higher net cash yield per acre. This project will give them that assurance.

The water made available under this project can be regarded as insurance for the farmers in the Arkansas Valley. They are now confronted each year with the possibility that they will not have sufficient water to finish out the high value crops which are grown in this area. If they knew that adequate water would be available at all times during the growing season they would plant more of these crops each year. Under this project the farmers will raise more sugarbeets, alfalfa, onions, tomatoes, and other high value crops. This has been the experience under the Colorado Big Thompson project in Colorado, which has been in successful operation for some years.

The Arkansas Valley is a very fertile and productive area. The principal crops raised are alfalfa, sugarbeets, corn, sorghums, vegetables, and different types of seeds. There are two sugar-beet factories in the valley. The American Crystal Sugar Co. has a plant at

Rocky Ford, and the National Sugar Manufacturing Co. operates a plant at Sugar City. There is a tomato cannery which also processes pickles, and a number of alfalfa dehydrating plants. The valley is the home of the famous Rocky Ford watermelons and cantaloups. Turkey raising and cattle feeding are very important to the economy of this area. It is necessary to ship in large amounts of grains to supply the turkey and livestock producers. The feed grains produced in the valley are consumed locally, and will not add to our farm surplus.

There is also a growing need for additional domestic water in this area. Some 20,500 acre-feet of this water will be used to supply cities and towns with municipal water. Included are Pueblo and Colorado Springs, the second and third largest cities in Colorado, as well as a number of other cities and towns in the Arkansas Valley.

I would like to make it crystal clear at the outset that this is not a new project, hastily conceived and lacking necessary engineering data and support. This project has been under consideration for many years and has received exhaustive study and planning by the Bureau of Reclamation. Many years ago in Colorado men with vision conceived the idea of bringing surplus water from the western to the eastern slope of Colorado, in order to satisfy recurring water shortages in the Arkansas Valley. This project is the culmination of their dreams. Many of these pioneers in water development have passed on to their reward, but others are living and I hope will live to see their dreams fulfilled.

This project is being sponsored by the Southeastern Colorado Water Conservancy District, which has been organized under the laws of the State of Colorado. This district comprises the lands which will be served with supplemental irrigation water under this project, and consists of some 280,000 acres. The total assessed value of the lands contained in the district is over \$450 million. This district also includes the cities of Colorado Springs and Pueblo, and other towns and cities in the Arkansas Valley, which will receive municipal water.

The conservancy district is the legal entity which will sign the repayment contract with the Federal Government on this project. It has been operating for several years and is being financed by a four-tenths of a mill levy on all the property included in the district. The district has a most competent board of directors, and has prospered under their efficient direction. A tax of 1 mill will be levied upon all of the real property in the district when the project is in operation. The office is located at Pueblo, where monthly meetings of the board are held. The president of the district is Mr. J. Selby Young, of Colorado Springs.

This project has had the approval of three administrations, two Democratic and one Republican. The first approval was by Mr. Oscar L. Chapman, Secretary of the Interior, on May 4, 1951. The second approval was by Mr. Douglas McKay, Secretary of the Interior, on April 28, 1953, and later by Secretary

Fred A. Seaton. The project has again been approved by the present administration and by Mr. Stewart Udall, Secretary of the Interior.

The project has had the strong, personal endorsement of two Presidents of the United States, former President Dwight D. Eisenhower and President Kennedy. In several budget messages to Congress from 1955 to 1960, President Eisenhower annually recommended authorization of the Fryingpan project. He included funds for the project in 1955 and 1956, and continued to recommend its prompt authorization. President Kennedy has also endorsed the project and has urged Congress to authorize the same.

The Fryingpan project has the unanimous approval of the Colorado Water Conservation Board, which speaks officially for the State of Colorado on all water matters. I wish to commend Mr. Felix L. Sparks, executive director of the board, for the fine job he did in working out the agreement between the water users in the western and eastern slopes. It is largely through his efforts that Colorado is today presenting a united front on this project.

The project has the approval of the Colorado River Water Conservation District, and the Southwestern Colorado Water Conservation District, both of which have agreed to the operating principles as contained in House Document No. 130, 87th Congress. These districts represent the water users of western Colorado.

The project has also received the unanimous endorsement of the Upper Colorado River Commission. At a meeting of the commission held in Denver on May 11, 1961, a resolution was adopted by unanimous vote endorsing the Fryingpan project. This commission has the responsibility for the administration of the Upper Colorado River Basin compact. The endorsement and approval of the project by this commission is most significant, and indicates that all of the upper Colorado River States have approved the project.

The Fryingpan project has the approval of all of the States which are parties to the Colorado River compact, as well as the State of Kansas, which has a compact with the State of Colorado for the division of the waters of the Arkansas River.

The estimated cost of the project based on 1961 prices is \$169,905,000, which is allocated as follows:

Irrigation.....	\$66,097,000
Power.....	62,667,000
Municipal water.....	22,233,000
Flood control.....	15,014,000
Fish and wildlife.....	3,839,000
Recreation.....	55,000
Total.....	169,905,000

A limitation of \$170 million has been inserted in H.R. 2206. In my opinion the project can be constructed for a smaller amount. This is also the opinion of many others, including engineers and water leaders. I wish to emphasize that it will require a period of from 12 to 14 years to complete construction of this project, during which time interest will be paid on construction costs. Every

effort will be made to reduce the cost of construction to the lowest possible figure.

This project is beyond the ability of local interests to finance and construct. All of the money will be repaid to the Government, with the exception of the items charged to flood control, fish and wildlife, and recreation, amounting to \$18,908,000, which costs are nonreimbursable. The remainder of the construction costs will be repaid with interest, except the allocation to irrigation, which is interest-free under reclamation laws.

The farmers will contribute to the repayment costs by paying for all of the project water which they use at the rate of \$5.40 per acre-foot. Farmers will also pay for storage of their own water during the winter months at the rate of \$2.25 per acre-foot. This water will be stored in the Pueblo Reservoir. The towns and cities will pay for the water they use for domestic purposes. Hydroelectric power will be sold to preference customers and to private utilities.

The annual receipts under the project have been estimated as follows:

Conservancy district.....	\$516,160
New irrigation revenues.....	364,965
Power revenues.....	2,371,150
Municipal water.....	832,170
Total.....	4,084,985

Under the provisions of this bill, the power costs will be repaid in 41 years, with interest, after completion of the power facilities. The revenue from power sales will then be used to assist in the payment of the amount allocated to irrigation, but which is beyond the ability of the water users to pay during the period specified. It is estimated that the irrigation allocation will be repaid in a period of 50 years, after completion of construction. The amount charged to municipal water will be repaid with interest in 50 years. It is estimated that water users, and revenues from the conservancy district, will pay some 70 percent of the total amount allocated to irrigation, or about \$46,685,000. The balance of \$19,411,000 allocated to irrigation will be paid from surplus power revenues.

The bill provides that the Secretary of the Interior shall not proceed with the construction of any of the municipal water-supply systems until he is satisfied that it would be infeasible for the local communities involved to construct these facilities, either singly or jointly. If these facilities are constructed by the local cities the cost of the project will be reduced in the amount of \$14,240,000.

This is a self-contained and independent project, using water belonging to the State of Colorado which has been allocated under the upper Colorado River compact. Only 69,100 acre-feet of water is to be diverted from the Colorado River Basin. Under this compact, Colorado was allocated 51.75 percent of 7,500,000 acre-feet, amounting to 3,850,000 acre-feet of water in the Colorado River. The amount to be used by this project is less than 2 percent of this total. Colorado is now using less than 2 million acre-feet of the Colorado River water to which she is entitled under the terms of the

compact. Colorado furnishes 70 percent of the water in the Colorado River.

No other State is affected by this project. This water belongs entirely to the State of Colorado. Not a drop of water is taken from any other State. The project merely provides for the use in Colorado of water which has been allocated to us under the terms of the upper Colorado River compact.

The State of California has withdrawn its objections to the project. On April 13, 1962, Mr. Northcutt Ely, special counsel for the Colorado River Board of California, advised me that the objections we previously raised to the specific provisions of the Fryingpan bill have been met with the single exception noted in my testimony. The exception to which Mr. Ely refers is the proposal for an overall limitation of 25 percent on all of the transmountain diversion out of the Colorado River Basin. It was impossible to reach an agreement on this proposal, as we feel such a limitation cannot be approved under the compacts dividing the water between the several States, and under the constitution of the State of Colorado.

The water will be collected on the western slope by a system of 50 miles of covered conduits and tunnels. The water to be diverted will come from Hunter Creek and the Fryingpan River, which are tributaries of the Roaring Fork River. The water will be brought to the eastern slope through the Continental Divide by means of a tunnel.

There are three earthen dams in the project which will be used to store water. Two of these dams are now in existence and will be enlarged. The first of these is the Sugar Loaf Dam near Leadville, which now has a capacity of 17,000 acre-feet. This reservoir will be enlarged to a capacity of 117,000 acre-feet. The second is the Twin Lakes Reservoir, which now has a capacity of 56,000 acre-feet, and will be enlarged to 260,000 acre-feet.

The third dam will be located just west of Pueblo and will have a capacity of 400,000 acre-feet. The overall storage capacity of the project will be 777,000 acre-feet.

The project will produce about 123,900 kilowatts of hydroelectric energy from a series of seven powerplants. Six of these plants will be in the vicinity of Leadville and Salida, where there is a total drop of 2,250 feet in elevation. The seventh plant will be located at the Pueblo Reservoir, just west of the city of Pueblo. It is estimated that the total firm power output of these plants would be 507 million kilowatt-hours annually. It is proposed to sell firm power at 6.5 mills.

Most of this power will be purchased by REA cooperatives in this area, including the Southeast Colorado Power Association at La Junta, the San Isabel Electric Association at Pueblo and the Sangre de Cristo Electric Association at Salida. These REA associations serve more than 35,000 rural people living in 17 counties in southeastern Colorado, comprising approximately one-fourth of the State's total area.

These REA groups have been intensely interested in this project and have al-

ways given the same their wholehearted support. They have first claim on this power as preference customers. All of these cooperatives are in need of cheaper and additional power in order to supply the demands of their customers, and at the same time meet their financial obligations to the Rural Electrification Administration in Washington.

Practically all of the power now available to the REA cooperatives comes from private utilities. There has been a very happy relationship between the REA groups and the private power companies in this area. The private utilities, the Southern Colorado Power Co. and the Public Service Co. of Colorado, have agreed to make their transmission facilities available for the distribution of this power. They have also offered to purchase all of the power not required by the preference customers.

The Fryingpan-Arkansas project is designed as a completely self-contained unit. Its approval by Congress implies no commitment for any future transmountain diversion project from the Colorado River Basin to the Arkansas River Basin, and there are no plans for any such project.

The Fryingpan-Arkansas project is feasible and has a favorable benefit-cost ratio. An economic analysis of the project indicates that over a 100-year period the project benefits will exceed the cost in a ratio of about 1.65 to 1.

Mr. Royce J. Tipton, of Denver, a recognized engineer of national and international reputation, in a statement before the House committee, commented on the project as follows:

My conclusion is, after having been intimately identified with the evolution of the project as a member of the engineering advisory committee of the policy and review committee, that the project is well conceived from an engineering standpoint, and that it will provide the maximum possible benefits from the water supplies made available by it. From the standpoint of need for the project, and the engineering feasibility of it, I strongly urge its authorization.

The water to be diverted by this project will be sold for \$5.40 per acre-foot. Farmers from the Arkansas Valley have appeared before the committee and stated without hesitation that they are willing to pay this price for this water. They stated that in many cases this additional water would mean the difference between a crop or no crop at all. They assured the committee that the farmers in the Arkansas Valley are able, ready, and willing to pay this amount for this supplemental water. These farmers have always given the project their full support.

The project has the enthusiastic support of the people of the Arkansas Valley. Many civic, fraternal, and community organizations have endorsed this project. The desperate need for this additional water is fully recognized and these people are most anxious to have this project constructed at the earliest possible date.

Among the many groups supporting this project, and who have submitted resolutions in favor of the same, are:

National Farm Loan Association of Pueblo.

Local No. 113, International Brotherhood of Electrical Workers.

Chamber of Commerce of Pueblo.
Colorado State Federation of Labor.
Colorado State Association of REA Cooperatives.

Holbrook Mutual Irrigating Co.
Resolutions from numerous city councils, town boards, and county commissioners.

Resolutions from many senior and junior chambers of commerce.

Resolutions from many Rotary, Kiwanis, Lions, and Elks Clubs, and American Legion posts.

Numerous civic organizations and clubs.

Many labor organizations.
Several sportsmen's clubs.

This is a reclamation project to be constructed under general reclamation laws. It is a good investment for the Government. The initial cost will be repaid to the Federal Government in full, and with interest, except for the amount allocated to irrigation, which is interest-free under reclamation laws. All that we are asking is a loan. The Government will advance the money, for construction costs, and it will be repaid as mentioned above.

I want to thank my colleagues in the House who have expressed their interest in the Fryingpan-Arkansas project, and for their support, both in past years and on the present bill. I urge you to vote for the bill and to authorize this project which is in the best interests of not only Colorado, but the entire Nation.

Mr. SAYLOR. Mr. Chairman, I yield 10 minutes to the gentleman from Colorado [Mr. DOMINICK].

Mr. DOMINICK. Mr. Chairman, what we are dealing with today is the most vital resource we have: water. Without this, there is not any community that can survive. Without this, no land can produce any edible vegetation nor any crop of any kind.

The Arkansas River Valley in Colorado is a fertile area. It is a growing area in both population and industry. But a critical shortage of water exists in the basin, a shortage that menaces the whole economic stability of the region. The average rainfall, for example, in the region is one-third the average rainfall in St. Louis, New York, or Washington; one-fourth that of Atlanta, and one-fifth the average rainfall in New Orleans. With existing water supplies, the problem of pollution, chloride content, alkalinity, hardness, and turbidity is one of the most serious in the whole country. It is imperative that additional supplies of water be secured if this region is to continue to develop. The Fryingpan-Arkansas project is the only hope for new water—no other source is available as the underground water is already up to the rate of recharge.

At present, the extreme fluctuations of the Arkansas River produces both floods and drought, leaving the farmers of the valley to face each year with complete uncertainty. Flood damage is estimated to average \$700,000 a year, and the constant threat of drought and crop failure has an adverse and depressing

effect on all business in the region. The purpose of this project is to correct both these conditions.

The situation in this area of southeastern Colorado is strikingly similar to the conditions which existed in my own district of northeastern Colorado prior to the construction of the Colorado-Big Thompson project.

Experience has shown that the Colorado-Big Thompson has been of enormous benefit to northern Colorado. It has stabilized the economy of that region, and was largely responsible for avoiding what could have been a major disaster during the drought years of 1953 to 1957.

It is interesting to note that in the area under irrigation from Colorado-Big Thompson water—and I think you all will be interested in this—the farms in general have shifted from crops which are classified generally as surplus to more stable crops, including vegetables and additional farm livestock feeding operations.

Prior to the completion of the Colorado-Big Thompson project the crops grown in the area were barley, corn, oats, sorghum, wheat, alfalfa hay and other hay, irrigated pasture, other forage, ensilage, dry beans, sugarbeets, vegetables, seeds, and fruits.

Now look what has happened since the Colorado-Big Thompson project made it possible for the farmer to plant for his most productive market because he has the additional water. Barley acreage and yield decreased 23 percent. Corn and oats dropped 17 percent. Wheat acreage dropped a phenomenal 71 percent. But vegetable production increased almost 36 percent.

The same results can be anticipated in the Arkansas Valley when this project is completed. Of the five major crops which make up virtually our entire inventory of surplus agricultural commodities—wheat, corn, cotton, tobacco, and sorghum—the Arkansas Valley does not now produce any cotton or tobacco, and this project would not change that picture. No cotton or tobacco will be produced by the water supplied from this project. The production of wheat is not economical under irrigation and it will decline sharply. Wheat is uneconomical by comparison with other irrigated crops. It cannot compete with vegetables where they can be grown on the same land. The Fryingpan-Arkansas project is not going to irrigate any new land. It will better irrigate some land already under irrigation. Perhaps even more important, will be the assurance of a more adequate water supply to the cities of Pueblo, Colorado Springs, Rocky Ford, La Junta, Las Animas, Lamar, Canon City, and Leadville.

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

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

Mr. CHENOWETH. I want to commend my colleague on the very interesting and persuasive statement he is making. I am very much interested in the statistics he has given concerning the operation of the Colorado-Big Thompson project. He calls our attention to the fact that some of these crops—in

surplus—have been reduced because of the additional water made available.

Mr. DOMINICK. I thank my colleague.

Mr. CHENOWETH. I should like to have the gentleman impress this fact on the gentleman from Kansas [Mr. AVERY] and that the same thing that happened in connection with the Colorado-Big Thompson project will occur in the Arkansas Valley if the Fryingpan project is constructed.

Mr. DOMINICK. I am sure that would be true. When you provide water for irrigation purposes, the result of this is you put into production crops which are the best cash crops you can get, which are not those now included in the surplus products.

There is one more thing which I think must be emphasized; that is, I think the stumbling block to most of the water power projects is not here present—that is, the public versus private power fight. It is not in this project. We do have public power in this, but the private utility companies as well as the cooperatives have assured us they are in complete agreement about the need for and the planned operation of the Fryingpan-Arkansas project.

There is no element of relief in this project. The only amounts that are not going to be repaid are for fish and wildlife, recreation, and flood control, which you have already heard my colleagues, the gentlemen from Colorado [Mr. CHENOWETH and Mr. ASPINALL], talk about. These things are necessary as part of a multipurpose project, and they will benefit the entire State—and the Nation, for that matter.

This project has been under study for 30 years. It has been ready for 10 years. The disagreements which have blocked passage in prior years have been resolved in the State and the urgency gets greater every year.

This is an authorization bill, not an appropriation bill. Appropriations, when they are made, will be repaid directly to the extent of almost 90 percent. The construction will occur over a period of 12 or 14 years depending upon the amount of appropriations in future years, and there will be no appreciable effect as far as I can see in this or in next year's budget. So I earnestly ask all those who are present, for their support in voting for the enactment of what I conceive to be one of the best and most important reclamation projects we have ever had before us.

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

Mr. DOMINICK. I am delighted to yield to my colleague.

Mr. WICKERSHAM. I notice the gentleman from Kansas in inquiring about this program, agreeing with what you say, that this would be a lot better for Kansas because they would raise a lot less wheat; is that right?

Mr. DOMINICK. As far as I can see, this will result in a benefit to Kansas and by virtue of the amount of corn, wheat, and sorghum that would be taken out of production in the Arkansas Valley, it would give them room, perhaps, for a little more market.

Mr. WICKERSHAM. The gentleman from Iowa and the gentleman from Kansas are both very able men, and I can appreciate the fact that they are interested in finding out the facts. Is it not true that more people go to Colorado from Kansas and from Iowa than almost any State in the Union for recreation facilities and also stay there all summer long?

Mr. DOMINICK. From Kansas, from Iowa, from California, and from Texas, we have an invasion which we welcome every year. We hope they will keep coming and this will make it even more pleasant for them to come.

Mr. WICKERSHAM. There is one little project in my district in Oklahoma which is one-fourth this large, and 2¼ million people come there each year for recreational purposes and the additional business that is generated has been worth hundreds of thousands of dollars.

Mr. DOMINICK. I think the gentleman has made an excellent point and I sincerely appreciate his contribution.

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

Mr. DOMINICK. I am glad to yield to the gentleman from Kansas, my good friend.

Mr. AVERY. I certainly appreciate the gentleman yielding, particularly in view of the fact that reference has been made to the gentleman from Kansas, and I can only conclude that it might possibly have been me because I did address the Committee this afternoon.

Mr. DOMINICK. Yes, and it was so intended.

Mr. AVERY. No. 1, I want it to be abundantly clear that you do not need to pass this project to accommodate Kansas. We are getting along pretty well just the way things are. You do not need to pass the farm bill to accommodate Kansas, we are getting along without that and we can get along without this project too. If the transient and tourist business from Kansas into Colorado is pretty important, then I would suggest that we just go along and leave things in status quo. But, if you pass this farm bill and pass the pending bill, we are not going to have enough money to go to Colorado.

The CHAIRMAN. The time of the gentleman has expired.

Mr. ROGERS of Texas. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the authorization of the Fryingpan-Arkansas project, as provided for in H.R. 2206, would permit the State of Colorado to put to maximum use a small portion of its undeveloped water resources. About 69,000 acre-feet of water would be diverted from the Colorado River Basin to the Arkansas River Basin. This small amount is only about 2 percent of Colorado's share of the Upper Colorado River Basin's expected entitlement under the Colorado River compact of 1922 and the Upper Colorado River Basin compact of 1948. By this transmountain diversion from western Colorado to eastern Colorado through the Continental Divide, additional water in the Arkansas basin will be made usable

so that the total project water supply for the Arkansas Valley amounts to about 183,000 acre-feet.

The project would provide supplemental irrigation water for approximately 280,000 acres of land in the Arkansas Valley and about 20,500 acre-feet of municipal water for Colorado Springs and other Arkansas Valley towns. Operation of the project would prevent flood damages along the Arkansas River which presently average more than \$700,000 annually. The hydroelectric plants and related facilities would provide about half a billion kilowatt-hours of electric energy annually. In addition, the project would benefit fish and wildlife, provide recreational opportunities, help control sediment, and prevent stream pollution.

The Fryingpan-Arkansas project is a self-contained multiple-purpose development wherein each function is related and contributes to the support of the overall project and its feasibility. The project would be operated in a manner which has been agreed upon by the State of Colorado and all agencies within the State which have responsibilities in connection with the development and use of water resources.

I would like to explain briefly the Fryingpan-Arkansas project plan of development and operation. A system of canals and tunnels, referred to as the collection system, would be constructed on the upper tributaries of the Fryingpan River and the Roaring Fork River in western Colorado for collecting an average of about 69,000 acre-feet of water annually which would be diverted to the Arkansas Valley through the 5.3 mile Fryingpan-Arkansas Tunnel. On the eastern slope the water would be stored in the Sugar Loaf Reservoir, which is to be enlarged under the project plan from its present capacity of 17,000 acre-feet to 117,000 acre-feet. From there, the regulated water would flow through the Elbert Canal and powerplant and into the Twin Lakes Reservoir which would be enlarged from its present active capacity of 56,000 acre-feet to 260,000 acre-feet. In addition to the imported water, water from the Arkansas River would be diverted into the Twin Lakes Reservoir by construction of the Snowden Diversion Dam and Canal. The enlargement of the Twin Lakes Reservoir would also permit the Twin Lakes Canal Co. to export an additional 14,000 acre-feet of water annually. From the Twin Lakes Reservoir the water would be diverted through five additional powerplants before reaching the Arkansas Valley service area. The principal storage facility on the Arkansas River would be the 400,000 acre-foot Pueblo Reservoir where the flows would be regulated for irrigation, for municipal use, and for flood control. An additional powerplant would be constructed at the Pueblo Reservoir.

The entire power system, consisting of seven powerplants and related facilities, would have an installed capacity of 123,900 kilowatts. Specific municipal water facilities for conveying water to Colorado Springs and other Arkansas Valley towns would be constructed by the United States only if construction by

the communities themselves proved infeasible.

I would like to return briefly to western Colorado and discuss the Ruedi Dam and Reservoir which would be constructed on the Fryingpan River, about 14 miles above Basalt, Colo. The Ruedi Dam and Reservoir, with a capacity of about 100,000 acre-feet, would provide the replacement water for the water diverted to the Arkansas Basin and would also provide additional regulatory storage capacity to serve future multiple purposes in western Colorado. Only about 28,000 acre-feet of capacity is needed in connection with the diversion to the Arkansas Basin. It is this feature of the project which provides for development and use of water in both eastern and western Colorado. The legislation also requires the Secretary of the Interior to investigate and report upon the need for an additional reservoir of about 5,000 acre-feet capacity on the Roaring Fork River above its confluence with the Fryingpan River. The purpose of such an additional reservoir would be to offset any adverse stream-flow conditions on the Roaring Fork River in the vicinity of Aspen which might occur as a result of the Fryingpan-Arkansas project operations.

The Fryingpan-Arkansas project, consisting of the works which I have just described, is estimated to cost \$169,905,000. This amount includes \$13,761,000 for the municipal water delivery system which may be constructed by the communities themselves, thus reducing the project cost.

Of the total estimated cost of \$169,905,000, \$18,908,000 is allocated to non-reimbursable purposes and \$150,997,000 is allocated to reimbursable purposes. The nonreimbursable purposes are flood control, \$15,014,000; fish and wildlife, \$3,839,000; and recreation, \$55,000. The reimbursable purposes are irrigation, \$66,097,000; municipal water, \$22,233,000; and electric power, \$62,667,000. The entire cost of the Ruedi Dam and Reservoir is included in the cost of the Fryingpan-Arkansas project for repayment purposes even though three-quarters of the storage capacity will be available to serve future needs in western Colorado.

The amount allocated to electric power would be repaid with interest by the 41st year after completion of all power facilities. The amount allocated to municipal water supply would also be repaid with interest in a period of 40 years following completion of construction. If the municipal water delivery system is constructed by the Federal Government, it would also be repaid with interest within a 50-year period. The amount allocated to irrigation would be repaid within 50 years from revenues received from water users amounting to \$21,709,000, revenues received from ad valorem taxes amounting to \$24,977,000, and revenues from power operations above those required for repayment of the power investment amounting to \$19,411,000.

The Department's economic analysis of the Fryingpan-Arkansas project indicates that on an annual basis the total project benefits will exceed the costs in

a ratio of 1.65 to 1. The total annual benefits are determined to be about \$11 million, comprising irrigation benefits amounting to \$5,007,000, municipal and industrial water benefits amounting to \$1,274,000, power benefits amounting to \$3,606,000, flood control benefits amounting to \$720,000, fish and wildlife benefits amounting to \$172,000, recreation benefits amounting to \$80,000, and sediment control amounting to \$141,000.

Mr. Chairman, the subcommittee of which I am chairman has given thorough and detailed study to H.R. 2206 and to the Fryingpan-Arkansas project. Last year the subcommittee held 2 days of public hearings on this legislation during which only one witness appeared in opposition. He was representing a number of others. In addition, the committee has exhaustively studied this project in previous years. The project before us today has been modified since it was previously considered and is much improved from both a physical and economic standpoint. In addition to the standard provisions in the bill for project authorization purposes, the bill includes language to assure operation of the project in accordance with all the compacts, statutes, and treaty which make up the so-called law of the Colorado River and to fully protect the rights of all the States in the Colorado River Basin. The committee adopted only minor and clarifying amendments to the bill.

The Interior and Insular Affairs Committee concluded that the proposed Fryingpan-Arkansas project is sound from an engineering, economic, and financial standpoint and meets every standard test of current reclamation doctrine and policy. The committee concluded also that the project is urgently needed to stabilize the livestock industry in the Arkansas Valley, to permit flexibility in farming operations so cropping practices can be adjusted to meet market demands, and to help alleviate the present unstable economic conditions that exist due to the effects of drought and a restricted water supply.

Mr. Chairman, the Committee on Interior and Insular Affairs recommends that the House approve H.R. 2206.

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

Mr. ROGERS of Texas. I am happy to yield to my chairman.

Mr. ASPINALL. And in conformity with the statement the gentleman has just made it would be necessary for the Secretary of the Interior to have a finding that it is infeasible for these municipalities to build their own municipal lines and systems before the Secretary will have authority. Is that correct?

Mr. ROGERS of Texas. The gentleman is correct.

Mr. ASPINALL. And if the Secretary so finds, an amount is included within the overall amount that will be authorized by this bill, but if the Secretary does not so find then the amount of \$170 million must be reduced by the amount of \$13 million. Is that correct?

Mr. ROGERS of Texas. That is correct. I thank the gentleman for his contribution.

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

Mr. ROGERS of Texas. I yield to the gentleman from Kansas.

Mr. AVERY. I do not like to presume upon the time of the members of the committee on that particular project, but I think it is important to point out the distinction between the utilization of the various assets in this project. Those of us who are appearing here in opposition today certainly have no quarrel to make with the opponents over the Water Conservation Act.

It is purely irrigation that will have the effect of accelerating agricultural production at this time, to which we object.

Now, my question is, Has the committee considered the various increments of this project, such as the Pueblo Reservoir, that I understand is to provide a substantial amount of flood control with which we are sympathetic, and if this is to provide flood control, very obviously it would have to stabilize the water supply in the Arkansas River from that point to wherever the assets will be dissipated? Has that approach been considered, leaving out irrigation?

Mr. ROGERS of Texas. You mean to finance the entire program without irrigation?

Mr. AVERY. If you leave out irrigation, you would not have to take up so much water. Could you fully utilize the water that belongs to the water users, forgetting about the irrigation, and stabilizing enough water for the other uses?

Mr. ROGERS of Texas. I think possibly you could, but unless you tie this entire project together, I think your cost would shoot upwards measurably, and when you try to approach on a per capita cost or per-acre cost, I think it would be completely out of proportion to what we have here because of the pay-back ability of the project.

Mr. AVERY. Could the gentleman tell us what the estimated cost of the Pueblo Reservoir would be?

Mr. ROGERS of Texas. That is in the report to which I refer my good friend.

Mr. AVERY. I am advised it is \$38 million.

Mr. ROGERS of Colorado. Mr. Chairman, if the gentleman will yield, \$37,758,000 is the figure given.

Mr. ROGERS of Texas. Now, that is on page 6 of the report: Pueblo Dam, Reservoir, and powerplant, \$37,758,000.

Mr. AVERY. Now, I do not want to prolong this, but may I submit this final question? Can that project be justified as economically feasible as a separate entity?

Mr. ROGERS of Texas. The Pueblo Reservoir?

Mr. AVERY. Yes.

Mr. ASPINALL. Mr. Chairman, if the gentleman will yield, studies show that it would not be considered feasible, and standing by itself, Pueblo Reservoir would not be built. But, standing with the rest of the units of the project, the stepping down and lowering of the water as it comes down and the benefits that will come from these other installations show that the reservoir can be built, and the cost that is allocable to flood control

is consistent with formulas presently used for such purposes.

Mr. AVERY. I must say that I regret that that particular aspect of the project could not stand by itself, because I think there would be no opposition to it. And, it seems to me it is in perfect conformity to the recognized obligation of the Federal Government. But, when you add irrigation to that at a time of surplus, I just cannot find myself in agreement with my friend from Texas and my friend from Colorado.

Mr. ROGERS of Texas. Let me say this in regard to the surplus, and I think the matter ought to be pointed up very clearly. As the gentleman knows, we have been over this project a number of times, and I looked upon it with a great deal of skepticism when it first became my opportunity to get into it. But, the fact of the matter is this, that these surpluses are going to be settled in either one of two ways in this country. They are going to be settled by control of the production of the product itself or they are going to be settled by permitting the price to go so low that it will not be in any way feasible to grow them. Now, what is going to happen I do not know, and the gentleman, I am sure, is waiting to see what happens to the farm bill. But, in this particular instance we have a water supply lack. If these people in this general area could have more water, I think they would grow nonsurplus crops. What has happened is this, and I believe the record will reflect and I think the hearings will reflect it, and I refer the gentleman to them, that all of the feed grains and the corn that went into the Commodity Credit Corporation—I do not believe any corn has gone into the Commodity Credit Corporation, but any that has, has been redeemed by the farmer, and the same thing is true of grain sorghums that went into Commodity Credit Corporation storage, which, of course, burdened the economy with surpluses, but it has been redeemed by the farmer, which simply means it was fed out.

So, livestock operations in this area are much more profitable if these people can grow this and feed it out.

Mr. AVERY. Mr. Chairman, will the gentleman yield 1 minute further, and then I shall not ask him to yield again?

Mr. ROGERS of Texas. I yield to the gentleman from Kansas.

Mr. AVERY. I do not think it is fair to draw a line between products that are in surplus and products that are not. There are some that are supported and some that are not. I do not know of a single agricultural product that is in short supply. If there are some in short supply I would like to know about them.

Mr. ROGERS of Texas. Let me say this to the gentleman from Kansas in answer to that: I think the reason for that is this: When you get back to the basic problems involved, there are two kinds of agricultural problems. One is surplus agricultural commodities, and one is a shortage of agricultural commodities. We have one problem while Russia and China have another. I prefer ours. I think the reason we have surpluses is because we had the foresight to do the things in the western part of

this country in reclamation and in working the land as we have to provide the needed food and fiber for the people of this country.

Mr. AVERY. The gentleman still did not mention any products that were in short supply. Are there some agricultural products in short supply?

Mr. ROGERS of Texas. There are some agricultural products that are not supported which I think should be developed in this general area.

Mr. ROGERS of Colorado. Mr. Chairman, will the gentleman yield?

Mr. ROGERS of Texas. I yield to the gentleman from Colorado.

Mr. ROGERS of Colorado. Let me say for the benefit of the gentleman from Kansas [Mr. AVERY], I am sure that the gentleman concedes there is a short supply of sugar. This is an area where sugarbeets grow in abundance. This project would not contribute to any surpluses that we have. That is at least one of the products, and there are others such as cantaloups and vegetables that are grown in the Arkansas valley. Are they in a surplus state? I do not think so.

Mr. AVERY. Are they in a short supply? That was my question.

Mr. ROGERS of Colorado. Yes, they are in short supply.

Mr. SCHWENGEL. Where?

Mr. ROGERS of Colorado. We have to import approximately 45 percent of our sugar.

Mr. AVERY. We are talking about cantaloups.

Mr. ROGERS of Colorado. Yes, we are talking about cantaloups. As the gentleman from Kansas knows, the cantaloup season goes from area to area. For the benefit of the gentleman, the season starts in California and then when the California season is finished, it goes to Arizona. The season runs in Arizona about 2 months—the middle of August. Colorado farmers harvest from August 15 to October—those delicious Rocky Ford cantaloups.

Mr. AVERY. They are delicious. On that I can agree.

Mr. ROGERS of Colorado. And, they are not in surplus supply. If the gentleman thinks they are in surplus supply, try to buy some of them down here about the first of September.

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

Mr. ROGERS of Texas. I will be happy to yield to my good friend, the gentleman from Iowa [Mr. Gross].

Mr. GROSS. If you will turn the farmers loose to raise all the sugarbeets they want to, they will bury the gentleman from Colorado [Mr. ROGERS] with sugar.

Mr. ROGERS of Texas. Let me say this to the gentleman from Iowa: He knows of my interest in that. We are going to do our very best to try to do that very thing.

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

Mr. ROGERS of Texas. I yield to the gentleman from Colorado [Mr. CHENOWETH].

Mr. CHENOWETH. I want to commend the distinguished chairman of the subcommittee on a very splendid, com-

prehensive, and convincing statement, and for his support of this project. I want to remind the gentleman from Kansas [Mr. AVERY], that this area in Colorado is a deficit area insofar as feed grains are concerned. We buy feed grains from Kansas, Oklahoma, and Texas, as well as other States.

Mr. AVERY. Maybe that will help the gentleman understand my position out there.

Mr. CHENOWETH. I assume the gentleman wants our business in the State of Kansas. We are happy to do business with our friends in Kansas.

Mr. GROSS. We will sell and ship you some more.

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

Mr. ROGERS of Texas. I yield to the gentleman from Kansas.

Mr. BREEDING. I would like to direct my remarks to the distinguished gentleman in the well, the gentleman from Texas [Mr. ROGERS]. I would like to tell the gentleman that I think he has overlooked one of the most important things in this debate. I do not believe it has been mentioned, and that is the fact that this kind of program will raise the water table in my own State of Kansas. In my congressional district there is located at the western end of my district many thousands of acres of irrigated land. We think this will help raise the water table so we will have more water for the growing of these sugarbeets and cantaloups and what have you that grow in that area. I might also point out that the gentleman from Kansas [Mr. AVERY] said he did not know of any agricultural commodity that was not in surplus.

I would like to remind the gentleman that in the present Agricultural Act there is a provision to permit oil crops to grow on this diverted acreage and turn back the payment on these crops that we are continuously importing today. We do not have enough castor oil, we do not have enough of various kinds of oil that these crops produce.

In the legislation that is coming up there is also such an amendment in there to provide that these crops may be grown on the diverted acres. I would point out that important feature that has to do with raising the water table. In the western part of the State of Kansas, especially where we have thousands of acres of deep-well irrigation we feel that this will raise the water table.

I am one Kansan in support of this project.

Mr. ROGERS of Texas. Mr. Chairman, I thank the gentleman for his excellent point, because everyone who resides in the Great Plains area of this Nation is familiar with the problem he is talking about, and appreciates it.

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

Mr. ROGERS of Texas. I yield to my good friend from Iowa.

Mr. GROSS. What would be the interest rate? The gentleman has referred several times to repayment with interest. What will be that interest rate?

Mr. ROGERS of Texas. I think the interest rate as figured on this project is 2.632 percent, which is the interest

rate on long-term Government obligations.

Mr. GROSS. Can the Government borrow money on that basis now?

Mr. ROGERS of Texas. I doubt that seriously.

Mr. GROSS. So do I.

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

Mr. ROGERS of Texas. I yield to my chairman.

Mr. ASPINALL. This is dependent, of course, on the money market at the time construction starts and the average interest cost for long-term loans over the preceding 15 years. Money is made available by this legislation for loans at rates conforming to such formula.

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

Mr. ROGERS of Texas. I yield to the gentleman from Oklahoma.

Mr. WICKERSHAM. It is well known that the gentleman from Colorado and the gentleman from Texas are very thorough and very conservative. After studying all these projects you have had before your committee and after perfecting them, would not the gentleman say this is one of the best if not the best that has come before your committee?

Mr. ROGERS of Texas. I would say this, that this project is an investment in America. I think if we are going to meet the challenges of the future, whether they be from the Soviet republics or from any other ideology that conflicts with the basic constitutional freedoms guaranteed in this country, we had better build up our own resources and not waste time doing it.

Mr. WICKERSHAM. Would not the gentleman also say that this would provide for less production of Government-supported commodities and provide for many more commodities which are non-supported?

Mr. ROGERS of Texas. I think that is correct.

Mr. ASHBROOK. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently a quorum is not present. The Clerk will call the roll.

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

[Roll No. 106]		
Addonizio	Fulton	Laird
Alford	Gallagher	McMillan
Andersen,	Garland	McSween
Minn.	Glaimo	McVey
Ashmore	Gilbert	Macdonald
Auchincloss	Glenn	Mason
Baker	Goodell	Merrrow
Barrett	Granahan	Miller,
Bass, N.H.	Green, Oreg.	George P.
Blatnik	Green, Pa.	Miller, N.Y.
Blitch	Gubser	Moeller
Boykin	Hardy	Moore
Brewster	Harrison, Va.	Moorehead,
Cahill	Harrison, Wyo.	Ohio
Carey	Healey	Moulder
Celler	Hébert	Nix
Colmer	Hemphill	Norrell
Corman	Hoffman, Mich.	Pirnie
Curtis, Mass.	Holfield	Powell
Davis, John W.	Horan	Rains
Davis, Tenn.	Hosmer	Riley
Dent	Ichord, Mo.	Rivers, S.C.
Diggs	Jennings	Roberts, Ala.
Dingell	Jones, Ala.	Saund
Donohue	Kearns	Scott
Dooley	Kee	Seely-Brown
Dorn	Kelly	Selden
Farbstein	Kitchin	Shelley
Flood	Kluczynski	Sheppard

Shipley	Stubblefield	Widnall
Slack	Thompson, N.J.	Wilson, Calif.
Smith, Calif.	Tupper	Yates
Smith, Miss.	Vinson	Zelenko
Spence	Wallhauser	

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. FASCELL, 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. 2206, and finding itself without a quorum, he had directed the roll to be called, when 336 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania [Mr. SAYLOR].

Mr. SAYLOR. Mr. Chairman, I yield myself 20 minutes.

Mr. Chairman, you have heard this bill described in glowing terms about what it does. Now I would like to tell you some of the things that are wrong with this bill, because I have been opposed to it since it was introduced first in 1952. I am satisfied, Mr. Chairman, that if this bill is passed it will be the forerunner of the huge Gunnison-Arkansas project. I realize that some of the proponents of this legislation are sincere in their belief that they have convinced the Bureau of Reclamation that this project, the Gunnison-Arkansas project, should not be built.

However, the very arguments that they have given in favor of it point to the fact that this is still in the minds of the career employees in the Bureau of Reclamation.

The gentleman from Texas [Mr. ROGERS] pointed out what I think are some of the finest examples of the fact that this Gunnison-Arkansas project is still in the minds of the people in the Bureau of Reclamation. First he said that the Sugar Loaf Reservoir is going to be enlarged from its present capacity of 17,000 acre-feet to 117,000 acre-feet. Is it not rather strange that we have been told that we are only going to divert 69,000 acre-feet of water and yet the first reservoir that we talk about already has an increase in its capacity of 100,000 acre-feet? The next one is that the present capacity of the Twin Lakes Reservoir is 56,000 acre-feet and it is going to be enlarged to 260,000 acre-feet, so immediately there is a surplus of 200,000 acre-feet in that reservoir. It is interesting to note that the Sugar Loaf Reservoir is owned by the Colorado Fuel & Iron Co., one of the principal sponsors of this legislation. And I might say that if the House Committee on Government Operations would like to do a little investigating, they ought to look into the lobbying activities and the expense accounts of the Colorado Fuel & Iron Co. and the number of people they have sent here. I am sure that they would find a very interesting report would be made because this company, which will be one of the real beneficiaries of this project, has for years been very, very active in seeing to it that many people were brought here from Pueblo and surrounding areas to lobby for this project.

Then there is the Twin Lakes reservoir which has been referred to. I would like to remind a few of the Members who have been in Congress for some number of years a little bit about the Twin Lakes Development Corp. The RFC made the first loan to the Twin Lakes Development Corp. and after it paid back some of the money it was in such dire circumstances that it went to the RFC to get another loan to help pay the interest and give it some more operating capital.

At the time that the RFC had its assets liquidated by order of Congress, the same people in Colorado who are now asking that the Congress of the United States invest \$169 million in this project thought so little of the 4-percent bonds of the RFC that they were only willing to pay 15 cents on the dollar for this asset.

It is also interesting to note that among those assets which disappeared from the RFC, and nobody has been able to find out where, were 30,000 shares of stock in the Twin Lakes Development Co. I would like to know and so would a good many other people like to know what happened to this stock. If this bill passes this stock will skyrocket in value.

Congress has turned this bill down before. It has turned it down because while today we have a fine example of State unanimity, it is so unanimous that we have even seen the two distinguished Members of the other body that come from the State of Colorado here—in fact, the word came to me that some of them asked certain of the House employees whether they were going to vote for the bill. Certainly I did not think this project was in such shape that it was necessary to ask House employees whether they were going to vote for it.

I am surprised at the depth to which some people will go to see that a project is passed.

Let us look at some of the testimony that has been given in prior years on this project. You have heard people say that there is plenty of water. Do not let anybody disrupt or change your thinking that there is plenty of water for this project. So that we may understand the difference between this project and the others, I would like to quote the author of the bill in the testimony he gave to the House Committee on Interior and Insular Affairs. The gentleman from Colorado [Mr. ASPINALL] stated:

There is very little difference between this bill and the other bills that have been considered.

As near as I am able to determine, the only difference between the other bills that have been considered by the House Interior Committee and the bill that is presented before you is that you have substituted a 28,000-acre-foot reservoir above Aspen, Colorado, for a 100,000-acre-foot reservoir known as the Ruedl Reservoir.

In 1953 the gentleman from Colorado [Mr. ASPINALL] stated:

Mr. Chairman, before our colleague—

He was referring to our colleague from Colorado [Mr. CHENOWETH]—

Mr. Chairman, before our colleague leaves the witness stand, I wish to make one observation and one statement. My colleague has referred to the fact that this project

provides for the transmountain diversion of surplus water from the Colorado River Basin in western Colorado. Now I am not sure that my colleague would be willing to go on record before this committee that there are surplus waters at the present time in western Colorado for transmountain diversion. In other words, that is not a statement of fact, that is a statement of what this project is based upon.

The gentleman from Colorado [Mr. ASPINALL] further stated:

I want that distinctly understood by the committee, because one of the best students that we have of western Colorado water resources in western Colorado is Mr. Silmon Smith, who states that the western slope is already overappropriated and that there is no water present there for transmountain diversion. So that the committee has a definite understanding that that question is involved at the same time as we study the economics and the feasibility of this project, it is absolutely necessary to understand that.

When we go back into the House, I shall insert into the RECORD, if permission is granted, Mr. Silmon Smith's analysis showing that in 1952 there was no water to build this project, and I am sure there has been no new water coming into western Colorado for this project.

Analysis of Colorado's share of Colorado River and its consumptive use, present and potential

	[In acre-feet]
Theoretical water for upper basin States (note 1)-----	7,500,000
Allotted to Arizona (note 2)-----	50,000
Colorado, New Mexico, Utah, Wyoming (note 2)-----	7,450,000
Colorado share of 51.75 percent (note 3)-----	3,855,375
Colorado share of Mexican treaty shortage (note 4)-----	106,475
Colorado share holdover reservoir evaporation (note 5)-----	414,000
Subtotal-----	520,475
Total for Colorado use (note 5)-----	3,334,900
Western Colorado present use (note 6)-----	1,129,000
Eastern Colorado present use (note 7)-----	544,000
Subtotal-----	1,673,000
Remaining for Colorado use (note 7)-----	1,661,900
Potential irrigation—western Colorado:	
Gunnison River shed (note 8)-----	192,000
Colorado (above Gunnison River) shed (note 9)-----	150,000
San Juan-Dolores in Colorado (note 10)-----	294,305
Yampa-White shed (note 11)-----	187,620
Little Snake shed (note 12)-----	72,635
Total-----	896,560
Remaining after western Colorado irrigation-----	765,340
Western Colorado potential municipal consumption (note 13)-----	23,000
Remaining for industrial use and evaporation-----	742,340

Analysis of Colorado's share of Colorado River and its consumptive use, present and potential—Continued

	[In acre-feet]
Potential irrigation—western Colorado—Continued	
Pulp and paper mill, Colorado River (note 14)-----	3,000
Oil shale and related industry (note 15)-----	300,000
Evaporation from use reservoirs (note 16)-----	50,000
To care for all errors in irrigation estimates, and coal synthetic fuel, Atomic Energy Administration, and all other future industry in western Colorado (note 17)-----	389,340
Total-----	742,340
Balance remaining for diversion-----	0

Colorado share possible salvage inflow-outflow measure on historic use basis (note 18)-----	37,933
Diversion plans with no water available:	
1st phase Gunnison-Arkansas (note 19)-----	68,000
Blue-River-South Platte (note 20)-----	430,000
Gunnison-Arkansas gravity diversions (note 21)-----	590,000
Gunnison-Rio Grande diversion (note 22)-----	20,000
Diversion reservoir evaporation (note 23)-----	30,000
Total-----	1,138,000

Note 1: Colorado River compact, 1922; article III(a).

Note 2: Upper Colorado River Basin compact; article III(a)(1).

Note 3: Upper Colorado River Basin compact; article III(a)(2).

	[In acre-feet]
Note 4: Average 1914-45 virgin flow Lee Ferry ¹ -----	15,638,500
Inflow Lee Ferry to Hoover Dam ² -----	1,060,000
Inflow Hoover Dam to Gila ³ -----	150,000
Natural channel loss Hoover Dam to Gila ⁴ -----	1,030,000
Virgin flow of Gila River ⁵ -----	1,270,000
Total-----	17,088,500
Upper and lower basin ⁶ -----	16,000,000

Balance available for Mexico-- 1,088,500
Compacted to Mexico⁷----- 1,500,000

Shortage to be made up equally by lower and upper divisions ⁸ -----	411,500
Upper division share ⁹ -----	205,750
Colorado 51.75 percent share ¹⁰ -----	106,475

¹ Final report engineering advisory committee to Upper Colorado River Basin Commission. Nov. 29, 1948, p. 3.

² Bureau of Reclamation 1956 Report on Colorado River, H. Doc. 419, 80th Cong., 1st sess., p. 282.

³ Same authority, p. 283.

⁴ Same authority, p. 283.

⁵ Same authority, p. 284.

⁶ Colorado River compact, art. III(a) and III(b).

⁷ Treaty with Mexico February 1944, 78th Cong., 2d sess., pt. III Colorado River, art. 10(a).

⁸ Colorado River compact, art. III(c).

⁹ Colorado River compact, art. III(c).

¹⁰ Upper Colorado River Basin compact, art. IV.

Incidentally, the "further equitable apportionate" of the Colorado River in 1963, as referred to in article III(f), Colorado River

compact, will not take place because there is none to apportion. It should also be noted that this shortage results from the virgin flow over the long flow period and if the average flow of the more recent period had been used, the shortage would be some 15 percent greater.

Note 5: Report of Regional Director Larsen, Region IV, submitted March 1949, reports at page 12, Colorado River storage project, nine reservoirs in upper basin with a total capacity of 48,065,000 acre-feet necessary to iron out wet and dry cycles and provide necessary silt basins in order to fulfill the upper division obligation not to deplete the river flow below an aggregate of 75 million acre-feet for any period of 10 consecutive years (article III(d)) and his studies show an annual evaporation rate on these reservoirs ranging from 1.5 percent to 3.2 percent with the rate of 2.6 percent on the Gler Canyon Reservoir site, the construction of which he urges. The presently estimated annual evaporation on these holding reservoirs is 800,000 acre-feet of which Colorado must bear 51.75 percent, to wit: 414,000 acre-feet. Any change of reservoir sites will decrease or increase this figure.

Note 6: Page 186, Bureau of Reclamation 1946 Report, House Document No. 419, 80th Congress, 1st session.

Note 7: Page 186, same authority; showing existing and presently authorized projects. These transbasin uses consist of the following: Grand River Ditch, Moffat Tunnel, Williams River diversion, Twin Lakes diversion, Colorado-Big Thompson diversion, and other existing small diversions. In this computation, Colorado-Big Thompson has been scheduled at 310,000 acre-feet.

Note 8: Report of area engineering office, region IV. This is an increase of 44,400 acre-feet over the amount presented to the Colorado Water Conservation Board by its engineering staff in December 1948.

Note 9: Present estimate on uncompleted study in progress by Area Engineering Office, region IV. This is an increase of 52,160 acre-feet over the amount presented to the Colorado Water Conservation Board by its engineering staff in December 1948.

Note 10: This is the estimate furnished to the Colorado Water Conservation Board by its engineering staff in December 1948 pending the completion of the survey by region IV, and based upon the error made by this engineering staff in its report on the Colorado River and the Gunnison River is more than 39 percent too low. Pending the completion of the Bureau survey in western Colorado there is no better figure available.

Note 11: This is the estimate of Colorado Water Board staff in December 1948, and although it is the best figure available until region IV of the Bureau has completed its study, this figure may be considered 39 percent too low for the reason above set out.

Note 12: This is the estimate of Colorado Water Board Engineering Staff in December 1948 and same observations apply as above.

Note 13: This figure does not include municipal use in collection with synthetic fuel development. No sufficient study has been made and it is believed to be too small.

Note 14: This is the presently contemplated consumptive use of water of the paper and pulp mill project to be located on the Colorado River west of Glenwood Springs.

Note 15: Mr. Boyd Guthrie, in charge of the United States shale experimental plant in January 1949 at Grand Junction, Colo., to the Colorado River Steering Committee, gave it as his opinion that the consumptive use of water for processing shale at the rate of 1 million barrels per day, and for the incident municipal use would be 268,000 acre-feet of water per year. Based upon his findings at the experimental plant, it was his opinion that such an operation would be in effect within a decade, and that in the event of war the peacetime operation would

be doubled or trebled. It will be remembered that the experimental plant is located on the U.S. Naval Shale Fuel Reserve (any failure to properly report Mr. Guthrie is the fault of the compiler and not Mr. Guthrie). Mr. Guthrie made no effort to estimate the required consumption of water by incidental activities which would normally accompany such a development and the figure of 32,000 acre-feet has been added to his estimated minimum peacetime operation to cover that factor, making an even 300,000 acre-foot estimate.

Note 16: There will be of necessity reservoirs serving the presently authorized diversion projects and also reservoirs in western Colorado for use of irrigation and industry in addition to the main stem impounding reservoirs and from all of these there will be evaporation depending in amount upon their location. It is impossible to definitely arrive at this amount and this figure has been arbitrarily adopted as a minimum.

Note 17: There remains in the Colorado River for consumptive use by Colorado 389,340 acre-feet of water. Referring back to items 10, 11, and 12 where no sufficient study has been made, it is reasonable to assume that they are 39 percent too small and if it shall later be determined that such is a fact, as has already been determined on the Gunnison and Colorado (above Grand Junction), then there will be required to complete the irrigation program in western Colorado 216,278 acre-feet of water which must be subtracted from the 389,340 acre-feet, leaving 173,062 acre-feet for all other purposes, and unless the flow of the Colorado River gets up to the long-term average, this will be further reduced by an additional Mexican treaty burden. Whatever amount may remain, whether it be 389,340 or 173,062 acre-feet must cover all industrial uses, including metal mining, recovery of atomic energy strategic materials, hydrogenation of coal, and an increase in the oil shale recovery program which might ensue in the event of war. The exact requirements for these purposes are, of course, at this time not possible of exact determination.

It is apparent from the summary report to the United States Bureau of Mines by the Corps of Engineers, United States Army, submitted in May 1949, that the recovery of synthetic fuel values in western Colorado from shale and coal will be measured by the water available for treatment and not by the amount of shale and coal which will not be exhausted in several hundred years.

On page 10 of the Bureau's 1946 Report on the Colorado River, House Document 419, appears the following: "Enormous beds of bituminous and subbituminous coal within the basin (of Colorado River) in eastern Utah, southern Wyoming, and western Colorado are estimated to contain nearly one-fourth of all the coal reserves in the United States. Mines in these areas now supply most of the coal requirements in the Rocky Mountain and Pacific coast areas."

On page 71 of the same House Document 419 prepared by the Bureau of Reclamation in 1946 appears the following language: "The Colorado River Basin is a part of America's frontier. It is, perhaps, as little developed as any comparable area in the United States. Yet it is known that here lie buried one-sixth of the entire world's coal reserves, billions of barrels of oil in shale and sand (equivalent to many times the known petroleum reserves in all the oilfields of the United States) and vast treasures of other minerals including petroleum, natural gas, copper, lead, zinc, gold, silver, rare hydrocarbons, vanadium, molybdenum, phosphates, and many others. For only a few of these can it be said that development has had even a good beginning. Development of the basin's land and water resources is little beyond the half-way mark toward ultimate potentialities."

On page 80 of the same House Document 419 appears the following language: "Coal: The upper basin contains enormous reserves of coal, mostly of bituminous and subbituminous grade. Reserves here are much larger than those in any other section of comparable size in the world and amount to approximately one-third of all the coal deposits in the United States and one-sixth of those in the entire world. Some of this coal is below present mineable depths, but mineable reserves alone are nearly one-fourth of the Nation's total deposits. Coal reserves within the upper basin are roughly estimated at 400 billion tons. Bituminous coals from the upper basin are considered the highest quality bituminous coals on the western market. They are low in ash and moisture, extremely low in sulphur and highly volatile with a high heat value."

On page 82 of the same House Document 419 appears the following language: "Oil shale: The upper basin also contains the largest deposits of oil shale in the United States. The reserves of this potentially important mineral fuel account for approximately 82% of the 75 billion barrels of recoverable oil in shale in the United States, which is equal to four or five times the known reserves of petroleum in all the oil fields of the Nation. The extractions of the oil from shale will require the establishment of plants near the deposits. Whether oil shale or coal or both are utilized to meet future needs for oil and gasoline, these mineral fuels are of great potential importance."

On page 83 of the same House Document 419 appears the following language: "This array of mineral fuels and carbonaceous materials is not approached by any region in any other part of the world. The extent to which these materials may provide the basis for future mining and mineral processing within the basin and in contiguous areas cannot be foretold definitely, but it is certain that their effect on future industrial development will be important."

Note 18: By the report of the Engineering Advisory Committee to Upper Colorado River Basin Compact Commission, November 29, 1948, at page 6, it is estimated that by using the "inflow-outflow" measurement of water use, there will be salvaged to the upper basin 73,300 acre-feet of water of which Colorado's share would be 37,933 acre-feet. This figure is based on the historic flow, and does not purport to show the total salvage under maximum use and the total salvage is unknown to the compiler; nor may it be assumed that this method of measurement will eventually be adopted by all interests.

Notes 19 to 23:

See Bureau of Reclamation project report Gunnison-Arkansas Project No. 7-8a 49-0 and Blue River-South Platte Report No. 7-8a 1-0; both dated June 1948.

With reference to these items a short discussion of the Colorado law is appropriate. Colorado from the beginning has espoused the doctrine of prior appropriation of water. The Colorado River compact was executed on the theory of equitable division of the water and in order to protect the slower developing interior where the water originates, from the faster developing Pacific coast area (which furnishes no water to this river), and to protect the interior from the doctrine of prior appropriation. The Colorado River compact contemplated use of some of the water from the river in Colorado outside the river basin. Transmountain diversions have been made from the basin to eastern Colorado by agreement and on the theory that such water was surplus over the needs of western Colorado and would otherwise be forfeited to the lower basin users.

There has always been a doubt as to how much, if any, of Colorado's share was not needed for the development of the natural

basin. The Bureau of Reclamation has undertaken this study, and the people have relied upon the Bureau to complete the study. The work of the Bureau has been of inestimable value to the arid West, but its work is far from complete. Western Colorado has urged the early completion of the study in Colorado in order that the development might proceed in an orderly manner. For more than 10 years last past, however, the Bureau has expended more than twice as much of the public money in seeking to discover projects to divert the water out of the natural basin than it has expended to discover how much, if any, water is available for export without damage to the natural basin. Western Colorado has vigorously and without much effect protested this program. We have urged the completion of the in-basin study. Some years ago the arid West was divided into regions for study and development. Colorado was placed in two regions: Region IV and Region VII. The areas divide at the crest of the Continental Divide. The Colorado Water Conservation Board advised against the division of the State between two regions. The results have been worse than we feared. We have competition instead of cooperation. We have confusion instead of coordination.

In an effort to correct this situation the Colorado Legislature in 1943 enacted an amendment to the Water Conservation District Act and on page 636, Chapter 192 of the 1943 Colorado Session Laws appears this language: "Provided, however, that any works or facilities planned and designed for the exportation of water from the natural basin of the Colorado River and its tributaries in Colorado, by any district created under this Act, shall be subject to the provisions of the Colorado River Compact and the Boulder Canyon Project Act, as amended; that any such works or facilities shall be designed, constructed and operated in such a manner that the present appropriations of water, and in addition thereto, prospective uses of water for irrigation and other beneficial consumptive-use purposes, including consumptive uses for domestic, mining and industrial purposes, within the natural basin of the Colorado River in the State of Colorado, from which water is exported, will not be impaired nor increased in cost at the expense of the water users within the said natural basin; and that the facilities and other means for the accomplishment of said purpose shall be incorporated in, and made a part of, any project plans for the exportation of water from said natural basin in Colorado." This language incorporates the policy of the State of Colorado in the use of the waters of the Colorado River within the State. It is binding upon any development operating through a water conservation district. Theoretically at least, the Bureau of Reclamation has recognized this policy as binding upon its development of Colorado's water use.

The figures appearing herein are facts developed almost entirely by the Bureau. They are available to anyone who searches. How, in good faith in the face of these facts, can the Bureau continue to expend millions of dollars of public monies on plans to divert more than a million acre-feet of water, which it knows does not exist? We take pride in the splendid accomplishments of the Bureau of Reclamation, and only recently the Bureau broke all records in an emergency repair of a failed project tunnel which otherwise would have most seriously damaged the economy of western Colorado; and we are glad of this opportunity to express our gratitude.

It is not the purpose of the writer to criticize all of the personnel of the Bureau of Reclamation. It is a large and far-flung organization. There are some who recognize the facts as they are, but these seem powerless to correct the situation.

The people of eastern Colorado do not wish or intend to destroy western Colorado. The eastern slope people are being told that "the water we seek to divert and which you can use in eastern Colorado, is surplus and cannot be used in western Colorado and unless diverted to eastern Colorado, it will be lost to California and Arizona." The men who tell this to the eastern slope people should know it is not true. We, of western Colorado, where originates more than 70% of all the water which flows to Lee Ferry (the dividing point between the upper basin and lower basin) and 65% of all the water which flows in the entire Colorado River Basin (including the Gila River) deplore the failure of the representatives of the Bureau of Reclamation to speak up and tell the facts to the people of Colorado.

Since the Colorado River compact was executed in 1922, it has been found there is and was less water in the river than it was formerly assumed. When the treaty with Mexico was executed there was granted to Mexico about twice the amount of water we could spare without loss to the basin in the United States. When the Upper Colorado River Basin compact was executed, Colorado accepted less water than she knew she needed. This was upon the theory that the resulting shortage would be suffered by the proponents of transmountain diversion. In spite of all these facts, the engineers in charge of Bureau diversion projects proceed as though they had never heard of them with possibly minor exceptions; for example: We don't hear much said about a proposed third Gunnison-Arkansas diversion, called the pumping unit, of an additional 800,000 acre-feet which has not even been listed among the diversion plans on the first sheet.

The people of western Colorado do not want a river authority. We do not want such an authority for the same reason that we prefer an inefficient bungling representative or democratic form of government to a streamlined efficient dictatorship.

We realize the need of some coordination between Regions IV and VII; between the Bureau of Reclamation and the Bureau of Mines; between the Bureau of Reclamation and those persons who think God put water in lovely mountain streams for some purpose other than building tunnels, dams and ditches; between the Bureau of Reclamation and the people who live in the area which furnished the water.

If the figures on the foregoing analysis are not correct, there are many able engineers who will be glad to correct them, including those who made the figures. If the planned diversions, for 1,138,000 acre feet of surplus water which does not exist, proceed to construction, just which and what water will be taken from western Colorado's development? Will they stop all irrigation development in the natural basin, which they admit is about one-half completed, in order to raise more sugar beets on the eastern slope prairies? Or will they take the water which will be required to develop the United States oil shale reserve and the world's greatest coal resources? We think these questions should be answered. We trust this Commission will answer them and report the answers to the President of the United States from whom you take your authority.

With appreciation for the opportunity to present the viewpoint of the people at the "grass roots," this is

Respectfully submitted.

SILMON SMITH.

And so that if there were no water in the Colorado River to build this project in 1952 there is none now.

This fact is further substantiated by the following letter from Henry L. Stein, secretary-treasurer of the Salvation

Ditch Co., in a letter to Congress dated June 2, 1962. The letter states:

SALVATION DITCH CO.,
Aspen, Colo., June 2, 1962.

Members of Congress of United States of America, Washington, D.C.

GENTLEMEN: Salvation Ditch Co. is a typical, cooperative irrigation project of the western slope of the Rocky Mountain region. We believe that we represent the largest single unit of water use in Pitkin County, Colo. Presently about 1,800 acres of land are under cultivation by virtue of Salvation Ditch and about 2,000 additional acres are potentially to be benefited. About 50 people are directly dependent upon the irrigation of this ditch. Crops involved are largely alfalfa, small grain and some potatoes and grass pasture for livestock.

Our membership feels that the Fryngpan project will badly damage the values represented by Salvation Ditch and the lands which it effects. Our legal water rights with sources in Roaring Fork River, Hunter Creek, and Woody Creek will be endangered by the requirements of the project and the economy of at least 20 families will be immediately threatened. Perhaps if the national wealth were somehow being increased by this project the sacrifice could be endured but having studied the fantastic conclusions of the Department of Reclamation over the years there is still no clue to any national benefit to be derived from the project.

We are told that our senior adjudications of 103 cubic feet per second at our headgate on Roaring Fork will forever after be honored. But from the same source comes a promise that a minimum of 15 cubic feet per second will be maintained in the Roaring Fork at Difficult Creek which is 2 miles above our headgate. Vague promises are made of a major ditch with its source in Castle Creek which will discharge into Roaring Fork above our headgate and supplement our water supply. But such a ditch would cost several millions of dollars and be forever after a major maintenance problem. The same or a smaller consideration would construct a modest dam below Aspen where our water rights plus the several tributary streams would allow storage during high water season and generation of ample power for the entire valley. But so modest a project fails to interest the Government offices who seem bent upon massive destruction with only theoretical promises in result. We say this because, as long-time farmers and ranchers in this valley, we know that the 54,000 acre-feet of water which the Fryngpan project is designed to gather and divert to the Arkansas River drainage just simply does not exist. Further, even if it did exist, the total benefits to be realized to the Nation from diversion of this water would not equal a tenth of the huge cost of the project to say nothing of the multiple losses the project would inflict upon such going values as our Salvation Ditch.

Sincerely,

HENRY L. STEIN.

The next thing I would like to call to the attention of the members of this committee is something that has been carefully neglected and that is the collection system which is being talked about to collect this 69,000 acre-feet of water. This will be done in a series of ditches and canals that are to be built at elevations of 10,000 feet down to 9,500 feet. I might recall to the members of the Committee on Appropriations, if any of the members are here, that in 1948 you called before you the representatives of the Reclamation Department to explain to you why the Colorado-Big Thompson project had pyramided in cost, and you were told it was because they found at

elevations of the collection of water from the Colorado-Big Thompson, it had been necessary to change completely the engineering and to cover all of the ditches. If this is so—therefore, the unreasonable costs of the Colorado-Big Thompson project.

In this project the water will be collected at much higher elevations. At this same hearing the gentleman from Colorado [Mr. ASPINALL] stated to the Commissioner of Reclamation that it would be impossible to collect water in the springtime because these ditches would be filled with ice and snow from the preceding winter.

If they were filled with ice and snow from the preceding winter in 1952, the record is still the same—they will be filled with ice and snow in 1962, if this project is authorized.

Therefore, the collection system as designed will not work. It will be necessary to go to the Committee on Appropriations to cover these ditches and it will add at least \$100 million to the cost of this project.

I would like to say to the members of the committee, it is remarkable the gyrations that the Bureau of Reclamation will go through to prove their point. Believe it or not, I was always told that still mountain water would freeze at 32° Fahrenheit. But in the testimony that was given to the House Committee on Interior and Insular Affairs in the 84th Congress in the years of 1955 and 1956, we had witnesses appear who said first that the water would not freeze. Why would it not freeze? Because the water coming out of the reservoirs will be at a maximum density of 39°. It not only has 144 British thermal units of heat to overcome the freeze, but it has 7° of superheat and as it flows down 60 miles of canal, believe it or not, the Bureau of Reclamation says it would get into the tunnel just before it froze. I can just tell you in the Colorado-Big Thompson, they tried the same thing and it did not work there. I am sure it will not work here.

I would like to call another feature to the attention of this committee because I think it is extremely important.

I have been under the impression that month after month and year after year and in administration after administration, I have seen the cost indexes rise. Believe it or not, we have with us now a project in which the cost indexes are going down. I do not believe it is possible, but that is the testimony before our committee. In 1953, Mr. Lineweaver, then Assistant Commissioner of Reclamation testified that this project would cost \$72,898,000:

Mr. LINEWEAVER. Yes, sir; we will make that comparison and reconciliation, Mr. Saylor, and we will have it available tomorrow. Mr. Powell, who is the area engineer, will be a witness following Governor Aandahl's appearance tomorrow morning and will have that comparison and reconciliation available for you.

(COMMITTEE NOTE.—The cost comparison is as follows:)

FRYINGPAN-ARKANSAS PROJECT COST COMPARISON

The cost estimate has been raised from \$147,440,000 (October 1949) to \$172,898,000

(January 1953) by using unit costs for construction items prevailing as of January 1953 and further by changing the contingencies and other items as indicated in the following table:

	October 1949 estimate	January 1953 estimate
Estimated construction cost.....	\$102,244,270	\$114,625,598
Contingencies:		
Percent.....	22.5	22.6
Amount.....	\$22,985,430	\$26,236,402
Field cost.....	\$125,230,000	\$140,862,000
Construction facilities:		
Percent.....	1.22	2.25
Amount.....	\$1,521,900	\$3,171,000
Investigations, designs, supervision, and surveys:		
Percent.....	13.2	15.4
Amount.....	\$16,558,000	\$22,881,200
General expense:		
Percent.....	2.7	2.5
Amount.....	\$3,419,000	\$3,503,800
General service equipment.....		1,053,000
Constructed features (CBT).....		1,427,000
Noncomparable 1949 costs:		
Dillon interconnection.....	100,000	
Limon interconnection.....	75,000	
O. & M. during construction.....	536,000	
Total cost.....	147,440,000	172,898,000

The Fryingpan-Arkansas project is estimated to cost \$169,905,000 on the basis of prices prevailing at the present time. The cost of the various features would be as follows:

Ruedi Dam and Reservoir.....	\$12,831,000
Fryingpan-Arkansas tunnel.....	9,213,000
Sugar Loaf Dam and Reservoir enlargement.....	6,063,000
Twin Lakes Dam and Reservoir enlargement.....	8,311,000
Pueblo Dam, Reservoir, and powerplant.....	37,758,000
Salida, forebay and afterbay.....	1,225,000
South Side collection system.....	9,679,000
Hunter Creek extension canal and diversion dam.....	672,000
North Side collection system.....	16,282,000
Snowden diversion dam and canal.....	1,030,000
Elbert Canal and powerplant.....	6,528,000
Twin Lakes-Otero, and Wapaco Canals, Otero and Wapaco powerplants.....	12,926,000
Princeton, Pancho, Salida Canals, Princeton-Pancho-Salida powerplants.....	20,646,000
Transmission lines, substations, and switchyards.....	11,934,000
Municipal water system.....	13,761,000
General property.....	1,046,000

Total construction cost... 169,905,000

He further testified that between January 1953 and October 1953 the cost of this project had increased to \$177,432,000. You heard the gentleman from Colorado [Mr. ROGERS] and the gentleman from Colorado [Mr. ASPINALL] explain that instead of the small reservoir which was to be built above Aspen, Colo., we now have a reservoir four times that size and that it had increased the cost in the neighborhood of \$12 million. They come before you and giving you the Bureau figures on this project 10 years later say it will cost \$169,905,000.

Mr. Chairman, this is for 1½ inches of water. Do not let anybody talk to you about giving them 6 inches of water, they are going to get 1½ inches of water

out of this 69,000 acre-feet for power and for municipal uses, and the balance for irrigation is to come out of the re-regulation of the Arkansas River.

This is substantiated by testimony before our committee.

Mr. CHRISTY. In conclusion, the Arkansas Valley in Colorado is in desperate need of supplemental water supply for irrigation, municipal and industrial purposes.

Full use has been made of existing water supply that is economically feasible for development by means of separate projects—this account of the difficulty of proper division of water under priority doctrine of water rights due to variations in timing of the runoff.

Possible reregulation of winter diversions, concentration of storage to reduce evaporation losses, as well as the proper use of new water from the Colorado River Basin, together with proper use of remaining flood runoff, must of necessity come through a large multipurpose project, including hydroelectric power, wherein the benefits can be divided throughout the whole Arkansas Basin in Colorado according to need.

Mr. HOSMER. Was your figure that they would have to charge around \$7 or \$8 an acre-foot to sustain this \$10,881,600 revenue?

Mr. SAYLOR. That is correct. It is a simple matter of mathematics; 69,200 acre-feet, and they expect to get \$10,881,600 in 40 years.

Mr. ASPINALL. If the gentleman will yield, there is not any 69,200 acre-feet, because you have losses of 15,500. So really your net irrigation supply, as I understand the report on page 16 is 53,700.

Some members of the committee, particularly the gentleman from Florida [Mr. HALEY] who has been on this committee since we have begun the hearings, have recommended to the Bureau of Reclamation that they consider the Arkansas feature as a separate function. I have just received figures from the U.S. Army Engineers of what would have happened had the Bureau of Reclamation and the Army Engineers done the thing that the gentleman from Florida [Mr. HALEY] and the gentleman from Pennsylvania, myself, urged, built the Pueblo reservoir in 1952. There would never have been a year, from that time down to the present, that there would not have been as high as 930,000 acre-feet of water to be used for the production of power and for irrigation in this Arkansas Valley; and this could have been done without any of the power features that are being included in the Rube Goldberg device that drops the water down there through this tunnel and down on the eastern side.

Surface water supply—U.S. Geological Survey, lower Mississippi Basin

[Acre-feet]

	Canyon City	Pueblo	Los Animas
1951.....	456,200	346,000	69,500
1952.....	625,400	557,300	103,000
1953.....	468,800	386,200	85,190
1954.....	284,800	224,600	39,120
1955.....	329,900	266,300	135,600
1956.....	415,000	336,300	47,940
1957.....	909,500	980,100	385,900
1958.....	600,100	497,000	142,200
1959.....	393,900	337,000	20,340
1960.....	518,300	467,700	53,040
Average.....	500,190	439,850	109,189

This is the forerunner of the Gunnison-Arkansas project. Let me give you

another reason why this is the forerunner of the Gunnison-Arkansas project. The tunnel they are going to build is how big? Big enough to take 69,000 acre-feet? Oh, no, Mr. Chairman, that tunnel is big enough to take 69,000 acre-feet through in any 1 month of the year. Why do they have it this size? Because they expect very shortly to come up and ask you to buy the billion-dollar Gunnison-Arkansas project.

Mr. Chairman, there is still another reason why the House should delay action on this project.

Since the House Committee on Interior and Insular Affairs considered this bill, the present administration has devised new standards for water projects.

An account of this appeared in the Congressional Quarterly for the week ending June 8, 1962.

The article is as follows:

ADMINISTRATION SETS NEW STANDARDS FOR WATER PROJECTS

The President on May 15 approved a new set of standards for planning water, power, and land-use projects which supersedes the highly controversial Budget Bureau Circular A-47 issued on December 31, 1952. The 1962 standards are expected to result in the submission to Congress of a somewhat larger number of proposed multiple-purpose projects than in the past. It also bypasses the Budget Bureau as the executive agency to formulate and to try to enforce such standards on the various departments. Generally speaking, these are welcome developments to Congress, which was highly critical of A-47.

A-47

President Roosevelt on October 4, 1943, issued Executive Order No. 9384 requiring all agencies to submit to the Budget Bureau reports on public works and improvement projects and to include Budget Bureau comments about specific projects when submitting project planning reports to Congress. As the review of project reports proceeded under this Executive order, the Budget Bureau found that the various Federal agencies, notably the Departments of Agriculture and Interior and the Corps of Army Engineers, applied different standards in appraising benefits and costs of water resources projects. To try to provide a uniform set of standards, the Budget Bureau issued its Circular A-47 on December 31, 1952, just at the close of the Truman administration.

Congress repeatedly clashed with the Budget Bureau over both A-47 and its proposed revisions during the early years of the Eisenhower administration. Congressional criticism was based largely on the following points: (1) A-47 was so stringent as to foreclose approval of many water projects; (2) the Budget Bureau was allegedly arrogating to itself unauthorized authority in drawing up such standards and in reviewing each individual project; (3) the Budget Bureau did not have personnel qualified to formulate such standards; (4) A-47 was drafted by Budget Bureau officials allegedly unfriendly to reclamation and public-power projects; (5) the Budget Bureau delayed the submission of project reports to Congress. Senator CLAIR ENGLE, Democrat of California, summed up congressional opposition to A-47 by calling it a banker's approach to resource development.

As a practical matter, A-47 has been generally disregarded by Congress in recent years. It could not stand up under political pressure from Congress and from the various water and public-power lobbies, or under the historic rivalry of the various departments in the field of water and land-use development.

So the problem of formulating a uniform set of standards remained, particularly after the Senate on January 28, 1958, adopted Senate Resolution 148 demanding that additional information be submitted to Congress beyond and above that regularly submitted by the executive agencies to comply with A-47, but the House failed to adopt a similar resolution.

President Kennedy on October 6, 1961, appointed a group comprised of the Secretaries of Interior, Agriculture, the Army, and Health, Education, and Welfare to come up with a new set of uniform standards. It did so, and the President approved the new set of standards on May 15.

THE 1962 STANDARDS

Basically the 1962 standards and A-47 provide that projects may be built by the Federal Government for the following purposes: domestic, municipal or industrial water supply; irrigation; water quality or pollution control; navigation; hydroelectric power and energy; flood control and prevention; land and beach stabilization; drainage; outdoor recreation, and fish and wildlife development. Under both standards, a project is justified if the estimated benefits exceed the estimated costs. A-47 encouraged project planning for one major purpose, with other purposes incidental, and it was limited to the above purposes. The 1962 standards encourage multiple-purpose development, provide that "all project purposes shall be treated comparably" in allocating costs, and provide that projects may be built for purposes other than those specifically named. Among the other significant differences between the new 1962 standards and A-47 are the following:

1. Objectives: A-47 was designed to establish "priority for projects yielding the greatest value to the nation" and to secure "effective resources development at minimum necessary cost." It stressed efficiency and economy. The 1962 standards are based on three specified major objectives: national economic development, preservation of outdoor recreation areas, and "well-being of people." The overall basic objective of the 1962 standards is to provide the best use or combination of uses of water and land resources to meet both short-term and long-term needs.

2. Benefits: Under A-47, projects were mainly evaluated on the basis of primary benefits clearly identifiable as gains, assets, or values directly resulting from the project. Under the 1962 standards, both primary and secondary tangible benefits based on monetary yardsticks and in addition intangible benefits based on "satisfying human needs and desires" are considered in determining total benefits of a project. Benefits are sharply maximized in the 1962 standards, as measured against project costs and also as measured against the evaluation of benefits under A-47.

3. Recreation: The 1962 standards stress outdoor recreation and fish and wildlife development as equal with such historic purposes for building projects as flood prevention and navigation. A-47 treated recreation, fish and wildlife benefits as incidental.

4. Public power: Hydroelectric power is upgraded in the 1962 standards, which provide that hydroelectric power features will be incorporated into a Federal project where such power "can contribute advantageously to a needed increase in power supply. Long-range power needs, in the light of generally expected economic growth of an area, may justify measures initially to insure later availability of the full power potential." A-47 measured Federal hydroelectric power development largely against "the cheapest alternative source of energy, including taxes and interest charges."

5. Irrigation: Both standards based irrigation benefits on "the increase in the net

income" of farm output resulting from irrigation and reduction in drought damages. But A-47 sought an economic analysis from the Secretary of Agriculture on each irrigation project, as it related to the short-range and long-range agricultural needs of the Nation, and A-47 questioned the subsidy to irrigation.

6. Domestic, municipal and industrial water: A-47 considered such project features "primarily a local and State responsibility." The 1962 standards do not.

7. Area redevelopment: The 1962 standards specifically provide for project construction in designated areas of chronic and persistent unemployment. A-47 did not.

8. Tax loss: A-47 considered tax loss in evaluating project costs, notably in relation to public power. Generally speaking, the 1962 standards do not. They state: "Allowances in lieu of taxes and taxes foregone will not be included in project economic costs, except as required by law." Other factors used in evaluating project costs are not markedly different in the two standards.

9. Economic life of a project: It was set, generally, at 50 years under A-47. It is set, generally, at a 100-year maximum under the 1962 standards.

10. Repayment: A-47 covered the subjects of cost allocation and project repayment. The 1962 standards do not. President Kennedy has asked the four Secretaries to formulate new policies, standards and procedures relating to cost allocation, reimbursement and cost sharing.

11. Impact: Because A-47 was an effort by the Budget Bureau to impose uniform standards on reluctant Departments and it stirred up congressional antagonism, it was generally ineffective. As the President approved the 1962 standards which were drawn up and accepted by the four departmental Secretaries, the new set of standards are more likely to be followed.

UPCOMING CONTROVERSIES

The new standards have not yet become controversial largely because the problems of cost allocation among the various purposes, reimbursement to the Federal Government and cost-sharing with State and local governments have not yet been resolved. But, like A-47, the new standards ultimately are likely to become controversial too, though for different reasons.

Achieving uniformity in project repayment and cost allocation almost certainly will require congressional action. This will set off heated congressional debate and sharp infighting among the various resource lobbies.

Critics claim that the standards are so broad as to justify most proposed projects. If many more projects are presented to Congress under the new standards, the chances of the best projects being lost in a political shuffle will markedly increase.

With the upgrading of public power, more projects will become involved in the always bitter public versus private power battles in Congress.

With the upgrading of recreation and fish and wildlife development, these purposes will, for the first time, be in sharp competition with such old-line and sometimes conflicting purposes for dam building as flood control and irrigation. In fact, with the stress on much broader multiple-purpose development, there will be more competition among all purposes, and sharp conflict within the planning agencies as well as in Congress over various project features of the larger, more comprehensive projects.

Experts estimate that there will be about a 10-percent increase in proposals to build water, power and land-use projects submitted to Congress annually in the wake of the new planning standards.

Interior Secretary Stewart L. Udall on May 28 called the new set of standards "one of the most important steps" taken by the administration to date in the resources field.

The National Wildlife Federation on May 25 called "the new importance given to recreation and fish and wildlife development" in the new standards. Sounding a different note, Senator NORRIS COTTON, Republican, of New Hampshire, said the demise of A-47 would "open the gates for more uneconomic public power projects and for an ever larger and more spacious pork barrel."

Mr. SAYLOR. I just want to say, Mr. Chairman, that if you have any desire to go back to your constituents and explain your votes this week you will do one of the first things first, you will turn down this project. This project comes at a time when this country can ill afford \$169 million expenditure in Colorado.

While this rule was being debated a special report was reported from the Rules Committee asking that the debt ceiling of the United States be raised to \$308 billion. A little later this week or early next week you are going to be asked to adopt a bill which will place strict limitations on farm crops, limitations that this country has never had. Certainly you cannot go back and tell your people that on the one hand you voted to increase surpluses, yet say to the farmers in your district who do not live in the State of Colorado that they must abide by stringent rules and regulations such as this country has never endured up to this time.

I sincerely hope this bill is once again defeated.

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

Mr. SAYLOR. Mr. Chairman, I yield 15 minutes to the gentleman from Minnesota [Mr. LANGEN].

Mr. LANGEN. Mr. Chairman, the inconsistencies of this week's program before the House bears mentioning one more time.

We have before us at this time a reclamation project, designed to increase the production of agricultural products. We have on our calendar for this week, which I understand has very mysteriously been delayed until next week, a bill likewise to reduce production of these same products. There is also on this same calendar a bill to expand our national debt. If it is our desire to expand the national debt and to further aggravate the agricultural program and to place additional burdens on the taxpayers and consumers, yes, then I would suggest that you pass the Fryingpan-Arkansas bill before us now, because it is a step in the direction that will certainly accomplish this.

We are doing this right in the wake of a statement by the Secretary of Agriculture made before the Committee on Agriculture of the House of Representatives in support of legislation that since they have somewhat remodeled and recommended to us for consideration:

We have got to face up realistically to an agriculture of fewer and more efficient farms which can provide operators with good incomes from food prices around present levels.

And listen to this:

Migration from farms to the cities would be encouraged.

Yes, this is what the Secretary recommends to the people who have been in the farming business, who have been established farmers, and who are not at this point asking for large expenditures of money in order to increase their production, but are rather plainly and simply asking that they might be able to continue to operate as they have been doing for the past number of years.

We have just had an excellent dissertation on the problems related to this project as they pertain to water. I shall not cover any of that field. But let me straighten out the record somewhat as to what is actually involved here, as far as agriculture is concerned.

In so doing, I shall refer to some figures, and I want everybody here to understand they are not my figures, these are figures that were presented to the committee by the Bureau of Reclamation in defense of the project.

This is what they say is good about the project, and why it should be enacted.

What are some of the crops that are going to be raised? Frankly, they are going to increase the production of alfalfa hay by 115,000 tons per year. They are going to increase the production of small grains by 2 million bushels per year. They are going to increase the production of sugarbeets by 150,000 tons per year plus increases in beans and in other miscellaneous crops.

Now, I ask the membership of this House whether they have a method of calculation or whether they have a system of mathematical calculations that can prove and show to me or to the citizens of this country how there can be any kind of fiscal responsibility in the expenditure of \$250 and more per acre in order to accomplish the added production that I just referred to. When you look at the very same State we find this to be the case, that right at the present time they have 1,299,000 acres in the soil bank on which we are paying them not to cut hay. If you want to expand this across the Nation, you will find we have taken 4,767 farms out of production and are paying them to stay out of production and not to cut any hay. The same thing is certainly true of grain crops. And, in the very same State, again, I should say this: We have a feed grain program now, and what is the experience there? This year, 1962, by the latest report of the Department of Agriculture of the signup for this year, we find that they have agreed to take out of feed grain production 366,000 acres at a cost to the taxpayer of \$6 million this year. These are the problems with which we are confronted as far as this project is concerned.

Now, we have heard a lot of talk here this afternoon about reclamation projects and irrigation projects and the degree to which they are related to agricultural production and how they have not cost the taxpayers anything and that they do not produce surplus crops. I want to refer just briefly to the annual report put out by the Bureau of Reclamation which gives this experience in clear and concise figures. Out of the

7 million acres plus that are now in reclamation projects we find that 6.2 million acres are used in the production of cereals, of forage, and all miscellaneous feed crops including beans, and sugarbeets, there are 418,000 acres of wheat, 527,000 acres of barley, and all of these directly involved in the farm bill that we are asked to pass just as soon as they dare bring it up. And, you might be interested in knowing what the cost of production on these acres is. The gross value is \$662 million a year. Now, I ask you what does it cost the taxpayers to take a comparable 6 million acres out of production and to pay those people for not producing the same kind of crops.

I mentioned a moment or two ago that we had a farm bill coming before us that is going to limit these same productions, and I wish I had time to discuss all of these, but let me just refer to it briefly. What does that bill provide? It provides that the Secretary would proclaim a national marketing quota for each year equal to the total requirements of corn, oats, grain sorghums, barley, livestock, feed, human food, seed for industrial uses, and so forth—yes, a national marketing quota on all of these. What does that mean? It means that for every single bushel of additional production that is created in this area somebody else somewhere is going to have to reduce by that amount, and the practice has been that we have a program of paying for the reduction of an equal amount if we are even going to hold our own.

Mr. Chairman, if we hope to accomplish such as has been recommended, that we eat into the surplus supplies, then they are going to have to reduce even more than that. Coming from an area in which this has been the applicable practice for many, many years, I can speak truthfully of what this means to farm people in areas that presently are not requesting any kind of reductions of this kind, but are asking merely for the right to produce. I should refer to sugar beets, because they are one of the crops in here in which they are proposing to increase production by 115,000 tons a year. I have within my congressional district—and this is true all throughout the valley—literally hundreds; yes, and I might even say thousands of farm people who for 20 years have been begging for the right to plant sugar beets at no cost to the taxpayer, at no cost to anyone. All they say is: "Just let us raise them. We have got the soil, we have got the climate, we have got the machinery; we have everything that is necessary."

Well, are we then under these circumstances—and what a time we have had trying to get some kind of sugar bill out of the Committee on Agriculture this year—going to tell these people, or going to let these people know whether or not we are going to recognize them to the degree of giving them a little extra opportunity to raise beets. But, no, we can get nowhere with that. However, we can come along with a bill of this kind which calls for an expenditure of \$170 million, designed to increase the production in these areas.

Mr. Chairman, I am wondering just how long the public is going to stand for this kind of misuse of the taxpayers' dollar; to continue to appropriate money in one instance in order to go in this direction, and then appropriate equally large amounts in order to go in the other direction. It does not only affect the taxpayer or the appropriations. As a matter of fact, I suppose if it were only the dollars; that is, the \$170 million involved here, my generous nature might well say that "Well, perhaps we can overlook a part of the inconsistency."

But it goes far beyond that. Mr. Chairman, the irrigation costs, remember, are interest-free. The irrigators can pay back only a small percent—18 percent, I believe. This is how unfeasible the project is. They have to take the rest out of power profits which ordinarily would have come back to the Treasury. So, in that respect again we find that the benefits to the irrigators themselves are not able to carry the burden. Suppose they had to pay the interest? It would more than double the cost of the project.

Mr. Chairman, the consumer comes into the scene here, too. I know that all of us have an interest in the consumer, and we want to see that he is furnished with a generous supply of food at a reasonable price. But it remains as a fact that we are not going to produce food any cheaper by expenditures of \$250 per acre when the very same crops can be raised without an expenditure of any kind. Consequently, when they are dealing in a farm program and with price supports and all of the related items, obviously the true cost has got to go up, not only in the product itself, but as far as the related expenses are concerned as they relate to the taxpayers in general.

Mr. Chairman, let me just add this item: I do this because of a personal concern. I do not see how we possibly can get to the point where we are going to consider adding restrictions to farm people that actually go to this point. When the agricultural bill was first presented to the Committee on Agriculture there were provisions in it calling for dairy allotments.

And do not forget that in this project there is the production of dairy products involving 14,500 milk cows and the added hay and forage that would be used for that purpose. They actually went to the point in proposed legislation where we were going to say to the rest of the dairy farmers throughout the country, "You cannot expand your production, by even one cow." They even went to the point where the Secretary recommended that if a young man was going to get into the farming business he was going to have to buy a dairy allotment. Can you imagine us in the United States getting to the point where we were going to have to buy the right to raise dairy cows? This is almost unbelievable to me. But, yes, this is the direction in which we are heading and if we want to get there the quickest way to do it is to continue to approve projects of this kind which further aggravate the entire agricultural program.

Mr. Chairman, in conclusion let me say this to the House, that here you have a bill that certainly does not meet the best interests of the economy of this country; it certainly does not meet the best interests of the taxpayer, nor does it meet the best interests of the consumer. Consequently, in my humble opinion, this House would be wise to turn down this legislation at this time.

Mr. ROGERS of Texas. Mr. Chairman, I yield 10 minutes to the gentleman from California [Mr. Moss].

Mr. MOSS. Mr. Chairman, I listened with great care to the remarks of the gentleman who preceded me in this well. I was impressed by the persuasiveness of his remarks constituting as they did a very strong case for the abandonment of any and all programs undertaken by our Government to improve the technology of agriculture. Somehow I cannot believe that is what he wanted us to be persuaded of. Yet there is just as much justification for the Federal Government to provide relief to the farmers of the Arkansas Valley in Colorado by providing them with a more adequate water supply for the irrigation of their crops, as there is for any of the numerous relief programs that are carried on by the Department of Agriculture throughout the Nation for the benefit of individual farmers and farming communities that are in distress and in need of aid. If it is to be argued that providing a supplemental irrigation water supply to an area in distress will add to agricultural surpluses, then it can be argued with equal force that many of the programs of the Department of Agriculture designed to aid farmers in distress, will also add to agricultural surpluses. Furthermore, it will require many years to complete the project which will make the supplemental irrigation water supply available to the Arkansas Valley farmers.

The proposed Fryngpan-Arkansas project, which would be authorized by H.R. 2206 now before this body, is purely and simply a rescue program. The primary purpose of the project is to bring relief to the farmers along the Arkansas River Valley who have been suffering during a long period of years because of a lack of adequate water for the successful irrigation of their crops. Not a single acre of new land would be irrigated by the Fryngpan-Arkansas project.

It would also provide municipal and industrial water, flood control, fish and wildlife, and recreation benefits.

Flood control programs by the Department of Agriculture and also by the Corps of Engineers have long been considered justifiable where they are necessary for the protection of property, including the protection of farmlands against the ravages of early spring flood runoffs; but there can be no more justification for a flood control program to protect farm croplands against floods in the spring of the year than there can be justification for a project to provide supplemental irrigation water to protect the growing of crops during the late summer months. The principal difference, however, is that flood control is nonreimbursable whereas costs allocated to irrigation are repaid by the irrigation

farmer over a period of years, although without interest.

The Federal Government, through the Department of Agriculture, is carrying on numerous programs in every State of the Nation, which are designed to aid farming areas in need or distress.

A very recent report by the Department of Agriculture entitled, "Land and Water Resources," dated May 1962, on page 68, in referring to one particular program designed to aid farmers in various ways, makes the following statement:

Technical assistance in conservation planning includes on-site help to farmers, ranchers, and other landowners; group enterprise systems for water management affecting several adjoining tracts; periodic revision of plans to reflect necessary changes; and the guidance needed to get planned soil and water conservation treatment properly installed on the land.

And still another place in this report, which is the latest word from the Department of Agriculture on this entire program of relief to the various farming communities and individual farmers throughout the Nation, we find the following paragraph:

In the areas of the Nation that have the more serious land-use problems and greater agricultural hazards, special provision for land adjustments, for research, for the conservation treatment of land, for education and demonstration, for credit, and for measures to achieve steady economic growth should be encouraged.

Another significant program that is designed to aid farmers in a distressed area is the so-called Great Plains conservation program. The intent of this extensive program was to stabilize agriculture in that distressed area.

The vast program of the Agricultural Research Service in many instances is designed to bring relief to areas that are in distress, particularly in the control of plant disease and the use of insecticides.

There is no question but that all of these programs are very commendable and very much worth while and should be continued in the interests not only of agriculture, but of the entire Nation.

It would be decidedly unfair, however, for the Federal Government to continue with its vast program of agricultural aid in so many different forms which is carried on in practically every agricultural community of the Nation, and at the same time refuse to grant the one particular type of aid that is needed in so many irrigated areas of the western part of the United States—a supplemental irrigation water supply which is so vitally necessary for the successful growing of the crops of those areas.

It is impossible to imagine a farmer anyplace, being confronted with a more difficult situation than an irrigation farmer who is living upon and attempting to make a living from an irrigated farm in the arid and semiarid regions of the West with an inadequate water supply—an irrigation supply that is exhausted in July or August. Under such conditions a farmer is required to either abandon a portion of his farm and save the water supply for a smaller area, or he is required to grow only those crops that can be matured with a very limited

water supply regardless of what the market conditions for such crops may be. Under such conditions a farmer is facing a situation that is almost impossible. His expenses go on just the same as they do during those years when he has a full irrigation supply of water. His irrigation laterals must be kept clean and in repair, his buildings and fences must also be kept in repair, his planting and cultivating expenses are just as heavy as they are in other times, his family must be fed and clothed and his children must be educated—yet he finds his income very greatly reduced. In fact, it is difficult to imagine farmers in any part of the United States more in need of relief or assistance and aid than an irrigation farmer in the arid West during those years when his water supply plays out before his crops are matured.

These are among many reasons which compel me to fully support authorization of the Fryngpan-Arkansas project.

Mr. SAYLOR. Mr. Chairman, I yield 10 minutes to the gentleman from California [Mr. HOSMER].

Mr. HOSMER. Mr. Chairman, I wish to express my deep appreciation, particularly to the distinguished chairman of the committee, the gentlemen from Colorado, Mr. ASPINALL; our longtime and revered colleague, Mr. CHENOWETH, and our very able colleague, Mr. DOMINICK; and all of the people concerned with water in Colorado who over the years have negotiated and worked on this particular project. The people of Colorado have made every effort to live and let live with their neighbors on the river. In drafting this bill, they have worked closely not only with the water interests of California, but with the interests of the other areas concerned in order to attempt to place in the bill provisions which would be fair to everybody.

There was one proposed provision at which the Colorado interests balked and that was the placing of a reasonable limitation on the amount of water that could be exported through the mountain outside of the Colorado Basin into another basin. I understand their position, but it is one of the reasons why I must oppose this bill and oppose this project. We have heard a great deal about crops, farm surpluses, and other things this afternoon which are somewhat confusing, so I think it might be well to review just what this project attempts to do. The map which was used previously showed an area of some 280,000 acres along the Arkansas River in a narrow strip which would be given supplemental water. The supplemental water is not too great—it amounts to about half an acre-foot per acre per year.

The reason it is needed is, of course, that the people who had farms along the river every once in a while would experience a good water year and at that time move up a little way farther from the river and exploit a little more land with the extra water available that particular year. Over a period of time they got to thinking it would be great to be able to use this extra land all the time. That eventually generated this so-called Fryngpan-Arkansas project. In other

words, if they had remained in the original area that they could farm with the amount of water they had, they would be all right, but they expanded up into the arid areas, got to liking the occasional extra crop income, and now they want to have it all the time by irrigating these additional areas with the project.

Now, as to what they propose, the project. You have heard of the freedom trains or the freedom buses down South. In effect, they want to build a freedom tunnel here through the Rocky Mountains here, and transport some of the water that would normally drain into the Colorado and send it to the other side of the mountain to drain eventually to the other States through which the Arkansas River flows.

Unfortunately, this is an expensive proposition. It requires not only an expensive tunnel, but it requires also a number of dams and reservoirs. Obviously this is far beyond the capacity of the farmers to pay for. After all, they are only getting some 80,000 acre-feet more of water a year, not very much water. So the sponsors have added to this bill certain power features responsible for roughly half the cost of the bill. The water has a long way to fall after it comes eastward through the mountain at an altitude well over a mile, some 7,000 or more feet. As this water drops, it is supposed to generate a certain amount of electricity. Unfortunately, there is not too much water, so it is not going to generate too much electricity.

Therefore, instead of one plant they have had to put several generating plants into the project to increase the amount of power. Unfortunately even with several plants, since the amount of water that comes down is not constant throughout the year, most of it will be in the category of "dump" power which can be sold only at very low rates. Thus they are not going to get too much power revenue back. As a matter of fact, I think myself this would be a much better bill if we cut the size of the authorization in half, eliminated the power features, and accepted a net loss of the amount the farmers cannot actually pay back. As a further matter of fact, we might even have to accept such a loss.

Thus because it is well known that even initially about one-fifth of the water is designated for municipal uses the municipal allocation is 20,500 acre-feet per year. That is going to cost us \$13.7 million of this appropriation, but the municipal users will pay this money back in full with interest. Pueblo, Colorado Springs, and some of the other towns around there will pick up this tab. But, as inevitably will happen, we are not really going to be faced with agricultural surpluses coming out of this area. This is because somehow or other this 80,000 acre-feet of water that is supposed to go to the farmers will eventually be transferred over, somehow, to the municipalities to allow them to meet their growing needs. As that goes on, I assume that the Interior Department will change the payback contract so that they will get enough money out of the municipalities to get all of the water transmission investment back.

If what I have said so far is a little bit confusing, it is partly because of my inability to comprehend all of this and partly because this is somewhat of a confused project. It is in many instances, as has already been pointed out, costly, and has other drawbacks. I want, however, to draw a comparison with another project we have discussed in recent days, the San Juan-Navajo project. You heard it, you passed it through this House. The Fryngpan-Arkansas project is a whole armful of long-stemmed American Beauty roses compared to the San Juan-Navajo project, yet that bill was passed without a record vote. The leadership, and I mean to say the leadership on both sides, employed every parliamentary maneuver in the book to prevent that project from coming to a rollcall vote because had it come to a rollcall vote it would have been defeated.

My parting shot is simply this. If the leadership on both sides of the aisle fail to exercise as many parliamentary maneuvers, skills, and pressures to avoid a rollcall on the Fryngpan-Arkansas, as they did on the San Juan Chama-Navajo project, then it will simply amount to an act of discrimination against the State of Colorado.

Mr. ROGERS of Texas. Mr. Chairman, I yield 5 minutes to the gentleman from Colorado [Mr. ROGERS].

Mr. ROGERS of Colorado. Mr. Chairman, the national development of our country since its founding is one of the phenomena of history that was brought about because we as Americans were able to take the natural resources placed here and divert them into food and fiber, so that we have developed the strongest nation in the world. This did not come about accidentally. It came about because we had the initiative and the willingness to obtain the know-how to develop the resources, as is placed on the marble behind me, when Daniel Webster said:

Let us develop the resources of our land, call forth its powers, build up its great interest, and see whether we also may in our day and generation perform something worthy to be remembered.

Those who outlined the political subdivisions of the western part of the United States, when they considered the boundaries of the State of Colorado, made it an almost square dimension.

Down the middle of that State runs the Continental Divide. The Continental Divide in many places rises 14,000 to 15,000 feet. There during the fall, winter, and spring are deposited great amounts of snow, snowdrifts that go many times 40 to 50 feet in thickness. In the springtime, when the weather becomes warm and the snow melts, it goes in two directions—one to the State of California and the other through the Arkansas River we have under consideration, and eventually flows into the Mississippi.

The people of the State of Colorado began to develop their resources early, and in the 1920's they entered into a compact with seven of the Western States for the proper development of the Colorado River.

In that compact it was provided that the State of Colorado, which supplied approximately 70 percent of the water, would have its proportionate share.

In 1948 they entered into a compact with the other upper basin States that this water should be distributed to the States and Colorado would receive approximately 51.2 percent of the water allocated to the upper basin States.

The State of Colorado in cooperation with the Federal Government first brought about the development of the Northern Colorado Conservancy District, often referred to as the Big Thompson project. In that instance they constructed a canal 17 miles long from what we call Grand Lake down to a lake in Estes Park, Colo. The city and county of Denver, without aid or assistance in any manner whatsoever, constructed dams and reservoirs on the western part of the Continental Divide and transported water for use in the city and county of Denver.

Mr. Chairman, the southern part of the State of Colorado, which is controlled by the waters from the Arkansas River, has not been fully developed. It is thought that if we are to have a proper development of the water in the State of Colorado, the passage of this legislation is essential.

It is true that the estimated cost is approximately \$171 million, but as I have attempted to point out from time to time on the floor of this House, this comes under the reclamation law, which has a formula for the repayment of approximately \$150 million of the \$171 million. This is not a grant in the ordinary sense of the word, because the reclamation law requires its repayment, and since we are to repay, in this instance, approximately \$150 million, then the cost that is talked about in connection with a further deficit in the national spending does not have application. The gentleman from Colorado [Mr. ASPINALL] pointed out before, there has been a tremendous amount of repayment into the reclamation fund within the last 4 years.

This is like money in the bank, and while we develop this part of the country, understand it makes its contribution to many parts of the Nation by virtue of the things that will be raised and enjoyed when this project has been approved.

Mr. Chairman, we in Colorado feel that this is a proper development. We feel that we are obligated to make the repayment. We feel that if we are to go forward, then this project should be approved.

Reference has been made to a possible buildup of surplus crops. It was my happy pleasure to first start the practice of law in the southern part of the State. I know that cattle and sheep were the major portion of the industry there, and then, in addition to that, the money crop is that of sugarbeets. Certainly we have a shortage of sugar production. We import into this country approximately 45 percent of the sugar that we consume, and the arguments that are used that this will lead to surpluses in other areas of crops that have now been put under bond, does not apply.

The wheat that is grown in that area is not in the agricultural irrigated area but in the dry land. A lot of the sorghum that is grown is in the dry land area.

We feel that if we are to have the proper development, we should have the passage of this legislation, because it contributes not only to the welfare of the State of Colorado but to the entire United States.

Mr. SAYLOR. Mr. Chairman, I have no further request for time.

Mr. ROGERS of Texas. Mr. Chairman, I yield 5 minutes to the gentleman from Arizona [Mr. MORRIS K. UDALL].

Mr. MORRIS K. UDALL. Mr. Chairman, I want to speak briefly in support of this bill. I think the Fryingpan project is a good project, and that it is sound. I hope I can assist in separating the relevant from the irrelevant.

Mr. Chairman, the people of Colorado have worked for this project for a generation. Finally their day of decision arrives. Unfortunately, through the workings of chance, we have scheduled for consideration tomorrow a debate on raising the debt limit, this annual or semiannual exercise in futility that we occasionally go through around here. Whatever bill happens to be caught in this unfortunate circumstance, Lord help the sponsors.

Mr. Chairman, I hope the people of Colorado will be given justice on this measure, not on the basis of what happens to be scheduled today or tomorrow or next week. If this was a good bill in the first week of June, it is a good bill in the second week of June. I would only say in concluding on this point, I think it is fortunate for us that Mr. Hoover's FBI appropriation bill does not happen to be up for consideration this week. We are kind of shortsighted, and whenever we are reminded that the question of the debt limit is coming up, we strike out at whatever measure happens to be close at hand.

Mr. Chairman, I hope the people of Colorado and the people of the district represented by the gentleman from Colorado [Mr. CHENOWETH], who do the best they can in this dry land, will not be hurt by this matter of chance in scheduling this particular bill at this time.

Now, this reclamation project will cost \$170 million. This is a lot of money. However, one might assume from what has been said this afternoon that we are going to dip into the Treasury right now and raise the debt tomorrow afternoon by \$170 million. This is not true. This project will take about 8 or 10 or 12 years to complete. There are dams to be built, tunnels to dig, and canals to excavate. There are powerplants to be built. If one will read the report, one will find that in the first year of the construction of this project the total cost to the U.S. Government is \$785,000. So, when one talks about the debt limit tomorrow, let us keep this in mind. The cost in the second year of construction of this project will be \$6 million, and not \$170 million. It will be \$6 million. And so it goes for the next 8 or 9 or 12 years.

Mr. Chairman, we have talked about sound investments. Based upon some of the debate here today, one might assume that this was \$170 million that we are going to throw down a rathole somewhere. Mr. Chairman, reclamation does not cost; it pays. This is not a drain on the taxpayer. This will be paid back—a lot of it paid back—with interest. This is not bank interest rates, of course, as the gentleman from Iowa pointed out. But these rates of interest are somewhat similar to those friendly rates of interest that REA co-ops in Nebraska, in Kansas, in Iowa, and Minnesota receive to bring much-needed power to farm areas. And this REA program is good. When a businessman spends \$1 million on a new plant, we do not say it is money down the drain or money down a rathole. The stockholders say "there is a good, sound investment; it is going to create jobs and will build up the economy, and we will get our investment back with dividends and interest." I say the U.S. Government will get this \$170 million back with dividends and interest.

Mr. Chairman, reclamation has proven that it is good. It is easy for alert Congressmen to pick holes in any reclamation project. We have had some good and experienced hole-pickers at work here today. Reclamation has now gone full circle. It takes about 50 years for one of these projects to come to fruition and pay off. Let me tell the Members of the House about Phoenix, Ariz. Let us go back to 1911. If one had been asked to select the 10 least likely places in America to be major cities, I think Phoenix would have headed the list. It was a dry city of 12,000 people; when these people got water it came all at once right in the living room and flooded everyone out. It was a hot and barren country. When Teddy Roosevelt and other farsighted leaders—and I can hear the sponsors in the Congress in those early days laughing at this Rube Goldberg project in Arizona—supported this type of reclamation, they probably did not fully realize what would happen. Yet this first, major project has now paid off. It cost \$20 million. We take out of Phoenix \$200 million every year in Federal income taxes. Phoenix, Ariz., has 700,000 people; it is one of the Nation's major cities. We have millionaires out there now. Of course, some of them think they are going to lose all their money and that we are headed down the road to socialism, because of Federal spending and so forth. However, Phoenix gets larger and larger every year. Phoenix would be a little town today except for the foresight of the Congress back in the 1900's when it decided to invest \$20 million in this project.

Mr. Chairman, much has been said here about how much it cost to pipe water through a mountain. They say one never mentions rope in the house of a man who has been hanged. I think of all the men serving in this body the last one of them who ought to be talking about the transmountain diversion is the gentleman from Long Beach, Calif., because the water he drinks out there is Colorado River water—a lot of it in Long Beach and Los Angeles—that goes down the Colorado River aqueduct. They take

it out of Arizona, pipe it over there through a transmountain aqueduct, and put it on the Pacific slope—on the Sierra slope—completely out of the Colorado River Basin.

This is a major breakthrough, this transmountain idea. This is really important. We have finally learned to put the water where the people are. We have done it in Colorado, we have done it in California and in Arizona, and in New Mexico in the San Juan-Chama project. This is important. This is not something to be ashamed of or to laugh at. This is a scientific, technological breakthrough that can be done efficiently and economically and we can pay for it.

And so I think, in conclusion, Mr. Chairman, this is a sound project; it is deserving of the support of Congress and is a project we will be proud to have supported in the years to come.

Mr. SAYLOR. Mr. Chairman, I yield 5 minutes to the gentleman from Arizona [Mr. RHODES].

Mr. RHODES of Arizona. Mr. Chairman, I was a member of the House Interior and Insular Affairs Committee in 1955 and 1957 when the Fryngpan-Arkansas project was considered. The Fryngpan-Arkansas was a good project then but it involved many unresolved problems in the State of Colorado and the Colorado River Basin and, for this reason, it was not ready for congressional approval. The principal problems involved water rights and water use.

Mr. Chairman, any time a problem arises in the Western States with respect to the use of water, it is going to take time and effort to resolve it and this is what has happened in the case of the Fryngpan-Arkansas project. Today, there is full and complete agreement within the State of Colorado on the diversion of this small amount of Colorado's undeveloped water from the Colorado River Basin to the Arkansas Basin for use in an area of Colorado where the water resources are overdeveloped and the need for a supplemental supply is critical. The project has been modified since it was last before the Congress to provide additional water for use in western Colorado, and this has been a factor in resolving the water-use problem as well as improving the overall project from a physical and economic standpoint.

Thus, time and cooperative effort have resulted in the resolution of all problems within the State of Colorado. The same can be said with respect to problems that existed within the basin. Today, all seven Colorado River Basin States are officially supporting the Fryngpan-Arkansas project. Those agencies and organizations in my neighboring State of California that have previously opposed the project are now raising no objection to its approval. Many studies, meetings, and discussion by and among officials of the States and agencies of the Colorado River Basin have contributed to this improved attitude toward the project by those who previously had reservations regarding it.

The use of Colorado River water for the Fryngpan-Arkansas project amounts to only about 2 percent of Colorado's share of the upper basin's ex-

pected entitlement. The effect of this small diversion upon the quality of water in the lower basin will be negligible. There is language in H.R. 2206 which fully protects the rights of all the States in the basin as well as the water users of western Colorado. This language specifically provides that the use of water made available by the project be subject to and controlled by the various compacts, statutes, and treaty which relate to the use of Colorado River water. It also makes all project works and all officials and employees subject to the provisions of said compacts, statutes, and treaty.

Language in H.R. 2206 also directs the Secretary of the Interior to comply with all the applicable provisions of the various compacts, statutes, and treaty and, in the event of failure of Secretary to so comply, permits any State to bring an action into the Supreme Court of the United States to enforce compliance with such provisions.

With respect to the problem of water quality, the bill requires the Secretary to make detailed studies of the quality of water throughout the entire Colorado River system and to report the results of such studies to the Congress periodically.

Mr. Chairman, I congratulate the gentleman from Colorado, Chairman ASPINALL, and the other members of the Colorado delegation and the State of Colorado for the painstaking effort that has gone into resolving all of the problems relating to the Fryngpan-Arkansas project and bringing this project back to the Congress free of controversy so far as the State and the Colorado River Basin are concerned.

I know how much this project means to the economic development of the State of Colorado. I am pleased to state that the entire congressional delegation from Arizona and the State of Arizona itself are wholeheartedly supporting H.R. 2206. I hope that it will be approved by the House.

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

Mr. RHODES of Arizona. I yield to the gentleman from California.

Mr. HOSMER. The Colorado River Board of California has stated until the Supreme Court case, in which the gentleman's State is suing my State, has been decided and until such time as the Secretary of the Interior gets around to making a water inventory of the resources of the Colorado River Basin, it must oppose further projects that will consume water in the area about which the gentleman is speaking.

Mr. RHODES of Arizona. I am glad to have that correction. I understand, then, that the Colorado River board is now still opposed to the Fryngpan-Arkansas project?

Mr. HOSMER. Not in the specific sense of the Fryngpan-Arkansas project but in the general sense that it is a project which will make additional use of water of the Colorado River Basin.

Mr. RHODES of Arizona. As I understand it, the Colorado River Board of California is the State agency which would give the official position of the State in such matters as this?

Mr. HOSMER. I am not able to answer that question in a straightforward fashion as the gentleman well knows because there are many voices on water in California, depending upon what part of California you are living in, and which Federal projects you are bargaining for at the particular time and place.

Mr. RHODES of Arizona. Would the gentleman agree with me that there are agencies in California having to do with water which formerly were opposed to this project which are not now opposed to it?

Mr. HOSMER. Yes, there was a deal on the San Luis project with some of the people interested in that.

Mr. RHODES of Arizona. So that the answer then, I take it, to my question was in the affirmative?

Mr. HOSMER. No; it was yes and no. Mr. RHODES of Arizona. I thank the gentleman.

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

Mr. RHODES of Arizona. I yield to the gentleman from Pennsylvania.

Mr. SAYLOR. I wonder whether or not this unanimity in the State of Arizona is any prelude to the central Arizona project we might have brought up very shortly.

Mr. RHODES of Arizona. It would be my hope, of course, that if the Supreme Court in its wisdom determines that the State of Arizona has sufficient water coming from the main stream of the Colorado to make a project feasible to divert that water to beneficial use, there would be such a project, and that my good friends from Pennsylvania and California will join me in attempting to get the House of Representatives to authorize a project for that very purpose.

I hope this bill will be passed overwhelmingly by the House.

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

Mr. ROGERS of Texas. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That for the purposes of supplying water for irrigation, municipal, domestic, and industrial uses, generating and transmitting hydroelectric power and energy, and controlling floods, and for other useful and beneficial purposes incidental thereto, including recreation and the conservation and development of fish and wildlife, the Secretary of the Interior is authorized to construct, operate, and maintain the Fryngpan-Arkansas project, Colorado, in substantial accordance with the engineering plans therefor set forth in House Document Numbered 187, Eighty-third Congress, modified as proposed in the September 1959 report of the Bureau of Reclamation entitled "Ruedi Dam and Reservoir, Colorado", with such minor modifications of, omissions from, or additions to the works described in those reports as he may find necessary or proper for accomplishing the objectives of the project. Such modifications or additions as may be required in connection therewith shall not, however, extend to or contemplate the so-called Gunnison-Arkansas project; and nothing in this Act shall constitute a commitment, real or implied, to exportations of water from the Colorado River system in Colorado beyond those required for projects

heretofore or herein authorized. In constructing, operating, and maintaining the Fryngpan-Arkansas project, the Secretary shall be governed by the Federal reclamation laws (Act of June 17, 1902; 32 Stat. 388, and Acts amendatory thereof or supplementary thereto).

(b) A reservoir at the Ruedi site on the Fryngpan River with an active capacity of approximately one hundred thousand acre-feet shall be constructed in lieu of the reservoir on the Roaring Fork River at the Aspen site contemplated in House Document Numbered 187, Eighty-third Congress. The Secretary shall investigate and prepare a report on the feasibility of a replacement reservoir at or near the Ashcroft site on the Roaring Fork River above its confluence with the Fryngpan River with a capacity of approximately five thousand acre-feet, but construction thereof shall not be commenced unless said report, which shall be submitted to the President and the Congress, demonstrates the feasibility of said reservoir and is approved by the Congress. The Secretary shall expedite completion of his planning report on the Basalt project, Colorado, as a participating project under the Act of April 11, 1956 (70 Stat. 105), and said report shall have the priority status of the reports to which reference is made in section 2 of said Act.

(c) No part of the single purpose municipal and industrial water supply works involved in the Fryngpan-Arkansas project shall be constructed by the Secretary in the absence of evidence satisfactory to him that it would be infeasible for the communities involved to construct the works themselves, singly or jointly. In the event it is determined that these works, or any of them, are to be constructed by the Secretary, a contract providing, among other things, for payment of the actual cost thereof, with interest as hereinafter provided, as rapidly as is consistent with the contracting parties' ability to pay, but in any event, within fifty years from the time the works are first available for the delivery of water, and for assumption by the contracting parties of the care, operation, maintenance, and replacement of the works shall be a condition precedent to construction thereof.

SEC. 2. (a) Contracts to repay the portion of the cost of the Fryngpan-Arkansas project allocated to irrigation and assigned to be repaid by irrigation water users (exclusive of such portion of said cost as may be derived from temporary water supply contracts or from other sources) which are entered into pursuant to subsection (d), section 9, of the Reclamation Project Act of 1939 (53 Stat. 1187), as amended, shall provide for a basic repayment period of not more than fifty years after completion of construction and shall not provide for any development period. Such contracts shall be entered into only with organizations which have the capacity to levy assessments upon all taxable real property located within their boundaries.

(b) Rates charged for commercial power and for water for municipal, domestic or industrial use or for the use of facilities for the storage and/or delivery of such water shall be designed to return to the United States, within not more than fifty years from the completion of each unit of the project which serves those purposes, those costs of constructing, operating and maintaining that unit which are allocated to said purposes and interest on the unamortized balance of said construction allocation and, in addition, within the period fixed by subsection (a) of this section, so much of the irrigation allocation as is beyond the ability of the water users and their organizations to repay.

(c) The interest rate on the unamortized balance of the commercial power and municipal, domestic, and industrial water supply

allocations shall be determined by the Secretary of the Treasury, as of the beginning of the fiscal year in which construction is initiated, on the basis of the computed average interest rate payable by the Treasury upon its outstanding marketable public obligations, which are neither due nor callable for redemption for fifteen years from the date of issue.

SEC. 3. (a) The Fryngpan-Arkansas project shall be operated under the direction of the Secretary in accordance with the operating principles adopted by the State of Colorado on December 9, 1960, and reproduced in House Document Numbered —, Eighty-seventh Congress.

(b) The Secretary may appoint the two representatives of the United States to the Commission referred to in paragraph 19 of said principles and may, upon unanimous recommendation of the parties signatory to the operating principles, adopt such modifications therein as are not inconsistent with the provisions of this Act.

(c) Any and all benefits and rights of western Colorado water users in and to water stored in the Green Mountain Reservoir, Colorado-Big Thompson project, as described, set forth and defined in Senate Document Numbered 80, Seventy-fifth Congress, shall not be impaired, prejudiced, abrogated, nullified, or diminished in any manner whatever by reason of the authorization, construction, operation, and maintenance of the Fryngpan-Arkansas project.

(d) Except for such rights as are appurtenant to lands which are acquired for project purposes, no valid right to the storage or use of water within the natural basin of the Colorado River in the State of Colorado shall be acquired by the Secretary of the Interior through eminent domain proceedings for the purpose of storing or using outside of said basin the water embraced within that right, and no water, the right to the storage or use of which is so acquired by anyone other than the Secretary, shall be transported through or by means of any works of the Fryngpan-Arkansas project from the Colorado River Basin to the Arkansas River Basin.

SEC. 4. (a) The Secretary is authorized and directed (1) to investigate, plan, construct, operate, and maintain public recreational facilities on lands withdrawn or acquired for the development of said project, (2) to conserve the scenery, the natural, historic, and archeologic objects, and the wildlife on said lands, (3) to provide for public use and enjoyment of the same and of the water areas created by this project by such means as are consistent with the purposes of said project, and (4) to investigate, plan, construct, operate, and maintain facilities for the conservation and development of fish and wildlife resources. The Secretary is authorized to acquire lands and to withdraw public lands from entry or other disposition under the public land laws necessary for the construction, operation, and maintenance of the facilities herein provided, and to dispose of them to Federal, State, and local governmental agencies by lease, transfer, exchange, or conveyance upon such terms and conditions as will best promote their development and operation in the public interest: *Provided*, That all lands within the exterior boundaries of a national forest acquired for recreational or other project purposes which are not determined by the Secretary of the Interior to be needed for actual use in connection with the reclamation works shall become national forest lands: *Provided further*, That the Secretary of the Interior shall make his determination hereunder within five years after approval of this Act or, in the case of individual tracts of land, within five years after their acquisition by the United States: *And provided further*, That the authority

contained in this section shall not be exercised by the Secretary of the Interior with respect to national forest lands without the concurrence of the Secretary of Agriculture.

(b) The costs, including the operation and maintenance costs, of the undertakings described in subsection (a) of this section shall be nonreimbursable and nonreturnable under the reclamation laws, the funds appropriated for carrying out the authorization contained in section 1 of this Act shall, without prejudice to the availability of other appropriated moneys for the same purpose, also be available for carrying out the investigations and programs authorized in this section.

SEC. 5. The Secretary is authorized to enter into an agreement with any public school district serving an area affected by construction of the Fryngpan-Arkansas project pursuant to which there will be paid to the district, annually or semiannually, from appropriations made for construction of the project, an amount substantially equal to the average per pupil cost of operating the district's schools during the school year or term for which payment is made, multiplied by the average number of pupils then enrolled in those schools who are dependents of persons brought into the project area who are engaged in project construction activities. This amount, however, shall be diminished by any payments made or anticipated to be made to the district pursuant to the Act of September 30, 1950, as heretofore or hereafter amended (20 U.S.C., ch. 13). The Secretary shall reduce further the contributions to the school districts in the amount of tax revenues received by the districts by reason of project activities. The Secretary may advance a reasonable portion of the amount estimated to become payable under any such agreement during the then current or ensuing school year or term, but any amount so advanced shall be subject to adjustment after the close of the year or term if it does not fully cover, or if it more than covers, the amount to which the district is found to be entitled under the first three sentences of this subsection. The Secretary is further authorized, without duplicating assistance to which any such district may be entitled under the Act of September 23, 1950, as heretofore or hereafter amended (20 U.S.C., ch. 14), to make available funds or facilities to provide space in which to carry on educational and related activities.

SEC. 6. (a) The use of water diverted from the Colorado River system to the Arkansas River Basin through works constructed under authority of this Act shall be subject to and controlled by the Colorado River compact, the Upper Colorado River Basin compact, the Boulder Canyon Project Act, the Boulder Canyon Project Adjustment Act, the Colorado River Storage Project Act, and the Mexican Water Treaty (Treaty Series 994), and shall be included within and shall in no way increase the total quantity of water to the use of which the State of Colorado is entitled and limited under said compacts, statutes, and treaty, and every contract entered into under this Act for the storage, use, and delivery of such water shall so recite.

(b) All works constructed under authority of this Act, and all officers, employees, permittees, licensees, and contractees of the United States and of the State of Colorado acting pursuant thereto, and all users and appropriators of water of the Colorado River system diverted or delivered through the works constructed under authority of this Act and any enlargements or additions thereto shall observe and be subject to said compacts, statutes, and treaty, as hereinbefore provided, in the diversion, delivery, and use of water of the Colorado River system, and such condition and covenant shall attach as a matter of law whether or not set out or referred to in the instrument evidencing

such permit, license, or contract and shall be deemed to be for the benefit of and be available to the States of Arizona, California, Colorado, Nevada, New Mexico, Utah, and Wyoming and the users of water therein or thereunder by way of suit, defense, or otherwise in any litigation respecting the waters of the Colorado River system.

(c) None of the waters of the Colorado River system shall be exported from the natural basin of that system by means of works constructed under authority of this Act, or extensions and enlargements of such works, to the Arkansas River Basin for consumptive use outside of the State of Colorado, and no such waters shall be made available for consumptive use in any State not a party to the Colorado River compact by exchange or substitution; nor shall the obligations of the State of Colorado under the provisions of the Arkansas River compact (63 Stat. 145) be altered by any operations of the Fryingpan-Arkansas project.

(d) No right or claim of right to the use of the waters of the Colorado River system shall be aided or prejudiced by this Act, and the Congress does not, by its enactment, construe or interpret any provision of the Colorado River compact, the Upper Colorado River Basin compact, the Boulder Canyon Project Act, the Boulder Canyon Project Adjustment Act, the Colorado River Storage Project Act, or the Mexican Water Treaty or subject the United States to, or approve or disapprove any interpretation of, said compacts, statutes, or treaty, anything in this Act to the contrary notwithstanding.

(e) In the operation and maintenance of all facilities under the jurisdiction and supervision of the Secretary of the Interior authorized by this Act, the Secretary of the Interior is directed to comply with the applicable provisions of the Colorado River compact, the Upper Colorado River Basin compact, the Boulder Canyon Project Act, the Boulder Canyon Project Adjustment Act, the Colorado River Storage Project Act (and any contract lawfully entered into by the United States under any of said Acts), the treaty with the United Mexican States, and the operating principles, and to comply with the laws of the State of Colorado relating to the control, appropriation, use, and distribution of water therein. In the event of the failure of the Secretary of the Interior to so comply, any State of the Colorado River Basin may maintain an action in the Supreme Court of the United States to enforce the provisions of this section and consent to given to the joinder of the United States as a party in such suit or suits, as a defendant or otherwise, and any person or entity whose rights may be affected, impaired, or infringed upon by reason, or as a result, of such noncompliance may maintain an action, suit, or proceeding in the United States District Court in and for the District of Colorado seeking appropriate relief, and consent is hereby given to the joinder of the United States, the Secretary of the Interior, and his subordinate officials, employees, and agents as a party or parties to such action, suit, or proceeding, as a defendant or otherwise.

Sec. 7. The Secretary of the Interior is directed to continue his studies of the quality of water of the Colorado River system, to appraise its suitability for municipal, domestic, and industrial use and for irrigation in the various areas in the United States in which it is used or proposed to be used, to estimate the effect of additional developments involving its storage and use (whether heretofore authorized or contemplated for authorization) on the remaining water available for use in the United States, to study all possible means of improving the quality of such water and of alleviating the ill effects thereof, and to report the results of his studies and estimates to the Congress on January 3, 1963, and every two years thereafter.

Sec. 8. There is hereby authorized to be appropriated for construction of the Fryingpan-Arkansas project, the sum of \$170,000,000, plus or minus such amounts, if any, as may be justified by reason of ordinary fluctuations in construction costs as indicated by engineering cost indexes applicable to the types of construction involved herein. There are also authorized to be appropriated such additional sums as may be required for operation and maintenance of the project and for future costs incurred under sections 4 and 5 of this Act.

Mr. ROGERS of Texas (during the reading of the bill). Mr. Chairman, I ask unanimous consent that the bill be considered as read and be open for amendment at any point.

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

There was no objection.

The CHAIRMAN. The Clerk will report the first committee amendment.

The Clerk read as follows:

Committee amendment: Page 3, line 2, after the words "site on" insert the words "Castle Creek, a tributary of".

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: Page 5, line 17, after the word "numbered" insert the figure "130".

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: Page 8, line 4, strike out the words "laws, the" and insert in lieu thereof "laws. The".

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: Page 13, line 7, strike out the word "thereafter" and insert in lieu thereof "thereafter, the expense of said studies to be no part of the financial obligation of the Fryingpan-Arkansas project."

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: Page 13, line 10, after the figure "\$170,000,000" insert "(June 1961 prices)".

The committee amendment was agreed to.

The CHAIRMAN. Are there any further amendments?

Mr. SAYLOR. Mr. Chairman, I offer an amendment which is at the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. SAYLOR: Page 8, line 9, through page 9, line 14, strike out all of section 5 and renumber subsequent sections accordingly.

Mr. SAYLOR. Mr. Chairman, this section which my amendment deletes places the people in this area in a very favored position. No other act involving construction has ever contained such a

provision. In view of the fact that the impacted school area bill has been revived by the House, I see absolutely no need for this provision. This provision modified the rules across the board with regard to construction in an area of a reclamation project and it should not be in this bill.

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

Mr. SAYLOR. I am happy to yield to the chairman of the full committee.

Mr. ASPINALL. Mr. Chairman, I accept the amendment offered by the gentleman from Pennsylvania.

The subsection was placed in the bill because of the peculiar economic situation surrounding the County of Lake in the State of Colorado which at the time the subsection was proposed had a very small tax base and a very limited amount of facilities for schools with the definite knowledge that with the coming of construction, there would be an added burden, and it was thought at the time it might take too long to get the benefits offered under Public Law 815 and Public Law 874. However, the experience that has been had recently with other projects leads me to believe that benefits will flow under the provisions of these two public laws of the United States and that these needs in this particular area within the project area will be satisfied.

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

Mr. SAYLOR. I am happy to yield to the gentleman.

Mr. PUCINSKI. I am very happy to hear the chairman accept the amendment. I introduced a bill today which would extend the impacted areas school legislation program to include any youngster who moved into a State within less than 6 years. I think these local communities that have to carry this additional burden of providing education for these migrant children are suffering a great hardship today. Therefore, my proposal which I hope the Congress will consider will certainly meet the problem that the chairman of the committee just spoke of and the problem that the gentleman wants to take care of by deleting this provision from this particular bill.

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

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

Mr. GROSS. If I may address this question to the gentleman from Illinois, would that take care of the migrants to Hyannis Port?

Mr. PUCINSKI. I am sorry I did not hear the gentleman's question.

Mr. GROSS. Would that take care of the migrant schoolchildren going to Hyannis Port?

Mr. PUCINSKI. This legislation would make funds available to any child attending a public school who has lived in a State less than 6 years.

Mr. GROSS. Then it would; would it not?

Mr. PUCINSKI. If they would otherwise qualify for Federal assistance under this act, the answer is—yes.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. SAYLOR].

The amendment was agreed to.

Mr. SAYLOR. Mr. Chairman, I offer another amendment.

The Clerk read as follows:

Amendment offered by Mr. SAYLOR: Page 10, line 22, through page 11, line 7, strike out all of subsection (c) and reletter subsequent subsections accordingly.

Mr. SAYLOR. Mr. Chairman, a few weeks ago we had the San Juan-Chama project before us, and the representative from the State of California offered an amendment to that bill which is just what is contained in this amendment; but the House in its wisdom turned down that amendment because they said it would be impossible to administer. There is no more reason for it in this bill than there was in the San Juan-Chama bill. Exchange or substitution of water is just as difficult to live with on the Colorado as it is on any other river. Besides, there is what amounts perhaps to a prohibition with reference to the Colorado River States. This will do nothing but make for a waste of water. I certainly hope that the Committee will adopt this amendment and make the two acts that we pass consistent.

Mr. ASPINALL. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I oppose the amendment because this is part of the agreement that was arrived at during the long legislative controversy. This is one of the California amendments. We say that it does no violence to the Fryingpan-Arkansas legislation.

I would like to quote from a part of the hearings, questions by the gentleman from Colorado [Mr. CHENOWETH] on page 316 of the hearings:

Mr. CHENOWETH. Do I understand, Mr. Ely, that it is now the California position on the Fryingpan that except for the 25-percent limitation you have reached agreement on this project?

Mr. ELY. That is correct, sir.

Mr. CHENOWETH. You are supporting the Aspinall bill?

Mr. ELY. I cannot say we are supporting it. I have no authority to say that. I can say that the objections which we had to the Chenoweth and Aspinall bills are removed, with the single exception of the limitation on transmountain diversions.

With this in mind this amendment was accepted by the committee. I do not think it affords any real protection to the people of the lower basin; on the other hand, I do not think it does any violence to the bill. For this reason I oppose the amendment.

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

Mr. ASPINALL. I yield.

Mr. SAYLOR. Can the gentleman tell me how the people are going to handle the water going through the transmountain diversion, how they are going to distinguish it when it gets into the Arkansas River so that none of it will go down the Arkansas River beyond the border of the State of Colorado?

Mr. ASPINALL. As to the individual drops of water, the gentleman is correct, because intermingling in these instances is the common practice. The amount of water which is brought over from western Colorado is to be used in the State and no part of such amount is to go beyond the Colorado border.

Mr. SAYLOR. I say to my colleague I would agree with him heartily but that is not what this section of the bill provides. This section of the bill provides that none of the waters of the Colorado River shall be exported beyond the natural basin. That is the reason I offer the amendment, to make the two acts consistent.

Mr. ASPINALL. It is a part of the operating agreement, and the waters from the Colorado River as such will be used in Colorado, no matter where they come from.

The CHAIRMAN. The question is on the amendment.

The amendment was rejected.

The CHAIRMAN. Are there further amendments?

Mr. SAYLOR. Mr. Chairman, I offer a further amendment.

The Clerk read as follows:

Amendment offered by Mr. SAYLOR: Page 11, line 19, through page 12, line 20, strike out all of subsection (e) and insert in lieu thereof the following language:

"In the operation and maintenance of all facilities under the jurisdiction and supervision of the Secretary of the Interior authorized by this Act, the Secretary is directed to comply with the applicable provisions of the Colorado River compact, the Upper Colorado River Basin compact, the Boulder Canyon Project Act, the Boulder Canyon Project Adjustment Act, the Colorado River Storage Project Act and the treaty with the United Mexican States in the storage and release of water from reservoirs in the Colorado River Basin. In the event of the failure of the Secretary of the Interior to so comply, any State of the Colorado River Basin may maintain an action in the Supreme Court of the United States to enforce the provisions of this subsection, and consent is given to the joinder of the United States as a party in such suit or suits, as a defendant or otherwise."

Mr. SAYLOR. Mr. Chairman, this amendment is also offered to make the language in this bill identical with the language in the San Juan-Chama bill. The provision that is contained in the language we have right now reduces lawsuits to an absurdity. You now allow anyone to bring the Secretary of the Interior into the U.S. Supreme Court for failure to comply with the laws of the State of Colorado. That is what the provision that is in the bill now states.

I certainly do not believe it is the intention of this Congress to allow any aggrieved individual in Aspen or on the west side of the divide to enter a suit in the U.S. Supreme Court against the Secretary of the Interior. Yet that is what is contained in this bill.

I am trying to remove that ridiculous provision from the bill and make this bill comply with the law that a week ago Congress said it wanted.

I might say if we are ready to tackle revision of laws in connection with the bringing of lawsuits, let us do it under general legislation and not do it in this manner. Let us bring it before the proper committee, take testimony from the executive branch of the Government and determine what changes, if any, should be made. Let us not make changes in the procedure of bringing suits in a bill like this which ends up with absolutely asinine results.

Mr. ASPINALL. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. ASPINALL to the amendment offered by Mr. SAYLOR to section 6(e): On page 12, line 11, after the word "otherwise" change the comma to a period and strike out the remainder of section 6(e).

Mr. ASPINALL. Mr. Chairman, the amendment I have offered to the amendment offered by the gentleman from Pennsylvania will do what the gentleman from Pennsylvania has in mind.

There was a particular situation existing in the eastern part of the western slope of Colorado which brought this to our attention. This was caused by the Bureau operation of some of the facilities in western Colorado of the Colorado-Big Dofried project. It was because of such situation that we saw fit to insert a provision in this particular section which would permit an individual to sue in certain instances. After the committee had approved the language, I then wrote to the Department of the Interior asking for its position on the provision in the bill. This was after the bill was approved by the committee. The Department of the Interior in letters dated July 5 and July 18 stated what most of us consider valid reasons for the exclusion of this particular language from the bill.

I wish to insert these letters at this point:

U.S. DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D.C., July 5, 1961.

HON. WAYNE N. ASPINALL,
Chairman, Committee on Interior and Insular Affairs, House of Representatives,
Washington, D.C.

DEAR MR. ASPINALL: On May 4, 1961, we submitted to your committee the views of this Department on H.R. 2206, 2207, 2208, and 2209, bills "to authorize the construction, operation, and maintenance by the Secretary of the Interior of the Fryingpan-Arkansas project, Colorado."

This letter supplements and revises that report.

In addition to the suggestions contained in our earlier report we would further recommend the deletion of the following language in section 6(e) of the bill, beginning on line 10 through the end of the section on page 12: "and any person or entity whose rights may be affected, impaired, or infringed upon by reason, or as a result, of such noncompliance may maintain an action, suit, or proceeding in the United States District Court, in and for the District of Colorado seeking appropriate relief, and consent is hereby given to the joinder of the United States, the Secretary of the Interior, and his subordinate officials, employees, and agents as a party or parties to such action, suit, or proceeding, as a defendant or otherwise."

This language constitutes an open invitation to unnecessarily burden the operation of this project, intended for the benefit of all the people, with a multiplicity of individual suits with diverse claims for relief, which could well involve the actual operation of the project in the injunctive processes of the courts.

Individuals are guaranteed just compensation for any property rights which might be taken in the operation of this project by the fifth amendment to the Constitution and by the Tucker Act, which provides a remedy against the United States for money damages in the event of a taking. The provisions of section 6(e) at lines 5 to 10 also

afford protection to individual interests beyond the protection afforded by the Tucker Act through the medium of suits by any State of the Colorado River basin. This authorization for State suits is similar to the authorization for such suits contained in section 14 of the act of April 11, 1956 (70 Stat. 105), authorizing the Colorado River storage project. Deletion of the language, as we recommend, would therefore bring the language of this bill into line with the law of the river as set out in the Colorado River Storage Project Act and, moreover, would be consistent with the action recently taken by your committee in the case of the bill to authorize the San Juan-Chama and Navajo irrigation units (H.R. 7596).

Manifestly, in a river system as complex and delicately balanced as the Colorado River, the right to institute litigation for specific relief should not extend below the level of the States themselves. Litigation which could affect the operation of the river, as distinguished from litigation seeking monetary awards for just compensation, could have, it need hardly be pointed out, substantial impact upon vital interests of the basin States, as well as upon the interests of the United States.

The departure from the normal channel of relief, that is, suits seeking just compensation under the fifth amendment for a taking, thus poses issues affecting most seriously the deepest interests of the United States and each of the basin States. We cannot too strongly emphasize the havoc that authorization for the indiscriminate initiation of individual actions could wreak in the complex business of the operation of river control projects.

Finally, it should be observed that should an agent of the United States act beyond the scope of his statutory authority, any citizen adversely affected could enjoin the agent without the consent of the United States to suit. *Larson v. Domestic and Foreign Commerce Corp.* (337 U.S. 682 (1949)). Such action is not that of the United States and the suit brought to enjoin it is not brought against the United States.

We most urgently recommend, therefore, the deletion of the authorization for suits by other than the basin States themselves.

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

Sincerely yours,

JOHN A. CARVER, Jr.,
Assistant Secretary of the Interior.

U.S. DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D.C., July 18, 1961.

HON. WAYNE N. ASPINALL,
Chairman, Committee on Interior and Insular Affairs, House of Representatives,
Washington, D.C.

DEAR MR. ASPINALL: This is in reply to your letter of July 13 requesting our views on a proposal to add certain language to section 3(a) of H.R. 2206 and similar bills to authorize the Fryingpan-Arkansas project in lieu of the language which our letter of July 5 recommended be deleted from section 6(e) of the bill.

Section 6(e) authorizes the joinder of the United States in any action brought in the Supreme Court of the United States by a State of the Colorado River basin to enforce compliance by the Secretary with, among other requirements, the operating principles. The language which our letter of July 5 recommended be deleted from section 6(e) authorized the institution of suits for compliance by any affected person or entity.

Section 3(a) as presently drawn requires that the project be operated in accordance with the operating principles. Section 6(e) does likewise. The suggested addition to section 3(a) set out in your letter of July 13 would transfer from section 6(e) in some-

what more limited form the authorization for suit, the deletion of which was recommended by our letter of July 5.

While the authorization for suit as proposed for incorporation in section 3(a) would run to the parties signatory to the operating principles rather than to "any person or entity," it would extend the waiver below the level of the State. It would, therefore, be subject to the same concerns expressed in our letter of July 5 and for the reasons set out in that letter we must recommend against adoption of the proposal.

As you know, in connection with consideration by the Congress of the authorization of the Colorado River storage project (act of April 11, 1956, 70 Stat. 105) all efforts to extend the authorization for suit below the State level were rejected. You will recall that Representative ROOSEVELT offered such a proposal which was rejected on the floor of the House. (See CONGRESSIONAL RECORD, vol. 102, pt. 3, pp. 3742-3744.) In the debate on Mr. ROOSEVELT's amendment, the dangers of authorizing litigation outside the usually applicable channels and below the level of the State were emphasized. It will also be recalled that the Department's March 8, 1955, report on the Colorado River storage project legislation likewise recommended that any waiver of the ordinary immunity from suit run only in favor of a State.

We would reiterate that if property rights of the districts signatory to the operating principles are taken in the operation of the Fryingpan-Arkansas project that district, like all other persons similarly affected, would be entitled to just compensation under the fifth amendment, and that should an agent of the United States act beyond the scope of his statutory authority relief in a proper case could be afforded under the doctrine of *Larson v. Domestic and Foreign Commerce Corp.* (337 U.S. 682 (1949)).

We are, therefore, impelled to recommend most urgently that the proposed addition referred to in your letter of July 13 not be included in the bill.

Sincerely yours,

STEWART L. UDALL,
Secretary of the Interior.

Although there was a logical purpose for the first inclusion of the language, nevertheless I am inclined to agree with the gentleman from Pennsylvania as to the possible detrimental effect of this provision in the bill.

Mr. Chairman, I ask that my amendment be offered as a substitute rather than as an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. ASPINALL as a substitute for the amendment offered by the gentleman from Pennsylvania: On page 12, line 11, after the word "otherwise" change the comma to a period and strike out the remainder of 6(e).

Mr. SAYLOR. Mr. Chairman, I am perfectly willing to go along with the substitute that corrects a large portion of the defects that exist in this section. I hope, with the history that has been made here in considering the amendment and the substitute, the matter will be taken up in conference, and I hope the other language will be corrected at that time.

Mr. ASPINALL. Mr. Chairman, I shall be glad at the proper time to ask that those two letters be made a part of the RECORD.

The CHAIRMAN. The question is on the substitute offered by the gentleman from Colorado [Mr. ASPINALL].

The substitute was agreed to.

The amendment, as amended by the substitute, was agreed to.

Mr. BARRY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I think the committee is due a great tribute for having spent years painstakingly going over this matter and bringing it to the floor of the House. I also think that on the Republican side of the aisle the gentlemen from Colorado [Mr. DOMINICK and Mr. CHENOWETH] have rendered a tremendous service in making it possible for us who live in the eastern part of the country to have a full understanding of this measure before we vote upon it. It has been demonstrated, I know, conclusively, at least as far as the gentleman from New York is concerned, that this is an area where our dollars can be well spent, realizing that 90 percent of those dollars are going to come back to the U.S. Treasury; realizing that the water in the upper reaches of the Colorado tributaries will be used mainly for the purpose of irrigating an area that now produces surplus crops which would continue to increase our surplus crops were this bill not enacted into law. By the completion of this project we will then grow crops in the truck farming industry which will render better food at cheaper prices while reducing our surplus crops.

I would say that to these men, the gentlemen from Colorado [Mr. DOMINICK and Mr. CHENOWETH] and other members of the committee, that we in Congress indeed owe a debt of deep gratitude. Finally let me say that I, as a farmowner in California, even though my State is New York, use Colorado River water, but that I heartily endorse this project and ask for its acceptance by the committee.

Mr. SAYLOR. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SAYLOR: On page 12, line 21, through page 13, line 10, strike out all of section 7 and renumber subsequent sections accordingly.

Mr. SAYLOR. Mr. Chairman, this is duplication in triplicate. This is the general law of the land. It is written into the reclamation laws that the Secretary of the Interior is directed to continue his studies of the quality of water of the Colorado River system and to reinforce it. Two weeks ago in the San Juan-Chama bill we placed the same provision in the law and said that the only difference was that he had to report by the end of the 87th Congress. I certainly hope that this amendment will be adopted and this provision stricken from the bill as needless duplication.

Mr. ASPINALL. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the reason I rise in opposition is the same reason that I spoke about when the other amendment, which was a California amendment, was before the Committee on the motion of the gentleman from Pennsylvania to strike it from the bill. This is part of the agreement. I am inclined to agree with the logic of my friend from Pennsylvania that we are studying the waters of this river perhaps too extensively, but on the other hand, in order to see that

the interests of the lower basin are protected, I see no reason why this same provision should not be in the bill. I assure the Members of the Committee that there will be no duplication in this study as long as the gentleman from Colorado now speaking is chairman of the Committee on Interior and Insular Affairs.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. SAYLOR].

The amendment was rejected.

Mr. SAYLOR. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SAYLOR: On page 13, line 20, strike out "sections 4 and 5" and insert "section 4".

Mr. SAYLOR. Mr. Chairman, this is a perfecting amendment, and is made necessary because of the fact that we adopted the first amendment which I offered.

Mr. ASPINALL. Mr. Chairman, if my colleague, the gentleman from Pennsylvania [Mr. SAYLOR] will yield, the purpose of the gentleman, of course, is correct. On the other hand, a part of the word "section" appears on line 19. So the amendment should read "tion 4 of this Act."

The CHAIRMAN. Does the gentleman from Pennsylvania accept the modification of his amendment?

Mr. SAYLOR. Mr. Chairman, I ask unanimous consent to modify my amendment to read "on page 13, lines 19 and 20, strike out sections '4 and 5' and insert 'section 4'."

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

There was no objection.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania.

The amendment was agreed to.

Mr. DOMINICK. Mr. Chairman, I ask unanimous consent that the gentleman from New York [Mr. LINDSAY] may extend his remarks at this point in the RECORD.

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

There was no objection.

Mr. LINDSAY. Mr. Chairman, I rise in support of H.R. 2206, the Fryingpan-Arkansas project. I think that the arguments advanced by the distinguished gentlemen from Colorado [Mr. CHENOWETH and Mr. DOMINICK], are unassailable. This project has been under study and consideration for over 30 years and has been ready for authorization for over 8 years. It was supported by President Eisenhower and now by President Kennedy.

I originally had several questions about this bill, and I am pleased to state that they have all been answered by the distinguished gentleman from Colorado [Mr. DOMINICK] and by the other co-author of the bill, the distinguished gentleman from Colorado [Mr. CHENOWETH]. These gentlemen have devoted enormous energy and time in furthering this cause,

and in so doing they have been logical and reasonable throughout.

I come from a crowded urban center on the eastern seaboard, and it would be easy for me to say that I would oppose this bill and thereby strike a blow for economy. The benefits to be derived from the project have no immediate impact on the 17th District of New York. But I cannot do that in all conscience, because the bill in the first place will not damage the budget.

Every dime of it, except a limited amount having to do with national conservation, is repayable within 50 years, plus interest.

Second, it constitutes a major step in the maximum utilization of water and land resources in Colorado, and the entire Arkansas Valley will benefit, as will, indeed, the United States as a whole. Our country is hurt by flood damage. It is true, also, that the project will benefit fish and wildlife, provide additional recreational opportunities, help control sediment, and prevent stream pollution.

Mr. Chairman, no one can even suggest that the gentlemen from Colorado I have spoken of are in any way fiscally irresponsible. They are among the Members of the House who have been sound and thoughtful in the use of taxpayers' money. They are listened to with respect by every Member. They would not be backing this measure if it were not in the public interest to do so.

Therefore, Mr. Chairman, as a New Yorker, I would like to contribute my voice to the support of this measure and my commendations to its authors.

The CHAIRMAN. Are there any further amendments?

If there are no further amendments, under the rule the Committee rises.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. FASCELL, 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. 2206) to authorize the construction, operation, and maintenance by the Secretary of the Interior of the Fryingpan-Arkansas project, Colorado, pursuant to House Resolution 606, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The question is on the 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.

Mr. SAYLOR. Mr. Speaker, on that I demand the yeas and nays.

The SPEAKER. In accordance with the order of the House of last Thursday, further consideration of this bill will be postponed until tomorrow, June 13, 1962.

FEDERAL AID TO SCHOOL DISTRICTS IMPACTED BY MIGRATION OF AMERICAN POPULATION

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

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

There was no objection.

Mr. PUCINSKI. Mr. Speaker, I have today introduced legislation which would provide Federal assistance to public schools in those school districts of America which are experiencing a substantial influx of school-age population due to the migration of Americans.

My proposal provides for school districts impacted by normal interstate migration of families to receive the same benefits now distributed by the Federal Government to school districts impacted by Federal activity. The Federal Government at present contributes in excess of \$300 million a year to 3,008 local school districts throughout the Nation whose public school population has been increased because of some form of Federal activity in those respective school districts.

The Congress of the United States, by an overwhelming vote, has approved the principle that when the Federal Government establishes an installation or project in a local school district, which brings into that school district an additional number of children whom the public school system must educate, the Federal Government shall help defray the cost of educating these children.

Last year, by an overwhelming majority of both Democrats and Republicans, Congress extended the federally impacted areas school assistance bill for another 2 years.

During debate on this measure, it was clearly agreed by proponents of this legislation that these vast expenditures of Federal funds directly to the local districts, both for operating expenses and construction of additional school facilities needed to educate children of Federal workers, in no way constituted any interference by the Federal Government with the administration of local educational standards.

My bill extends this principle of aid to federally impacted areas to provide Federal aid for each migrant youngster who has lived less than 6 years in the State in which the public school district applying for such aid is located.

Mr. Speaker, it is my judgment that this is a sound proposal. For many years there have been advocates both in and out of Congress who have described in great detail hardships which local school districts are suffering because of steadily increasing school population. The Congress of the United States has debated for many years the merits and demerits of Federal aid to education; and while I respect the views of both the proponents and opponents of Federal aid to education, the stumbling block, it appears to me, has been in attempting to

justify across-the-board Federal aid to local school districts.

There are no restrictions on travel and movement of population among the 50 States in our Republic, and this is properly so. Certainly we would not want to deny any American the right to move wherever he chooses for whatever are his reasons. Census figures clearly indicate that we are probably the most mobile nation in the world. More people move from one locality to another in the United States per year than in any other nation in the world.

During the past 5 years, the Census Bureau reports that 50 percent of all Americans have moved to another location at least once. In some States, as much as 30 percent of the population has moved from one State into another during the past 10 years.

While I would not want to do anything which would curtail this complete freedom of movement, it appears to me somewhat unfair to burden the resident taxpayers of a local community with the entire immediate additional cost involved whenever a new family moves into a local school district from another State and enrolls its children in the public school system of that district.

Throughout our Nation, local school districts have had to increase their budgets repeatedly to provide for these additional youngsters. In the city of Chicago, when school reopens next September, the Chicago Board of Education will have to provide facilities for 25,000 additional children at an additional cost of \$5 million a year for operating costs alone. It appears from the most reliable estimates which I have been able to obtain that the number of students who recently moved into Chicago from other States in this group will be quite large. More substantial is the additional cost involved in providing building facilities for these new students.

The Federal Government assumes responsibility in a whole series of problems which arise between the States. It strikes me as being perfectly logical to ask the Federal Government to assume part of the cost of the initial impact on a community created by families who move into the community from other States, at least until these migrant families can become a meaningful participant in their new community's economic stream.

The alternative is either to have the local taxpayer assume the ever-increasing full cost of providing education for these migrant youngsters, or—and this of course is completely unworkable—ask the State from whence the families came to make some sort of contribution. Obviously, no one, including myself, would seriously propose the latter.

My proposal provides that we follow the same formula for Federal aid to migrant students which is now incorporated in the federally impacted areas school bill. The Federal Government, under existing law, pays one-half of the total contribution made by the local government toward public education of those children whose parents have moved into the school district as a result of

some Federal activity in which they are engaged but who do not actually live on a Federal installation.

I have selected the qualifying period of 6 years because it is my judgment that it takes at least that long for a family to be absorbed into the economic stream of a local community, and it is my further judgment that it takes approximately that length of time before a new family starts making a sufficient contribution to the local taxes of a community to help significantly defray the initial cost of providing educational facilities for a youngster's schooling. The 6-year base period would also help provide a local school district with Federal assistance for the first—and maybe even second—grade of education for those children who may have been brought into the local school district while still in their infancy.

In my discussions with local school administrators, I find that the greatest rise in local school costs frequently is experienced in providing additional school facilities for the increasing population at the first- and second-grade level.

The 6-year residence criterion which I propose would permit the Federal Government to assist local communities meet the initial expense of providing additional facilities in education for these youngsters affected by migration of population. Of course, all students in elementary and secondary levels enrolled in the public school of a given district would be counted for Federal aid so long as they have resided in the State less than 6 years.

I should like to point out that my proposal would follow existing legislation for Federal aid to students who do not live on a Federal installation. Here, the Federal Government would pay only half the local contribution. But the Federal Government also pays the full amount otherwise contributed by the local community for each child attending public schools but living on a Federal installation, such as a military base. This payment is made on the theory that parents of these youngsters attending public schools make no significant contribution toward local real estate taxes.

Therefore, Mr. Speaker, I believe my proposal is sound, since the Federal Government already pays an amount equal to 50 percent of the local contribution for each child attending public schools in the local school district whose parents work on a Federal installation, even though they may rent or own property off the installation and even though they are making a full local tax contribution to local authorities. The theory behind this concept is that even though these parents make a direct tax contribution to local authorities, the initial cost of providing education for their children is so great that their immediate local contribution is not sufficient to meet the initial cost, and so the Federal Government makes the additional contribution. All I ask is that we follow the same policy for migrant students moving into a school district.

We know that here in the very shadow of the Nation's Capitol there are any number of local school districts which receive huge sums of money in Federal assistance for the operation of the public schools because the parents of children attending these schools are employed by the Federal Government. We know further that in many instances the parents of those students who are being subsidized by the Federal Government own their own homes in these local school districts and pay the same local real estate taxes that all other property owners in the given school district pay.

It is my hope that Congress will adopt this proposal because there is no question that many school districts throughout America have reached the absolute saturation point in increasing local taxes to meet the additional cost of providing education for children of families who have recently moved into the school district.

My bill follows the identical formula now used in impacted areas for assisting local school districts both in current operating expenses and additional need for construction. I fail to see how we can justify a \$300 million a year subsidy for children of Federal workers, even though those Federal workers make a full contribution to the local tax base, on the one hand, and then ignore the problem being suffered by local school boards because of an influx of school-age population over which the local school board has no control.

My bill has the same guarantee against any Federal interference with local academic standards that is now incorporated in existing legislation affecting federally impacted areas.

Under my proposal, local school boards would conduct the same type of census that is now conducted throughout the country in more than 3,000 local school districts to determine the number of students eligible for Federal assistance.

The statement of findings and purpose in the preamble of my bill reads as follows:

SEC. 101. The Congress hereby finds that the obligation of a local educational agency to provide education to children who have but recently become residents of their school districts imposes a substantial hardship on such local educational agency, and that where such students came from outside the State, there exists a Federal responsibility to assist such agencies in providing education for such students. It is the purpose of this Act to meet such responsibility by providing Federal grants to local educational agencies for the maintenance and operation of their schools, and for construction of new schools, based on the number of students attending the schools of such agencies who have resided in their State for less than six years.

For the purpose of this act, we define the term "out of State child" to mean a child who has resided in a State for less than 6 years from the beginning of the fiscal year for which the determination is made. However, no child who may be counted for purposes of determining grants under the impacted areas bill shall be considered an out-of-State child for purposes of this act.

This bill would provide Federal aid only to schools which are maintained at public expense, under public supervision and direction, and without tuition charge, and would include both elementary and secondary education students in the applicable State. This bill, as stated before, would provide Federal assistance both for current expenditures, identical to existing legislation in federally impacted areas, and also for construction.

The term "current expenditures" as defined in my bill means expenditures for free public education to the extent that such expenditures are made from current revenues, except where such term does not include any such expenditures for the acquisition of land, the erection of facilities, interest or debt service. What this means, in effect, is that the Federal Government would merely transfer to the local school district's account the Federal contribution due to the local school district just as we now do in the case of the \$300 million which we contribute to some 3,008 school districts which receive benefits under the federally impacted program.

In the case of construction, we use the identical formula contained in Public Law 815, under which local school districts now receive Federal aid for construction of additional school facilities in federally impacted areas. The Federal Government, under this proposal, would pay 50 percent of the average per pupil cost of constructing minimum school facilities in the State in which the school district of such agency is situated for every child eligible for Federal assistance in the local school district under this act.

Under this proposal, the local school district would initiate the application for Federal assistance, but such application would have to go through the State school administrator for action by the Federal Government.

In order to qualify for such assistance, a local school board would have to have at least 10 children who have moved into the State over a period of less than 6 years, but the total must be equal to at least 1 percent of all children in the school district who were in average daily attendance in the public schools of such district during the preceding fiscal year for which the application is made.

I feel quite confident that with this limitation, only those school districts throughout the country who have suffered severe financial hardships because of the movement of population will take advantage of this Federal assistance.

It is my belief that the administration of this act would create no more problems that are now experienced in the administration of the federally impacted areas provisions in existing law. As youngsters reach the maximum 6-year residence in the State and are dropped out of the program, new youngsters moving into the State would become eligible. In any event, this legislation does recognize the fact that after 6 years, a family moving into a new State has been sufficiently absorbed in the economic stream of the local school district to make its full contribution to the cost

of public education in that particular district.

It should be kept in mind that to qualify for such assistance, a youngster would have to move from one State into another. Conceivably a family with children might move from one school district to another within a given State, but because the State government makes its contribution to local school districts, the guiding criterion in determining qualification for Federal assistance is the 6-year residency in a State and not the particular school district. It then becomes readily clear that students moving out of a large city into the suburbs would not become eligible for this assistance if they have lived in the State longer than 6 years.

I have tried in this bill to recognize the fact that many urban communities of America are suffering very serious financial problems in maintaining their public educational system because in many of these large urban communities, there has been a moving out of the city into the suburb of the higher wage earner at a time when a large percentage of unskilled workers from the rural communities of America are moving into large cities. We are experiencing a strange phenomenon in America where real estate property owners are moving out of the city into the suburbs, on the one hand, but the overall public school population of the large cities is not diminishing by a commensurate number because unskilled workers, usually with large families, are moving into the cities with no immediate contribution toward local taxes.

There is sufficient evidence in many instances that unskilled workers moving into large industrial areas cannot immediately adapt themselves to urban life and, therefore, are not able to make any significant contribution to the local tax base; but the fact remains indisputable that these migrant workers' families must be provided public school education.

Mr. Speaker, I have made a sincere effort in this legislation to recognize the plight of the local taxpayer in our large urban areas. But it should also be recognized that the shifting of American population is a continuing process throughout the country, and it would be a mistake to think that this legislation was designed only to help the urban communities of America, albeit these are the communities that are experiencing today the greatest problem in providing adequate education in their public schools.

The bill which I have introduced is an authorization bill and provides no guidelines for the actual cost of this program because I believe this is a function which the Appropriations Committee will assume when we have had some indication from local school boards as to how many of their children would actually qualify for this legislation. However, the best available figures which I have been able to compute from the 1960 census indicate that approximately 900,000 school-age children move annually in the United States. This is only an estimate, and I am inclined to think that the figure is high; but on the basis of this figure, it would appear that to

implement this program with sufficient appropriations would require no more money than is now being spent by the Federal Government under its assistance to federally impacted school districts. The best estimate that I have been able to obtain, therefore, for the cost of this program would be approximately \$300 million a year.

I am extremely hopeful, Mr. Speaker, that this legislation will receive early consideration by Congress. This does not establish any startling new precedent, but rather recognizes the fact that in a republic of 50 States, serious problems do develop in local communities as the population of this Republic exercises its right to move from one State to another and from one community to another for whatever their reasons. Since local communities cannot obtain any assistance from the school districts from which these youngsters have moved, it stands to reason, then, that the Federal Government should assist the local community in meeting the initial cost, which usually is the largest cost, in providing education for these new students.

I fail to see how anyone would object to this principle when we already are spending more than \$300 million of Federal funds every year to help federally impacted school districts. If this Federal assistance to federally impacted school districts was limited only to the children of the military, one could argue that this is part of our national defense effort; but this is not the case. Thousands of youngsters of Federal employees help bring additional revenue from the Federal Government to the local school districts, even though their parents who are employed by the Federal Government may have absolutely nothing to do with national defense.

It is for this reason that I hope Congress will enact this form of assistance to the hard-pressed local school districts of America.

Mr. Speaker, the text of my bill follows:

H.R. 12089

A bill to provide Federal assistance to local educational agencies to assist them to meet the financial burden resulting from the entry into their school systems of children from outside the State

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Educational Assistance Act of 1962."

TITLE I—GENERAL

Statement of findings and purpose

SEC. 101. The Congress hereby finds that the obligation of a local educational agency to provide education to children who have but recently become residents of their school districts imposes a substantial hardship on such local educational agency, and that where such students came from outside the State, there exists a Federal responsibility to assist such agencies in providing education for such students. It is the purpose of this Act to meet such responsibility by providing Federal grants to local educational agencies for the maintenance and operation of their schools, and for construction of new schools, based on the number of students attending the schools of such agencies who have resided in their State for less than six years.

Definitions

SEC. 102. For the purposes of this Act—

(1) The term "out-of-State child" means a child who has resided in the State for less than six years from the beginning of the fiscal year for which the determination is made. No child who may be counted for purposes of determining grants under the Act of September 30, 1950 (Public Law 874, Eighty-first Congress), shall be considered an "out-of-State child" for purposes of this Act.

(2) The term "child" means any child who is within the age limits for which the applicable State provides free public education.

(3) The term "free public education" means education which is provided at public expense, under public supervision and direction, and without tuition charge, and which is provided as elementary or secondary education in the applicable State.

(4) The term "current expenditures" means expenditures for free public education to the extent that such expenditures are made from current revenues, except that such term does not include any such expenditure for the acquisition of land, the erection of facilities, interest, or debt service.

(5) The average per pupil cost of constructing minimum school facilities in the State in which the school district of a local educational agency is situated shall be determined by the Commissioner on the basis of the contract cost per square foot under contracts for the construction of school facilities (exclusive of costs of site improvements, equipment, and architectural, engineering, and legal fees) entered into in the State for the base year designated in the application, increased by a percentage estimated by the Commissioner to represent additional costs for site improvements, equipment, and architectural, engineering, and legal fees, and multiplied by a factor estimated by the Commissioner to represent the area needed per pupil in minimum school facilities. If the Commissioner finds that the information available for the State concerned for such preceding fiscal year is inadequate or not sufficiently representative, he shall determine such cost on the basis of such information as he has available and after consultation with the State educational agency. The cost of constructing minimum school facilities in the school district of a local educational agency shall be determined by the Commissioner, after consultation with the State and local educational agencies, on the basis of such information as may be contained in the application of such local educational agency and such other information as he may obtain.

(6) Estimates of membership, and all other determinations with respect to eligibility and maximum amount of payment, shall be made as of the time of the approval of the application for which made, and shall be made on the basis of the best information available at the time of such approval.

(7) The terms "construct", "constructing", and "construction" include the preparation of drawings and specifications for school facilities; erecting, building, acquiring, altering, remodeling, improving, or extending school facilities; and the inspection and supervision of the construction of school facilities.

(8) The term "school facilities" includes classrooms and related facilities; and initial equipment, machinery, and utilities necessary or appropriate for school purposes. Such term does not include athletic stadiums, or structures or facilities intended primarily for athletic exhibitions, contests, or games or other events for which admission is to be charged to the general public.

(9) Whether or not school facilities are minimum school facilities shall be determined by the Commissioner, after consultation with the State and local educational

agencies in accordance with regulations prescribed by him.

(10) The term "local educational agency" means a board of education or other legally constituted local school authority having administrative control and direction of free public education in a county, township, independent, or other school district located within a State. Such term includes any State agency which directly operates and maintains facilities for providing free public education or which has responsibility for the provision of such facilities.

(11) The term "State educational agency" means the officer or agency primarily responsible for the State supervision of public elementary and secondary schools.

(12) The term "State" means a State, Puerto Rico, Guam, the Virgin Islands, or Wake Island.

(13) The term "Commissioner" means the United States Commissioner of Education.

(14) The term "base year" means the regular school year preceding the fiscal year in which an application was filed under title III or the regular school year preceding such school year, as may be designated in the application; and

(15) The term "increase period" means the period of two consecutive regular school years immediately following such base year.

(16) Membership of schools and average daily attendance shall be determined in accordance with State law or, in the absence of State law governing such a determination, in accordance with regulations of the Commissioner; except that, notwithstanding any other provision of this Act, where the local educational agency of the school district in which any child resides makes or contracts to make a tuition payment for the free public education of such child in a school situated in another school district, for purposes of this Act the attendance of such child at such school shall be held and considered (A) to be attendance at and membership of a school of the local educational agency so making or contracting to make such tuition payment, and (B) not to be attendance at or membership of a school of the local educational agency receiving such tuition payment or entitled to receive such tuition payment under the contract.

Administration

SEC. 103. (a) In the administration of this Act, no department, agency, officer, or employee of the United States shall exercise any direction, supervision, or control over the personnel, curriculum, or program of instruction of any school or school system of any local or State educational agency.

(b) The Commissioner shall administer this Act, and he may make such regulations and perform such other functions as he finds necessary to carry out the provisions of this Act.

(c) The Commissioner shall include in his annual report to the Congress a full report of the administration of his functions under this Act, including a detailed statement of receipts and disbursements.

(d) In carrying out his functions under this Act, the Commissioner is authorized, pursuant to proper agreement with any other Federal department or agency, to utilize the services and facilities of such department or agency. Payment to cover the cost of such utilization shall be made either in advance or by way of reimbursement, as may be provided in such agreement. The Commissioner is authorized to delegate to any officer or employee of the Office of Education any of his functions under this Act except the making of regulations.

TITLE II—GRANTS FOR MAINTENANCE AND OPERATION

Children with respect to whom payments are made

SEC. 201. For the purpose of computing the amount to which a local educational agency

is entitled under this title for any fiscal year, the Commissioner shall determine the number of out-of-State children who were in average daily attendance at the schools of such agency, and for whom such agency provided free public education, during such fiscal year.

Amount of payments

SEC. 202 (a) The amount to which a local educational agency is entitled under this title for any fiscal year shall be an amount equal to one-half of the local contribution rate (determined under subsection (d)) multiplied by the number of children determined under section 201.

(b) No local educational agency shall be entitled to receive any payment for a fiscal year with respect to a number of children determined under section 201, unless the number of children who were in average daily attendance during such year and to whom such section applies—

(1) is ten or more, and

(2) amounts to 3 per centum or more of the total number of children who were in average daily attendance during such year and for whom such agency provided free public education.

(c) The determination whether a local educational agency has met the percentage requirement for eligibility under subsection (b) for any fiscal year shall be made on the basis of estimates by the Commissioner made prior to the close of such year, except that an underestimate made by the Commissioner pursuant to the foregoing provisions of this sentence shall not operate to deprive an agency of its entitlement to any payments under this title to which it would be entitled had the estimate been accurate.

(d) The local contribution rate for a local educational agency (other than a local educational agency in Puerto Rico, Wake Island, Guam, or the Virgin Islands, or in a State in which a substantial proportion of the land is in unorganized territory for which a State agency is the local educational agency, or in a State in which there is only one local educational agency) for any fiscal year shall be computed by the Commissioner, after consultation with the State educational agency and the local educational agency, in the following manner:

(1) he shall determine which school districts within the State are in his judgment generally comparable to the school district of the agency for which the computation is being made; and

(2) he shall then divide (A) the aggregate current expenditures, during the second fiscal year preceding the fiscal year for which he is making the computation, which the local educational agencies of such comparable school districts made from revenues derived from local sources, by (B) the aggregate number of children in average daily attendance to whom such agencies provided free public education during such second preceding fiscal year.

The local contribution rate shall be an amount equal to the quotient obtained under clause (2) of this subsection. If, in the judgment of the Commissioner, the current expenditures in those school districts which he has selected under clause (1) are not reasonably comparable because of unusual geographical factors which affect the current expenditures necessary to maintain, in the school district of the local educational agency for which the computation is being made a level of education equivalent to that maintained in such other districts, the Commissioner may increase the local contribution rate for such agency by such amount as he determines will compensate such agency for the increase in current expenditures necessitated by such unusual geographical factors. In no event shall the local contribution rate for any local educational agency in any State (other than Puerto Rico, Wake Island,

Guam, or the Virgin Islands) for any fiscal year be less than (1) 50 per centum of the average per pupil expenditure in such State or (2) 50 per centum of the average per pupil expenditure in the United States (which for the purposes of this sentence and the next sentence means the fifty States and the District of Columbia), but not to exceed the average per pupil expenditure in the State. For the purposes of the preceding sentence the "average per pupil expenditure" in a State, or in the United States, shall be the aggregate current expenditures, during the second fiscal year preceding the fiscal year for which the computation is made, of all local educational agencies in the State, or in the United States, as the case may be (without regard to the sources of funds from which such expenditures are made), divided by the aggregate number of children in average daily attendance to whom such agencies provided free public education during such preceding fiscal year. The local contribution rate for any local educational agency in Puerto Rico, Wake Island, Guam, or the Virgin Islands, or in a State in which a substantial proportion of the land is in unorganized territory for which a State agency is the local educational agency, or in a State in which there is only one local educational agency, shall be determined for any fiscal year by the Commissioner in accordance with policies and principles which will, in his judgment, best effectuate the purposes of this title and most nearly approximate the policies and principles provided herein for determining local contribution rates in other States.

Method of making payments

SEC. 203. (a) No local educational agency shall be entitled to any payment under this title for any fiscal year except upon application therefor, submitted through the State educational agency and filed in accordance with regulations of the Commissioner, which application gives adequate assurance that the local educational agency will submit such reports as the Commissioner may reasonably require to determine the amount to which such agency is entitled under this title.

(b) The Commissioner shall, subject to the provisions of subsection (c), from time to time pay to each local educational agency, in advance or otherwise, the amount which he estimates such agency is entitled to receive under this title. Such estimates shall take into account the extent (if any) to which any previous estimate of the amount to be paid such agency under this title (whether or not in the same fiscal year) was greater or less than the amount which should have been paid to it. Such payments shall be made through the disbursing facilities of the Department of the Treasury and prior to audit or settlement by the General Accounting Office.

(c) If the funds appropriated for a fiscal year for making payments provided in this title are not sufficient to pay in full the total amounts which the Commissioner estimates all local educational agencies will be entitled to receive under this title for such year, the amount thus appropriated shall be available for payment of a percentage of the amount to which each local educational agency is entitled under this title, such percentage to be equal to the percentage which the amount appropriated is of the amount to which all such agencies are entitled under this section.

TITLE III—GRANTS FOR CONSTRUCTION

Authority for grants

SEC. 301. The Commissioner shall make grants as provided in this title to assist local

educational agencies which have had a substantial increase in the number of out-of-State children attending their schools to construct minimum school facilities for such children. There is hereby authorized to be appropriated such sums as the Congress may determine to be necessary for carrying out this title. Sums so appropriated, other than sums appropriated for administration, shall remain available until expended.

Establishment of priorities

SEC. 302. The Commissioner shall from time to time set dates by which applications for payments under this title must be filed. The Commissioner shall by regulation prescribe an order of priority, based on relative urgency of need, to be followed in approving applications in the event the funds appropriated under this title and remaining available on any such date for payment to local educational agencies are less than the Federal share of the cost of the projects with respect to which applications have been filed prior to such date (and for which funds under this title have not already been obligated). Only applications meeting the conditions for approval under this title (other than section 305(b)(2)(C)) shall be considered applications for purposes of the preceding sentence.

Federal share for any project

SEC. 303. Subject to section 304 (which imposes limitations on the total of the payments which may be made to any local educational agency), the Federal share of the cost of a project under this title shall be equal to such cost, but in no case to exceed the cost, in the school district of the applicant, of constructing minimum school facilities, and in no case to exceed the cost in such district of constructing minimum school facilities for the estimated number of children who will be in the membership of the schools of such agency at the close of the increase period and who will otherwise be without such facilities at such time. For the purposes of the preceding sentence, the number of such children who will otherwise be without such facilities at such time shall be determined by reference to those facilities which (1) are built or under contract as of the date on which the Commissioner set, under section 302, the earliest date on or before which the application for such project was filed, or (2) as of the date the application for such project is approved, are included in a project the application for which has been approved under this title.

Limitation on total payments to any local educational agency

SEC. 304. (a) Subject to the limitations in subsections (c) and (d), the total of the payments to a local educational agency under this title may not exceed the estimated increase, since the base year, in the number of out-of-State children, multiplied by 50 per centum of the average per pupil cost of constructing minimum school facilities in the State in which the school district of such agency is situated. In computing for any local educational agency the number of children in an increase under this section, the estimated number of children described in the preceding sentence who will be in the schools of such agency at the close of the increase period shall be compared with the estimated number of such children in average daily membership of the schools of such agency during the base year.

(b) A local educational agency shall not be eligible to have any amount included in its maximum by reason of subsection (a) unless the increase in children referred to in such subsection, prior to the application of

the limitation in subsection (c), is at least ten and is equal to at least 1 per centum of the number of all children who were in average daily membership of the schools of such agency during the base year.

(c) If (1) the estimated number of children who are not out-of-State children who will be in the membership of the schools of a local educational agency at the close of the increase period is less than (2) 107 per centum of the number of such children who were in the average daily membership of such agency during the base year, the total number of children counted for purposes of subsection (a) with respect to such agency shall be reduced by the difference between (1) and (2) thereof. For purposes of this subsection, all children in the membership of a local educational agency shall be counted as children who are not out-of-State children except children whose membership in the base year and increase period was compared in computing an increase which meets the requirements of subsection (b).

(d) Notwithstanding the provisions of subsections (b) and (c) of this section, whenever and to the extent that, in his judgment, exceptional circumstances exist which make such action necessary to avoid inequity and avoid defeating the purposes of this title, the Commissioner may do any one or more of the following: (1) he may waive or reduce any percentage requirement in subsection (b); (2) he may waive the requirement contained in the first sentence of subsection (c) or reduce the percentage specified in clause (2) of such sentence.

(e) If—

(1) the first year of the increase period for an application made by a local educational agency constitutes the second year of the increase period for a previous application made by such agency under this title, and

(2) any payment has been or may be made to such agency on the basis of such previous application,

then, in determining under this section the total of the payments which may be made to such agency on the basis of the later application, the total number of children counted for purposes of subsection (a) may not exceed—

(3) the number of children whose membership at the close of the increase period for the later application is compared with membership in the base year for purposes of such subsection, minus

(4) the number of such children whose membership at the close of the increase period for the previous application was compared with membership in the base year for purposes of such subsection.

Applications

SEC. 305. (a) No payment may be made to any local educational agency under this title except upon application therefor which is submitted through the appropriate State educational agency and is filed with the Commissioner in accordance with regulations prescribed by him.

(b) (1) Each application by a local educational agency shall set forth the project for the construction of school facilities for such agency with respect to which it is filed, and shall contain or be supported by—

(A) a description of the project and the site therefor, preliminary drawings of the school facilities to be constructed thereon, and such other information relating to the project as may reasonably be required by the Commissioner;

(B) assurance that such agency has or will have title to the site, or the right to construct upon such site school facilities as specified in the application and to maintain

such school facilities on such site for a period of not less than twenty years after the completion of the construction;

(C) assurance that such agency has legal authority to undertake the construction of the project and to finance any non-Federal share of the cost thereof as proposed, and assurance that adequate funds to defray any such non-Federal share will be available when needed;

(D) assurance that such agency will cause work on the project to be commenced within a reasonable time and prosecuted to completion with reasonable diligence;

(E) assurance that the rates of pay for laborers and mechanics engaged in the construction will be not less than the prevailing local wage rates for similar work as determined in accordance with Public Law Numbered 403 of the Seventy-fourth Congress, approved August 30, 1935, as amended;

(F) assurance that the school facilities of such agency will be available to the children for whose education contributions are provided in this title on the same terms, in accordance with the laws of the State in which the school district of such agency is situated, as they are available to other children in such school district; and

(G) assurance that such agency will from time to time prior to the completion of the project submit such reports relating to the project as the Commissioner may reasonably require.

(2) The Commissioner shall approve any application if he finds (A) that the requirements of paragraph (1) have been met and that approval of the project would not result in payments in excess of those permitted by sections 303 and 304. (B) after consultation with the State and local educational agencies, that the project is not inconsistent with overall State plans for the construction of school facilities, and (C) that there are sufficient Federal funds available to pay the Federal share of the cost of such project and of all other projects for which Federal funds have not already been obligated and applications for which, under section 302, have a higher priority.

(c) No application under this title shall be disapproved in whole or in part until the Commissioner of Education has afforded the local educational agency reasonable notice and opportunity for hearing.

Payments

SEC. 306. (a) Upon approving the application of any local educational agency under section 305, the Commissioner of Education shall pay to such agency an amount equal to 10 per centum of the Federal share of the cost of the project. After final drawings and specifications have been approved by the Commissioner of Education and the construction contract has been entered into, the Commissioner shall, in accordance with regulations prescribed by him and at such times and in such installments as may be reasonable, pay to such agency the remainder of the Federal share of the cost of the project.

(b) Any funds paid to a local educational agency under this title and not expended for the purposes for which paid shall be repaid to the Treasury of the United States.

Withholding of payments

SEC. 307. (a) Whenever the Commissioner of Education, after reasonable notice and opportunity for hearing to a local educational agency, finds (1) that there is a substantial failure to comply with the drawings and specifications for the project, (2) that any funds paid to a local educational agency under this title have been diverted from the purposes for which paid, or (3) that any assurance given in an application is not being or cannot be carried out, the Commissioner

may forthwith notify such agency that no further payment will be made under this title with respect to such agency until there is no longer any failure to comply or the diversion or default has been corrected or, if compliance or correction is impossible, until such agency repays or arranges for the repayment of Federal moneys which have been diverted or improperly expended.

(b) The final refusal of the Commissioner to approve part or all of any application under this title, and the Commissioner's final action under subsection (a) of this section, shall be subject to judicial review on the record, in the United States court of appeals for the circuit in which the local educational agency is located, in accordance with the provisions of the Administrative Procedure Act.

REGULATION OF IMPORTS OF AGRICULTURAL COMMODITIES AND PRODUCTS

Mr. ALBERT (at the request of Mr. COOLEY) submitted a conference report and statement on the bill (H.R. 10788) to amend section 204 of the Agricultural Act of 1956.

CONSUMER FINANCE COMPANIES

Mr. ALBERT. Mr. Speaker, the following bill has been added to the list of bills from the Committee on Ways and Means previously announced to be called up by unanimous consent this week: H.R. 8824—a bill to modify personal holding company tax in case of consumer finance companies.

These six bills may be called up for consideration tomorrow.

LEGISLATIVE PROGRAM FOR WEDNESDAY AND THURSDAY

Mr. ALBERT. Mr. Speaker, I take this time to advise that after the vote on the Fryingpan-Arkansas project tomorrow we shall proceed with the consideration of the bill H.R. 11990, the temporary increase of the public debt limit, as previously announced; and that following action on that bill we shall consider on Thursday the bill H.R. 11677, the Equal Pay Act of 1962.

BICENTENNIAL OF AMERICAN INDEPENDENCE

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the gentleman from Pennsylvania [Mr. GREEN] 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 Oklahoma?

There was no objection.

Mr. GREEN of Pennsylvania. Mr. Speaker, in the year 1976, this Republic will reach the bicentennial of its independence. It is, therefore, fitting that we should commemorate this occasion in a lasting spirit of pride and dignity as a memorial to those whose God-given vision, determination, and sacrifice established and preserved the exercise of our freedom under a democratic form of government.

Many made the supreme sacrifice; others willingly contributed their talents and their treasure to the enduring struggle and eventual victory that heralded our birth as a new nation.

In this spirit, we approach another significant milestone in our glorious history, and we should properly and adequately prepare for solemn observance of those trying days when the struggle therein made it possible for this Nation, under God, to grow great and strong. It will not be a Philadelphia celebration in any narrow sense but a living revival and national observance of our beginning in history.

We must plan carefully and well in advance for a celebration that will make the occasion for all the world to see and note. The basic theme should seek to avoid the carnival and even the customary commercial exploitation. Rather, we hope by the broadest use of our arts and our culture to restore vividly those colonial characters and scenes and to reenact genuinely and in minute detail the events of those stirring historic days in a world's fair worthy of the theme of American independence.

The commemorative period will embrace 6 months, from April to October 1976, when all the people in this vast land of ours, in concert with the U.S. Congress and the other branches of government, may take part in the national observance to relive and revitalize that era in history which brought forth a great nation and a great people, a strong and living bulwark in the everlasting struggle for the freedom and dignity of all mankind.

Mr. Speaker, in leaving these thoughts with you and my colleagues in the House, I now introduce a joint resolution of the Congress for this purpose, and respectfully ask that it be given early and appropriate consideration by these august legislative bodies.

In due time, other resolutions will be introduced for the purpose of creating and appointing a joint congressional committee, or commission, to coordinate and implement Federal Government participation in the national observance.

THE PRESIDENT'S FARM BILL

Mrs. MAY. Mr. Speaker, I ask unanimous consent that the gentlewoman from Ohio [Mrs. BOLTON] may extend her remarks at this point in the RECORD.

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

There was no objection.

Mrs. BOLTON. Mr. Speaker, the President's 1962 farm bill, recently reported out of the Committee on Agriculture by just one vote, contains among other things provisions calling for permanent and mandatory acreage allotments and marketing quotas. If you are a city person, think a minute. We who are city folk do not know what it is to have to deal with nature, with the many unseen forces that produce our food. We go to market and buy milk, pork chops, eggs, broilers, steak, and so forth. What

do most of us know about cows, hogs, chickens, turkeys, beef animals, and so forth, or about raising the hay, oats, wheat, et cetera, they eat, or about the cost of them in dollars and human energy—yes, in human character—that provides them?

Setting up restrictions and controls for the farmer when you do not understand or know the controls he accepted when he became a farmer—the controls of droughts, floods, tempests—are you not bound to fall into the danger of ignoring laws you cannot circumvent or control? Will you not make bad mistakes and so create a very difficult situation? You cannot patch such mistakes with controls and subsidies. For all too many years this Government has been experimenting with food production controls, hoarding, and so forth. So have Communist Russia and China. Their people are hungry. Why follow their path?

OBSERVATIONS ON OUR ECONOMY—JUNE 10, 1962

Mrs. MAY. Mr. Speaker, I ask unanimous consent that the gentleman from Missouri [Mr. CURTIS] may extend his remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. CURTIS of Missouri. Mr. Speaker, the gyrations of the stock market during the past 2 weeks have called attention to the state of our economy in a dramatic and unsettling manner.

Pessimists claim that the market's behavior signals a coming decline in business activity. More optimistic observers—many of whom serve in the Kennedy administration—dispute this view.

The optimists affirm their faith in the strength of our economic recovery and assert that the market downturn represents both a recognition that inflation has come to an end and a long overdue correction of inflated stock prices. Ironically, yesterday's prophets of gloom and doom have become today's economic Pollyannas.

Many able persons consider the Kennedy administration's view overly optimistic. Walter Lippmann, for example, said in a May 31 column that there are reasons for thinking that the President's opinion that the outlook for business is good and does not justify the pessimism of the stock market "is too rosy a view." Lippmann said that the most probable answer for the stock market action "is a loss of confidence that the administration is fulfilling the promise to bring about something near to full employment of capital and labor and a rising rate of economic growth."

In analyzing our complex economic situation, reference to the facts is more helpful than all the slogans of despair and optimism. The facts show that there is, indeed, ample evidence that this is the weakest of the four postwar economic recoveries.

At the end of April, or 14 months after the bottom of the recession in February 1961, employment had increased only 1.5 percent; long-term unemployment had fallen only 24 percent; industrial production had increased under 15 percent; and unemployment as a percentage of the civilian labor force remained at the high level of 5.5 percent.

Nearly 9 percent of the civilian labor force was totally or partially unemployed in April, considering there were nearly 4 million totally unemployed and another 2.2 million employed involuntarily on a part-time basis for economic reasons. In addition, since the recession bottom, the civilian labor force has failed to grow as expected, leading to what Chairman Heller of the President's Council of Economic Advisers has termed "submerged unemployment."

Furthermore, four quarters after the recession bottom, real gross national product has increased only 8.1 percent, which was considerably below the record of the previous recoveries.

It is interesting to note that during this anemic Kennedy recovery total Federal expenditures—seasonally adjusted at annual rates—from the first quarter of 1961 through the first quarter of 1962 increased by over 10 percent—almost double the highest previous increase during the same period of the other postwar recoveries.

The following statistics tell in more detail the story of how this Kennedy recovery compares to the other postwar recoveries.

Civilian labor force in millions—Seasonally adjusted

Recession bottom		14 months later		Percent change
Date	Percent	Date	Percent	
October 1949.....	62.4	December 1950.....	63.0	+1.0
August 1954.....	64.4	October 1955.....	66.9	+3.9
April 1958.....	68.7	June 1959.....	69.5	+1.2
February 1961.....	71.9	April 1962.....	71.7	(¹)

¹ No significant change.

Source: Department of Labor.

Employment in millions—Seasonally adjusted

Recession bottom		14 months later		Percent change
Date	Percent	Date	Percent	
October 1949.....	58.1	December 1950.....	60.3	+3.8
August 1954.....	60.6	October 1955.....	64.0	+5.6
April 1958.....	63.7	June 1959.....	66.0	+3.6
February 1962.....	66.7	April 1962.....	67.7	+1.5

Source: Department of Labor.

Unemployment as a percentage of the civilian labor force—Seasonally adjusted

Recession bottom		14 months later		Percent
Date	Percent	Date	Percent	
October 1949.....	7.8	December 1950.....	4.2	
August 1954.....	6.0	October 1955.....	4.4	
April 1958.....	7.3	June 1959.....	5.0	
February 1961.....	6.9	April 1962.....	5.5	

Source: Department of Labor.

Long-term unemployment (over 15 weeks) in thousands—Seasonally adjusted

Recession bottom		14 months later		Percent change
Date	Percent	Date	Percent	
October 1949.....	1,035	December 1950.....	475	-54.1
August 1954.....	1,029	October 1955.....	581	-43.5
April 1958.....	1,398	June 1959.....	956	-32.0
February 1961.....	1,447	April 1962.....	1,097	-24.2

Source: Department of Labor.

Industrial production—Seasonally adjusted [1957=100]

Recession bottom		14 months later		Percent change
Date	Percent	Date	Percent	
October 1949.....	62.2	December 1950.....	80.7	+29.7
August 1954.....	84.9	October 1955.....	99.4	+17.1
April 1958.....	87.1	June 1959.....	109.6	+25.8
February 1961.....	102.0	April 1962.....	117.0	+14.7

Sources: Federal Reserve.

Gross national product in billions of 1954 dollars—Seasonally adjusted quarterly totals at annual rates

Recession bottom		13 months later		Percent change
Date	Percent	Date	Percent	
October 1949 (4th quarter).....	293	November 1950.....	332	+13.3
August 1954 (3d quarter).....	362	September 1955.....	397	+9.7
April 1958 (2d quarter).....	395	May 1959.....	434	+9.9
February 1961 (1st quarter).....	433	March 1962.....	468	+8.1

Sources: Department of Commerce, Council of Economic Advisers.

Total Federal expenditures in billions—Seasonally adjusted at annual rates, by quarters

Recession bottom		13 months later		Percent change
Date	Percent	Date	Percent	
October 1949 (4th quarter).....	40.8	November 1950.....	41.6	+2.0
August 1954 (3d quarter).....	68.2	September 1955.....	68.8	+0.9
April 1958 (2d quarter).....	86.0	May 1959.....	91.1	+5.9
February 1961 (1st quarter).....	98.0	March 1962.....	107.9	+10.1

Sources: Committee for Economic Development, Council of Economic Advisers.

A recent article by the economic writer for the Washington Post, Bernard Nossiter, adds further weight to the opinion that this is the weakest of the four postwar economic recoveries. Under unanimous consent, Mr. Speaker, I include the article in the RECORD at the conclusion of my remarks.

Now, in the face of an incomplete and uncertain recovery, we are being told that another business downturn may be in the offing.

An article in the Wall Street Journal of June 4 pointed out that five of the nine leading indicators of business activity throw doubt on the strength of the recovery. The article makes clear that while one of these indicators may be giving a false signal, four others are showing bearish trends. The article concludes that the recovery is still underway but not very strongly. Under unanimous consent, Mr. Speaker, I include the article in the RECORD at the conclusion of my remarks.

Mr. Speaker, I can draw only one conclusion. The economic policies of this administration have not produced results.

Inflation—which administration leaders tell us is at an end—continues. Just recently the Department of Labor announced that the consumer price index rose in April for the third month in a row. As a matter of fact, the increase (seven-tenths of a percentage point) since the beginning of this year equals the rise for all of last year.

Has our gold stopped flowing out of the country? It has not. From January through April of this year, our gold stock declined \$428 million, compared to \$369 million for the same period last year.

How about our balance-of-payments deficit? That problem, too, continues to plague us. The deficit for the first quarter of 1962 at a seasonally adjusted annual rate was estimated at \$1.8 billion, compared to \$1.37 billion in the first quarter of 1961. A sharp increase in imports this year compared to a negligible increase in exports contributed substantially to this result. The value of our imports in April was at the highest level of any month for the past 2 years.

In the face of a continuing high level of unemployment, and particularly long-term unemployment, recent Government estimates show that job-creating business spending for plant and equipment this year will rise only 8 percent over the 1961 level, far below the Kennedy administration's targeted rise of 15 percent. As a matter of fact, the latest survey, which was taken after the April steel price controversy, shows a slight reduction of earlier 1962 spending plans of manufacturing industries.

The profits squeeze on business also continues. The May issue of the monthly letter of the First National City Bank of New York pointed out that net income of 967 leading corporations dropped 9 percent from the fourth quarter of 1961 to the first quarter of 1962. Net income rose 29 percent from the first quarter of 1961 through the first quarter of 1962, but this is hardly surprising

since we were in the depths of the recession in the first quarter of 1961.

Some will say that in speaking frankly about the economy I am a prophet of gloom and doom engaging in scare talk. Nothing could be farther from the truth, Mr. Speaker.

I recognize that there are many elements of strength in our economy. I have tremendous confidence in the basic dynamism and resiliency of our free enterprise system. Given a chance to work, spared excessive tinkering by the bureaucrats in Washington, I know that the American economy can work out its problems.

True, these problems are difficult. No man can claim to have all the answers to see us through this period of economic adjustment.

But what concerns me is that the Kennedy administration apparently has launched a policy of conscious economic intervention which is a giant step toward bureaucratic guidance of private economic decision making.

Administration leaders have made clear that their action in the steel price dispute will be repeated should certain target sectors of labor or business get out of line.

One result of this policy is the irony that an administration which pledges itself to economic growth and more jobs is crippling business confidence—the prime source of growth and jobs.

I, for one, Mr. Speaker, do not believe that elected or appointed officials—or anyone else for that matter—are possessed of the wisdom required to determine realistic and fair wages and prices, whether directly or through enforcement of voluntary standards. The job is just too complex. Excessive Government interference in the wage-price process can only lead to severe and unsettling distortions and rigidities in our economic system. The free market is still the best arbiter of wages and prices.

This is not to say that Government does not have a legitimate interest in major price and wage decisions. It does—and must. Business and labor have grown big and powerful. Their decisions profoundly affect our Nation's economy and our very security.

It is right and necessary for Government to be the watchdog of our free enterprise system. It should have the equipment to do the best possible job in fighting abuses of economic power arising from restrictive business or labor practices. Because Government has a responsibility to insure a freely functioning market. But it does not have and should not seek responsibility to make or dictate the thousands of economic decisions made daily throughout the land.

Perhaps even more important, Mr. Speaker, is that the Government which watches over our free enterprise system should be a government of laws—not men.

In the minority views to the 1962 Annual Report of the Joint Economic Committee, the Republican members closed by saying, "Those who have little faith in the inherent dynamism and resiliency

of our free enterprise economy have been proved wrong in the past. We think they are wrong again and that history will bear us out."

Events since that report appeared in March bear out that prediction. One can only hope that the administration will draw from our current economic problems the right conclusions and apply the right remedies.

The articles follow:

[From the Washington Post, Mar. 30, 1962]
CAPITAL, LABOR AGREE KENNEDY VIEW OF ECONOMY TOO ROSY

(By Bernard D. Nossiter)

Wall Street and organized labor, an unlikely pair of bedfellows, apparently agree on one point: President Kennedy's view of the economy is too rosy.

Outside of Government, economists are increasingly skeptical of the President's insistence that this is a "strong" recovery. In fact, a sampling of the major economic indicators shows that the current recovery could be labeled the weakest of the four postwar upturns.

This does not mean that a slump is on the horizon. As far ahead as economists can see with assurance—about 6 months—there is no sign of a downturn. But the pace of the advance in the last 6 months has been meager.

Wall Street reflects this in stock prices which haven't been rising; labor expresses it in more insistent demands for Federal action, partly appeased by the President's proposal on Monday for an extra \$600 million in public works spending.

At the White House, Mr. Kennedy's experts single out the first 3 months of 1962 as the sore spot, acknowledge that they were disappointing but find the results mysterious.

Here, in schematic form, is a picture of how the first year of this recovery compares with the first year of the three earlier postwar recoveries.

All four began climbing at about the same rate. But after 6 months of advance, the three earlier recoveries rose at a faster pace; the current recovery continued rising too, but at a slower rate.

This shows up by comparing four important measurements of the economy in the four recoveries. The four indexes are jobs outside of farming, incomes of persons, industrial output, and business investment in new plant and equipment.

Here is the percentage that each indicator gained in the first 6 months of the four recoveries:

	Recoveries			
	1949-50	1954-55	1958-59	1961-62
Jobs.....	3.4	1.7	1.2	1.6
Incomes.....	7.5	3.0	3.3	4.0
Output.....	13.8	7.5	10.2	10.7
Plant.....	8.0	-4.4	-1.2	2.5

In general, the 1961-62 advance (which began last March) is about in line with its predecessors for this 6-month segment.

But now look how it stacked up in the latest 6 months (through February) for the current recovery:

	Recoveries			
	1949-50	1954-55	1958-60	1961-62
Jobs.....	5.1	2.8	3.5	0.7
Incomes.....	7.4	5.0	4.3	3.2
Output.....	12.3	6.7	11.0	1.6
Plant.....	21.2	15.6	8.5	14.0

¹ Current quarter is estimated.

In the second 6 months of the first three recoveries, the gain in jobs was 4 to 7 times as great as in the current period; the gain in incomes, one-third to more than twice as large, in output, 4 to 8 times; in investment, 2 to 5 times.

Why is this recovery lagging? Many experts point to two factors:

1. Consumers are no longer buying autos, washing machines, and other durable goods with the same enthusiasm that they did in the earlier advances.

2. Homebuilding has been declining.

As a result, business is investing less.

Why are hard goods and homebuilding no longer giving the economy a big lift? There are three major schools of thought.

The White House experts argue that there is no structural flaw in the economy, that consumers and corporate treasuries are loaded with cash and both should begin spending as soon as some economic spark is put to this money fuel. The cheap steel pact now in the making, the investment tax credit now before Congress, or even spring weather might be the spark.

A conservative school would contend that there is a basic flaw, a lack of profits and incentive to invest. This could be cured by cutting labor costs and reducing business and top bracket levels.

A liberal school would agree that there is a basic flaw but finds it in maldistributed income. Too much wealth in the top half and not enough in the bottom, with the top half's demand for housing and durables relatively satiated. This could be cured by cutting bottom bracket taxes, lifting wages of the submerged sector, and increased Federal spending to reemploy the jobless.

[From the Wall Street Journal, June 4, 1962]
APPRAISAL OF CURRENT TRENDS IN BUSINESS AND FINANCE

Out of nine monthly indicators which economists have found often foreshadow trends in general business, five in April showed tendencies throwing doubt on the strength of the recovery which started early last year. However, one of these doubtful indicators, when analyzed closely, is far more favorable than it appears at first sight.

That one is the total of new orders for durable goods, which has an unusually accurate record of turning upward or downward ahead of general business. It has led general business upturns from the last four recessions by from 1 to 8 months, and it has led downturns into recessions by even greater margins.

In the light of this background, the trend of this statistic since January has looked ominous. The January total of durable-goods orders was \$16.4 billion, the February total was down to \$16.2 billion, the March total down again to \$16 billion and the April total down once more to \$15.8 billion. All these figures are adjusted for normal seasonal changes, to enable the analyst to see the real trend from month to month.

However, the figures for recent months are distorted ones. They include extra orders for steel placed by consumers fearing a steel strike. The knowledge that there would be no strike became available only at the end of March, when a settlement was reached in the industry's wage negotiations.

In order to see what the real trend in these orders might have been without this distortion, the following table has been constructed. It shows total orders for durable goods, and also what is left after deducting the orders for iron and steel alone. As readers will see immediately, the net figures show an uptrend right through April.

[In billions of dollars]

	Total	Iron, steel	Net total without iron, steel
January 1961	12.9	1.1	11.8
February	13.4	1.0	12.4
March	13.8	1.1	12.7
April	14.4	1.3	13.1
May	14.8	1.3	13.5
June	14.9	1.4	13.5
July	15.0	1.5	13.5
August	15.6	1.5	14.1
September	15.7	1.5	14.2
October	16.1	1.5	14.6
November	16.1	1.5	14.6
December	16.2	1.9	14.3
January 1962	16.4	1.9	14.5
February	16.2	1.5	14.7
March	16.0	1.3	14.7
April	15.8	.8	15.0

Just how much reliance to put in these net figures, in which orders for steel are left out, is unknown. The orders for durable goods with steel left in are the ones which have been found to turn sooner than general business. Whether the same thing would be true of the net figures, such as those in the table, would have to be studied in as many recessions and recoveries as the total figures have been studied.

Furthermore, distortions from fear of a strike probably didn't exist solely in orders for steel. Doubtless there was also some extra ordering of products containing steel. But even keeping this possibility in mind, it seems clear that if steel orders had been affected solely by ordinary considerations without thought of a strike, they would have been smaller in the big months such as December and January, and they would have been larger in the very small month of April. In that case, the trend of total orders probably would have resembled more closely the trend of net orders with steel taken out. In other words, the trend through April would look better than that of the actual totals. (First indications for May, reported by the National Association of Purchasing Agents, and detailed elsewhere in today's paper, are less favorable.)

This analysis of the April new orders reduces to four from five the number of early moving indicators for which April figures throw doubt on the strength of the recovery. These four are commercial and industrial building awards, dollar liabilities represented by business failures, the stock market and prices of industrial raw materials.

The stock market, of course, is down sharply. Its declines have often foreshadowed, or been associated with, business declines. Furthermore, the stock market declines which have not been connected with business declines have almost all (though not quite all) been caused by specific events such as a war or a Presidential heart attack.

The index of prices of industrial raw materials, around 86 percent of 1947-49, is at its lowest level since its bottom for the 1960-61 business recession. At that time it turned up a month before general business did. The weakness late last week in steel scrap, which is one of its components, suggests this index is now still falling.

Dollar liabilities represented by business failures are a widely fluctuating figure. They have been increasing, with some irregularity, since December. Commercial and industrial building awards, on the other hand, turned down in April only after reaching a record high in March. Their decline, however, was quite sharp, putting them below their level in four of the five preceding months.

Among the remaining four of the nine monthly indicators that tend to foreshadow general business trends, two, new housing

starts and average weekly hours worked in factories, reached new recovery highs in April. The other two, new hirings and layoffs, are not available yet for that month.

Altogether, it may be said that the so-called leading indicators for April are a mixed bag. They are not bearish, but they are not particularly bullish. They suggest the recovery is still underway, but not very strongly.

GEORGE SHEA.

STAGNATION AND THE STOCK MARKET

(By Walter Lippmann)

Prices on the stock market have been falling sharply since the middle of March, and it is difficult to believe that the heavy selling is merely a technical correction that will soon end.

It is said in official circles in Washington, and indeed it has been said by the President himself, that the outlook for business is good and does not justify the pessimism of the stock market. But there are reasons for thinking that this is too rosy a view.

Others are saying, particularly in Republican partisan circles that the slump is due to a loss of confidence by businessmen ever since the President cracked down on Mr. Blough and the increase in the price of steel.

The trouble with this piece of partisan mythology is that the bear market began on March 16 and it was only on April 11—some 26 days later—that the President had his collision with Mr. Blough.

There can be no doubt, of course, that such massive selling as we are now witnessing is due to a loss of confidence by the owners in the future prospects of their securities. The question is what is causing this loss of confidence.

The most probable answer, it seems to me, is that there is a loss of confidence that the administration is fulfilling the promise to bring about something near to full employment of capital and labor and a rising rate of economic growth.

What the stock market is saying, I submit, is that while there is a considerable recovery from the depths of the recession in 1961, the recovery is already being arrested although it is a long way from being completed.

With unemployment at 5.5 percent and with the utilization of steel plants at only 60 percent, the American economy, although prosperous, is in fact stagnant.

It is beginning to look as if the Kennedy administration were repeating the pattern of the Eisenhower administration, with its three recessions brought on by the fact that each recovery was throttled down, as the only way to prevent inflation of prices, before the recovery was completed.

There is mounting evidence that those economists were right who told the administration last winter that it was making the mistake of trying to balance the budget too soon.

It will be said that the budget is not balanced; it shows a deficit in fiscal year 1962 of \$7 billion. And so indeed does that budget show such a deficit. But the fact of the matter is that what is known as "the budget," namely, the administrative budget, falsifies the relationship between the Federal Government and the American economy.

The administrative budget, which shows a \$7 billion deficit, deals only with the money appropriated by Congress and spent by the Government departments. It leaves out the trust funds, such as social security and the highway funds, which run to \$25 billion annually. It counts revenues when taxes are collected, not while they are accruing and being withheld for the payment of taxes.

For the impact of the Federal Government on the economy, on inflation, and deflation, recession and recovery stagnation and

growth, the budget that matters is the Department of Commerce statement of Federal receipts and expenditures as part of the national income accounts—that is to say, what is often called the income and product account budget.

Nobody looks at it except the economists, and one of the greatest services that a public man could perform today would be to make the people understand the difference between the two budgets. For while the administrative budget is necessary for administration and is like a man's checkbook, the income budget tells the real story of the financial condition.

The income and product budget shows that at the end of 1962 the outgo and ingo accounts will be virtually in balance, with a deficit of only about half a billion dollars. Thus, in reality, the Kennedy administration is no longer stimulating the economy, and the economy is stagnating for lack of stimulation. We have one of the lowest rates of growth among the advanced industrial nations of the world.

There is as yet no simple remedy open to the administration. It is, so to speak, between Scylla and Charybdis—between the threat of gold withdrawals by our foreign creditors on the one hand, and, on the other hand, fierce popular dogmatism that treats the administrative budget as the absolute measure of responsibility, respectability, and financial decency.

Converging on Mr. Kennedy, the combined influences of the two has forced him into a fiscal policy that, as the stock market is saying, does not work. As things are going, the stagnation that is overtaking the recovery will be followed by another recession.

It is safe to predict that if present trends continue, the administration will have to go into action. It will have to take some of the strong measures that it was advised to take but did not dare to take some 7 months or so ago.

Among them, I should guess, will be a call for a sharp cut in the direct taxes paid by individuals and corporations. If this shows up as a considerable deficit in various budgets, but particularly in the income budget, that may be just the strong medicine that we need.

HANGING THE FARMER

Mrs. MAY. Mr. Speaker, I ask unanimous consent that the gentleman from Ohio [Mr. HARSHA] may extend his remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. HARSHA. Mr. Speaker, the Senate has already passed the omnibus farm bill after much wrangling. Now the House will be called upon to swallow this morsel. The farm bill in its present form is the most ominous power grab ever devised. This bill will destroy the last vestige of free enterprise among farmers, it is a nightmare of increased controls, costs and regimentation. Mr. Freeman wants to control everything from the "hothouse to the cornpatch." The Secretary of Agriculture would virtually become a one-man czar of agriculture with the club to force farmers to live under the strictest controls ever devised.

Secretary Freeman stated in a speech at a midwest regional agricultural con-

vention in Chicago that "free enterprise is an unsatisfactory alternative to Government regulation for solving the farm problem." Freeman is certainly implementing this statement with the controls he advocates.

Freeman's proposal would stifle the initiative of the farmer, render him helpless to dictatorial authority, lower his income, increase costs to the consumer and raise taxes. In effect the Secretary would be dictating the law and pulling all the strings with the farmer as puppet."

The American farmer once free and an example of individuality and free enterprise at its best, will be emasculated by this legislation in its present form.

This proposal in its melange of the inconsistent is all but incredible. It is incredible that it could be enacted by a responsible Congress.

That portion of agriculture which is now free of controls—that is livestock and truck farming—is the healthiest phase of our agricultural economy and leading farm organizations and disconcerting farmers have been doing their utmost to remove farmers from stifling controls. I trust this House will defeat it in its present form, and I am happy to see the leadership has seen the folly of this program and has postponed the debate of this measure.

FREEDOM IS INDIVISIBLE

Mrs. MAY. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. DERWINSKI] may extend his remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. DERWINSKI. Mr. Speaker, one of the most effective organizations in the world fighting the expansion of international communism is the American Friends of the Anti-Bolshevik Bloc of Nations. This is an American organization speaking for hundreds of thousands of American citizens who personally or by descent hail from the enslaved non-Russian countries of Europe and Asia. This organization represents the great bulk of the captive nations that communism has brutally subjugated. Obviously, this organization and its members possess firsthand knowledge and experience with Soviet Communist colonialism and imperialism, and their views should be especially important to us. I wish to place into the RECORD at this point the memorandum which this organization submitted to the United Nations General Assembly in November 1961:

"FREEDOM IS INDIVISIBLE"—MEMORANDUM TO U.N. GENERAL ASSEMBLY

1. RUSSIAN COLONIALISM AND IMPERIALISM—THREAT TO MANKIND IN GENERAL

In his dynamic and farsighted address before the U.N. General Assembly on September 25, 1961, the Honorable John F. Kennedy, President of the United States of America, stated:

"My country favors a world of free and equal states. We agree with those who say that colonialism is a key issue in this Assembly. My Nation was once a colony—and we know what colonialism means. And that is why there is no ignoring the fact that the tide of self-determination has not yet reached the Communist empire, where a population far larger than that officially termed 'dependent' lives under governments installed by foreign troops instead of free institutions—under a system which knows only one party and one belief—which suppresses free debate, free elections, free newspapers, books and trade unions—and which builds a wall to keep truth a stranger and its own citizens prisoners. Let us debate colonialism in full—and apply the principle of free choice and the practice of free plebiscite in every part of the globe."

These words underscore most emphatically the fact that the Soviet Union and its Communist Dictator Nikita S. Khrushchev have succeeded in beclouding international opinion in the matter of colonialism. At the last (15th) session of the U.N. General Assembly Mr. Khrushchev proclaimed himself a champion of "liberation of the colonial peoples of Asia and Africa," thus trying to turn the eyes of the world away from the most oppressive and most inhuman empire in mankind's history: the Soviet Union.

The Soviet Union under the leadership of Nikita S. Khrushchev has become a mighty nuclear power. The Kremlin is using this power to threaten the security and national existence of a series of free nations of the world. By constant threats and blackmail, by insidious intimidation and systematic subversion of free nations everywhere the Kremlin has succeeded in bringing the world today to the brink of nuclear disaster.

The record of Russian colonial imperialism and oppression in the non-Russian countries, now subjugated colonies of the Soviet Russian empire, is a long and appalling one. The wholesale deportation of non-Russian populations to Siberia and central Asia; systematic genocide of smaller and larger subjugated nations; the subversion of their national cultures; the indiscriminate exploitation of their economic resources; the destruction of their religious, national and personal freedoms—these are the characteristic traits of Russian rule in Khrushchev's Communist and colonial empire.

This fate awaits all other nations, be they in Asia, Africa or Latin America, which are gullible enough to swallow Khrushchev's sweet talk about the "emancipation of the colonial peoples" under the leadership of Moscow.

2. FREEDOM FOR ALL NATIONS AND PEOPLES

The United Nations emerged after World War II as an agency of peace and international order. As such it should champion the cause of freedom of all peoples regardless of race, religion or ethnic background.

Regrettably, however, such is not the case. We see that the Soviet Union and its subservient satellites are making a mockery of the principles of freedom, national independence, and international justice. By ignoring the plight and enslavement of the captive non-Russian nations inside the U.S.S.R. as well as those in the satellite orbit, the West perhaps unwittingly has helped substantially to build up an image of a "unified and noncolonial Russia," and by doing so has helped make Communist Russia attractive and appealing to the many colonial peoples of Africa and Asia, who resent indiscriminately the Western Powers as symbols of oppression and colonialism.

Therefore, it is the sacred duty of this 16th session of the U.N. General Assembly not only to reject the Western brand of

colonialism, but above all to direct its primary discussion onto the present-day Russian colonialism, which in the guise of "international communism and proletarian revolution" has been augmenting the imperial interest and territorial acquisitions to a degree never dreamed of by any czar of Russia.

3. RUSSIAN COLONIAL POLICY IN CAPTIVE NATIONS

We appeal to you for the support of your free voice for the cause of freedom and genuine liberation of the captive nations of Europe and Asia in the forum of this august International Assembly.

You would perform a great service to the cause of freedom and humanity itself should you challenge the unbridled and inhuman Russian Communist colonialism during the forthcoming debates in the 16th session of the U.N. General Assembly.

We especially appeal to those representatives at the 16th session of the U.N. General Assembly who represent the so-called neutral nations, those nations whose spokesmen recently held a conference in Belgrade, Yugoslavia. It is a matter of regret that the outcome of the conference was not such that could be construed as emanating from truly neutral nations. If it did anything, the conference on the whole supported the policies of Khrushchev, thus helping the Kremlin in its relentless drive to conquer the world for Russian communism.

These neutral nations must learn and acknowledge what is going on in the U.S.S.R. and in other Communist-controlled nations of eastern and central Europe and Asia. Have they not heard of the persecution, oppression and enslavement of the Ukrainians, Byelorussians, Armenians, Cossacks, Georgians, Idel-Uralians, Turkestanians, Lithuanians, Latvians, Estonians, Slovaks, Czechs, Bulgarians, Poles, Hungarians, Rumanians, Albanians, East Germans, Serbs, Croats and Slovenes? The latter three peoples, although not under direct Soviet Russian rule, suffer from the Communist regime of Tito, who is also firmly in Khrushchev's corner as far as Russian Communist colonialism is concerned.

4. COMMON ACTION OF ALL U.N. MEMBERS—IMPERATIVE

The present membership of the United Nations barely contains one-tenth of the Communist states, while the overwhelming majority of U.N. members are anti-Communist or "neutral" or "unaligned." By a combined majority of votes the free and "neutral" states can easily defeat any and all ventures proposed by the Soviet Union in the United Nations.

Therefore, you have a unique opportunity to unmask the Bolshevik colonialists and enslavers by pointing to the criminal and inhuman policies which they inflict on the captive nations from East Berlin to central Asia.

You have this chance when the report on the brutal suppression of the Hungarian freedom fighters in 1956 by the Russians will come up for discussion during this session of the U.N. General Assembly.

You will recall that during last year's session of the U.N. General Assembly the Right Honorable John G. Diefenbaker, Prime Minister of Canada, valiantly challenged Mr. Khrushchev by advising him that before he embarks upon the "liberation" of the peoples of Asia and Africa, he should grant freedom to the Ukrainians, Lithuanians, Latvians, Estonians, and other captive nations held under the Communist dictatorship of the Kremlin. Mr. Diefenbaker, in his speeches in the Canadian Parliament, continues to support the cause of freedom for the captive non-Russian nations in the U.S.S.R. and its satellite colonial dependencies.

You can do likewise, sir, if you would fearlessly challenge the Russian Communist

colonialists and put them before the panel of world public opinion to answer for the crimes and inhumanities they are perpetrating upon the captive nations.

Only the final emancipation and liberation of all the captive nations of Asia and Africa, and only upon the dissolution of the totalitarian and terror-ridden empire of the Kremlin can the United Nations and humanity at large hope for a genuine peace and for justice in the world.

Mr. Speaker, it is unfortunate that the United Nations, handicapped as it is by the machinations of the Soviet Union, its satellites, and a few naive nations, does not possess the ability to understand and appreciate the views expressed by the American Friends of the Anti-Bolshevik Bloc of Nations. One of the truly great steps toward world peace and freedom would be to accept the basic views expressed in this memorandum.

THE POOR TAXPAYER—TAKEN FOR A \$30 MILLION RIDE

Mrs. MAY. Mr. Speaker, I ask unanimous consent that the gentleman from Indiana [Mr. WILSON] may extend his remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. WILSON of Indiana. Mr. Speaker, the taxpayers of the United States are paying a heavy tax load every day. They are paying for many needed services of Government but they are also paying dearly for some of the services, spending money on taxes that is wasted and squandered as seldom before in our history.

For several days, I have been making a case against military procurement. I have been attempting to show that the Navy Department is not as interested in saving the taxpayers money as it is in steering defense contracts to the sources it favors. I have proven that the Navy could save the taxpayers \$1.3 million by allowing a contract to an Indiana manufacturer to make a UHF radio needed by the Marine Corps. The Navy apparently is not interested in this saving. It is interested in protecting its own skirts, in saving face and in beclouding the facts surrounding the vicious practice known as sole source procurement.

My remarks of the past several days have already been documented on the floor of the House. My support of any legislation that will cut down the sole source procurement of defense materials is just as well known.

Now, however, I would like to release information on just eight cases out of my 15-month study of defense procurement. In these eight cases, as you will note, Mr. Speaker, the taxpayer has been bilked out of over \$30 million. There are many more cases and I will document them in the future. Here are just eight—they follow a pattern and they prove what I have contended—that sole source procurement of military goods is costing us up to one-third of our defense dollar and that next year from \$12 to \$15 billion will be wasted needlessly.

Here is a statement I made at a meeting with two of my colleagues today. If I am able to gain the necessary cooperation, an investigation should and may be made into this practice of sole sourcing defense contracts, based on just such evidence as I now present.

The statements made in this presentation can be backed up with documentation supplied by the General Accounting Office and other sources. The case of the AN/PRC 41 radio set is just one "before the fact" example of how the taxpayers are going to be taken for another ride. The eight "after the fact" cases I now present show the sad experience of the past.

Under unanimous consent, I insert my statement to Congressmen HÉBERT and BRAY at this point:

STATEMENT OF CONGRESSMAN EARL WILSON, REPUBLICAN, OF INDIANA, ON MILITARY PROCUREMENT MADE IN CONFERENCE WITH CONGRESSMAN F. EDWARD HÉBERT, DEMOCRAT, OF LOUISIANA, AND CONGRESSMAN WILLIAM BRAY, REPUBLICAN, OF INDIANA, JUNE 12, 1962, REQUESTING AN INVESTIGATION OF MILITARY PROCUREMENT BY THE SPECIAL SUBCOMMITTEE ON INVESTIGATIONS OF THE ARMED SERVICES COMMITTEE

Following are brief sketches of eight typical cases I have investigated in my 15-month study into military procurement. They represent but a small sample of the whole and more details are being compiled on many additional cases at present. In every instance statements and allegations are based on past history and documentation supplied by the Comptroller General's office and by inquiry into various segments of the electronics industry. Specific questions are welcomed and documentation will be supplied in answer.

Case No. 1—TR-152 ()/SQS-23 transducer: This was the first case studied, and results are published in the CONGRESSIONAL RECORD, volume 106, part 15, pages 20348-20353, inclusive. The results of Navy action are obvious. Bureau of Ships civilian employees obtained two bids—one from a favored firm and the other an entirely unwanted proposal from an "outside" manufacturer. Since the unwanted firm's bid was low, a second bidding was arranged. It is clear that in such manner the favored firm learned the amount of the "outside" firm's bid. The "outside" firm restated its original bid, but the favored firm underbid it by \$20,000 on a \$4,500,000 contract. When this procurement was forced into the open, the price per unit fell from \$100,000 to \$70,000 and subsequently even lower, saving the taxpayers \$1 million on one contract. The company that forced the bidding, however, was shut out in the cold for its interest. Officials of this company can be summoned before this committee to answer pertinent questions.

Summary, case No. 1: Open competition saved taxpayers \$1 million, but the Navy Department resisted putting procurement into open competition at every turn.

Case No. 2—AN/SPS 10 radar: The Navy negotiated an original \$40,000 per system price with Du Mont and Sylvania on this procurement. This price subsequently fell to \$17,083 per system when open competition was introduced, and Daystrom, Inc. won the contract. This represented a difference of 58 percent between high and low price. As examples, Contract NObsr 52321 awarded a contract to Sylvania to produce 185 units at a price of \$27,000 per system, or a total price of approximately \$5 million. A subsequent award, NObsr 75399, was for 57 units at a total cost of \$1,898,620 or \$33,297 per unit. When Daystrom won its contract in open competition, the price

dropped \$17,083 per unit, at which time a Bureau of Ships civilian employee, Dean S. Young, indicated in an official report that the successful bidder could not make a profit on the item. Subsequent procurement found the price in the same general area under conditions of open competition, indicating that sole-source procurement cost the taxpayers millions.

Summary, case No. 2: Using the price of \$33,297 per unit for a total of 242 units bought under sole-source procurement methods mentioned above, the taxpayers paid out a total of over \$3.9 million more than necessary to buy this equipment, almost a 50-percent overall loss in this one instance. Even using the lowest sole-source price does little to brighten the picture, proving again that open competition serves the best interest of the taxpayer and prevents any possible duplicity by procurement agency employees.

Case No. 3—AN/WLR 1—electronic countermeasures receiver: Documentation on this case is still being furnished by the General Accounting Office and is not as yet complete. Sole-source negotiations with Collins Radio Co., Cedar Rapids, Iowa, under terms of contract NObsr 75710 covered a huge program of production which undoubtedly was "justified" by some Navy officials in the same way as so many other justifications. This sole-source justification has cost the taxpayer in excess of \$60,000 per system. When competition was introduced, the cost fell to approximately \$15,000 per system with Sylvania winning the contract. Later the unit price dropped even lower with additional awards to General Instruments, proving again that when competition is introduced the price goes down. Complete details are not as yet developed in this instance, but it is obvious that a saving of over 75 percent could have been effected had this equipment been bought under a policy of open competition.

Summary, case No. 3—pending: Taxpayers have had to pay up to 75 percent more for the privilege of having equipment bought from just one company with no one else given a chance to bid.

Case No. 4—PP-2100/ARC 27 power supply: This is a small, 6-pound transistorized power supply that is used in the AN/ARC 27 radio set. It is installed in both Air Force and Navy aircraft for pilot communication. Production of this equipment has been divided for more than 12 years in limited, restricted transactions between Collins Radio and Admiral. The PP-2100 was developed by Admiral, and because of reasons declared as "urgency for delivery" Contract NOas 59-9028-f (fixed price) was awarded to Admiral for \$2.5 million where the unit price was \$360. No competition was allowed. Follow-on procurement was advertised and competition invited and the award of contract went to Crescent Communications for approximately \$180. To further indict the corrupt nature of sole-source procurement is the fact that when open competition was introduced, Admiral Corp. quoted \$181.45 for the same identical equipment it had previously been awarded at \$360 without competition.

Summary, case No. 4: The General Accounting Office is still investigating to determine how much profit was made in this sole-source action. Its interim report indicates a much higher percentage of profit than was certified by the contractor. It is obvious, however, that this sole-source action by Navy cost the taxpayers \$1.25 million in a \$2.5 million award to Admiral. It is also a fact that the determination of sole source was made for reasons of urgency when in fact the procurement covered a power supply that was to replace an existing power supply already installed and operational in aircraft.

Case No. 5—AN/APS 88 airborne radar set: Originally, this was a sole-source transaction with Bendix Pacific. It resulted in a con-

tract (Now-60-0696-r) with an estimated price of \$32,000 per system. This price was subject to downward adjustment based on experienced costs of production. It was ultimately adjusted to an average per system price of approximately \$30,000 for 51 systems, with a final cost totaling \$1,440,843. This cost was accomplished with no competition whatsoever. Subsequently, September 9, 1960, the Navy advertised a requirement for 57 additional systems of the same equipment. This, however, was an open, advertised unlimited competition and it resulted in a price of \$17,247 per system for 57 systems. Bendix Pacific quoted \$26,493 unsuccessfully in this same competition. Total cost in this open procurement was \$984,000. A saving of \$500,000 was effected in the second procurement, but based on competitive bidding, the taxpayers paid \$561,000 more than necessary on the sole-source transaction. At present, someone in the Navy Department has decided to restrict the bidding for a third procurement of this equipment and has limited the participation to Bendix Pacific, high bidder in the previous procurement, and Texas Instruments, low bidder in the open competition. I have asked the General Accounting Office to take cognizance of this action, feeling that if past experience in my study is any criterion, the final purchase price on this third procurement will be considerably in excess of \$17,247 simply because the force of competition is eliminated.

Summary, case No. 5: Forcing a procurement into the open saved the taxpayers \$500,000, but only after they had their pockets picked of \$561,000 because some Navy official signed a determination and finding that a sole-source contract was necessary.

Case No. 6—AN/PDR 43 radac set: A sole-source negotiation with Electronic Products Co., of Mt. Vernon, N.Y., developed the AN/PDR 43 and the Navy paid \$7,308.66 for each of 6 preproduction units and \$871.45 each for 44 production units, with a total award of approximately \$87,195.76 under contract NObsr-71163. Three follow-on awards on a sole source basis purchased substantial quantities of this equipment at prices ranging from \$490 to \$657.67. All this was done without competition. On the first competitive transaction, Navy Invitation 259-61, opened May 26, 1961, the price fell to \$247.20, and the successful bidder was Electro-Neutronics, Oakland, Calif. Subsequent competition reduced the price even lower—to \$217.53 by this same firm, Electro-Neutronics, thereby reducing the cost by almost 60 percent. The Navy actually purchased 1,500 units of the AN/PDR 43 under sole-source conditions with an average price of \$600 per set, a total expenditure of almost \$900,000. When competition was introduced, it was established these same sets could have been bought for a total price of about \$325,000, thereby confirming that the taxpayer was penalized almost \$600,000 in a single instance before competition replaced sole-source procurement.

Summary, case No. 6: The luxury of the sole-source method of procurement cost the taxpayers \$600,000 and resulted in a 60-percent waste of the taxpayers' money.

Case No. 7—AN/PRC 10 portable radio set: This radio set was originally purchased by the Army Signal Supply Agency in limited competition with awards equally spaced between Admiral, RCA, and Motorola. The last award made before open competition was introduced was to Admiral for about \$2 million at a unit price of \$404. Since approximately 1950, the Signal Supply Agency spent millions of dollars, my research indicates close to \$30 million, and avoided open competition. The first open competition was under invitation 61-1921, and it resulted in an award to Model Engineering, Huntington, Ind., for 10,917 units at a price of \$286.29 per radio. This saved the taxpayer about 28 percent, and

there is no reason why competition should not have been introduced prior to June 1961. Over 10 years were spent in production before the Army put the requirement out for open bidding. Using the figure of \$30 million as an approximation, it is probable that \$8.4 million of the taxpayers' money has been spent needlessly. What makes this even more unbelievable is that subsequent to the award to Model, the Army has placed several million dollars of additional awards, all on a sole-source basis. I have asked the General Accounting Office to tell me why this is being done.

Summary, case 7: Almost \$8.5 million wasted and the Army is now reverting to form. The General Accounting Office is still seeking an answer to my questions, and the final report for that reason is pending. I am also informed that Government-furnished equipment is being delayed to Model so that a future case of a poor delivery record may be made to halt further public procurement of this equipment.

Case No. 8—AN/WRT-1 and AN/WRT-2 radio sets: A sole-source contract was awarded to Westinghouse Electric to develop this radio set, with a price of \$1.8 million paid for development. When the radio was ready for production, Westinghouse was awarded a sole-source contract to build 430 units at a unit cost of \$29,725 and a total contract price of \$12.8 million. A second procurement also resulted in a sole-source contract to Westinghouse, this time for 617 radios at a unit cost of \$19,200 and a total cost of \$12.1 million. Almost \$25 million was spent for a little over 1,000 radios. When a third procurement was necessary, pressure from industry forced it into open competition, and this time the unit price tumbled to \$10,497.52, and the award went to Cosmos Industries, Inc. Competition thus cut the bill more than half, but not until the taxpayers had paid \$25 million for a radio that could have been bought for a little more than \$10 million.

Summary, case 8: The open competition price for this radio was probably a bit low for circumstances, but it is still established that Westinghouse was awarded contracts almost two times more expensive than necessary, costing the taxpayers \$15 million.

General summary—Case No. 1: \$1 million saved that would have been spent by Navy, saved over Navy's protests; case No. 2—\$3.9 million wasted; case No. 3—75 percent of taxpayers' dollar squandered; case No. 4—\$1.25 million thrown away; case No. 5—\$561,000 wasted; case No. 6—\$600,000 spent needlessly; case No. 7—\$8.5 million thrown away; case No. 8—Up to \$15 million poured down the drain. This represents a total waste in eight examples cited of approximately \$30 million and waste in individual cases of from 28 to 75 percent. These are but a few examples of how sole-source procurement wastes the defense dollar. There are many more, and they will be documented by me in the near future.

The real concern of the American citizen should be the identity of those in the Navy Department who justify such transactions, who approve such profligate squandering of public moneys. These men should be exposed. The procurement branches of the Defense Department, especially the Navy Department, should be examined closely, and the guilty parties sought out and punished for their actions. In my files are the names of people who have signed certifications of determination and finding leading to sole-source procurement, contract officers whose actions are highly suspect, and top officials of the Navy Department who ought to be removed from office for their incompetency and inefficiency, if they are not to be prosecuted for their actions. It appears that someone in the Navy Department, or a group of "someones", is receiving kickbacks for steering contracts to the right firms. The

time has come to put a stop to this, to put defense procurement out into the open, and to rid the Government of those people who are not honest in the discharge of their duties.

Most of the studies mentioned above are after the fact, although one or two are current. To test Navy reaction, I undertook study of Navy procurement of AN/PRC 41 radio set (see CONGRESSIONAL RECORD of June 6 and June 7) to determine what would happen if sole-source policy was contested before it cost the taxpayers millions. To date, reaction has been exactly as I expected. Navy has held up award rather than save taxpayers \$1.3 million on one contract and has, by its action, admitted its certification of urgency to be in question. It has also been caught in several actions of serious question in this instance. Its reaction to my AN/PRC 41 study proves its prime concern is not always the welfare of the taxpayer and raises questions that should be resolved by an investigating committee of this Congress.

SUMMARY OF POLL RESULTS

Mrs. MAY. Mr. Speaker, I ask unanimous consent that the gentleman from Indiana [Mr. BRAY] may extend his remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. BRAY. Mr. Speaker, in recent weeks I have conducted an opinion poll among the voters of the Seventh District of Indiana. The tabulation of the many thousands of replies which I have received is submitted at this time, for I believe my colleagues will find it of interest and importance.

The results indicate that the people are greatly concerned about our position in international affairs and that they will support policies of firm action to halt further Communist expansion.

Determined resistance to Communist encroachment of our position in West Berlin is expressed by 85 percent of the responses, 9 percent are opposed to the use of force to maintain our position there, with 6 percent unmarked.

The use of troops to stop Communist aggression in Vietnam is approved by 49 percent; 16 percent did not answer, and 35 percent are opposed. From additional comments, I know there is great uncertainty about what the United States should do in this area.

Strong resistance to U.S. recognition of Communist China is evidenced by a 90 percent vote against it. Only 5 percent favor recognition, and 5 percent have no opinion.

There are great misgivings about our foreign aid program. People question its direction, the manner in which it has been handled, and its efficacy. Seventy nine percent of the replies express the desire to reduce President Kennedy's request for \$4.8 billion in foreign aid. Seventeen percent oppose any reduction, leaving 4 percent with no recorded opinion.

The President's proposal to purchase \$100 million worth of United Nations bonds is opposed by 76 percent of those replying; 18 percent favor the bond purchase, and 6 percent did not respond.

President Kennedy's request for authority to eliminate tariffs through agreements with other nations is rejected by 70 percent of the replies, supported by 24 percent, and 6 percent are undecided. Particular concern was expressed over the effect of increased imports upon employment in this country. Many industries have already suffered considerable cutbacks because of the import of products from countries where very low wages are paid. It was feared by many who replied that further tariff reduction would destroy many American industries and the jobs which they provide.

Turning to matters of purely domestic concern, on the subject of the King-Anderson bill for medical care for elderly people financed through social security taxes, 68 percent express opposition, 30 percent are in favor, and 2 percent have no opinion.

Federal aid for the operation of public elementary and secondary schools, which has been the subject of much debate for several years, is opposed by 70 percent. Those favoring such aid amount to 26 percent, leaving 4 percent who decline to comment.

The administration's request to increase the \$300 billion limit on the na-

tional debt would be denied by 86 percent of those who replied. It is approved by 9 percent, and 5 percent decline to answer.

On the question about the Freeman farm program of strict production controls, those replying were asked to state if they are engaged in farming. Of the farmers, 86 percent are opposed to it; 11 percent favor the program, and 3 percent did not indicate their view.

Among persons who are not farmers, the program finds support with only 12 percent of the people. It is rejected by 73 percent, and 15 percent have no firm opinion.

The response to this questionnaire indicates a growing public concern over matters of national interest. Many of those who replied enclosed letters expressing their viewpoint in more detail or their opinions on other subjects.

Such polls do give an important guide to the thinking of Seventh District voters. Furthermore, they increase participation of the citizens in their Government. I am gratified for the cooperation received from my constituents in this endeavor.

The tabulation follows:

Final summary of opinion poll conducted by Congressman WILLIAM G. BRAY, 7th District, Indiana

Do you favor—	Percentage		
	Yes	No	No opinion
1. The King-Anderson bill for medical care for elderly people financed through social security taxes?	30	68	2
2. Purchase by the United States of \$100,000,000 worth of U.N. bonds?	18	76	6
3. Giving the President authority to eliminate tariffs through agreements with other nations?	24	70	6
4. Federal aid for the operation of public elementary and secondary schools?	26	70	4
5. U.S. recognition of Communist China?	5	90	5
6. Use of force if necessary to maintain our position in West Berlin?	85	9	6
7. Increasing the national debt limit beyond the present \$300,000,000,000?	9	86	5
8. A reduction in the \$4,800,000,000 President Kennedy has asked for foreign aid?	79	17	4
9. The use of U.S. troops to stop aggression in Vietnam?	49	35	16
10. The Freeman farm program of strict production controls?			
Opinion of those engaged in farming	11	86	3
Opinion of those not engaged in farming	12	73	15

ANOTHER LOOK AT THE U.N.

Mrs. MAY. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. ROUSSELOT] may extend his remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. ROUSSELOT. Mr. Speaker, there appeared in the October 1961 issue of the American Legion magazine an article entitled "Another Look at the U.N." which I believe would be of interest to many of my colleagues in Congress. Under leave to revise and extend my remarks, I place the article in the body of the CONGRESSIONAL RECORD for this day. The text of the article follows:

ANOTHER LOOK AT THE U.N.
(By Emilio S. Iglesias)

In the 16 years of its existence the United Nations has been the subject of a tremendous outpouring of glorification. Indeed, a cult of U.N. worshipers has zealously preached the doctrine that only through the United Nations can mankind be saved. Until

recently this idea was widely accepted as gospel. At banquets and at PTA meetings, in schools and in churches, the word went forth that the U.N. exemplified man at his best, using his genius to create a better world, a world of peace and brotherhood.

In the early years there were, of course, critics, people who pointed out that among the architects of the United Nations were such people as Alger Hiss. These same critics also expressed fear that the U.N. would inevitably encroach on our own sovereignty and involve itself in our domestic affairs. But most of all they were skeptical of any organization in which the U.S.S.R. and its satellites were partners. This, they said, was like permitting thieves and murderers to become members of a police association, with equal voting privileges.

Such expressions were ridiculed by those who looked so hopefully to the United Nations to achieve peace on earth and good will among mankind, but in recent months there has been a significant change. Even among those who once supported the United Nations with zeal, there has been wavering. Indeed, in some cases caustic criticism has been voiced by those who were formerly the most outspoken advocates of the world organization. One of the most surprising of these comments came from Dean Acheson. Writing in the fall 1959 issue of Orbis, the

former Secretary of State said: "The United Nations insofar as it believes that by its votes and by its debates it is accomplishing anything could not be more mistaken."

The first President of the U.N. General Assembly, M. Paul Henri Spaak, not long ago expressed his disillusionment with the U.N. by saying that he felt like "a deceived lover whose mistress has abandoned him." He went on to say that not only is the U.N. in danger but "it threatens to become a danger to others."

Charles de Gaulle expressed his opinion of the organization caustically: "The United Nations offers no more than tumultuous and scandalous sessions where it is impossible to organize objective debate and which are filled with invective delivered by the Communists and their allies. The result is that in the Congo the United Nations carries to the spot its global incoherence. In these conditions France does not see how she can take any other attitude toward the United Nations—or the disunited nations—than that of the greatest reserve. In any case, she does not want to participate either through her manpower or through her finances in any current or eventual enterprise of this organization—or disorganization."

Even certain segments of the press which once looked upon any criticism of the U.N. as a form of heresy became alarmed at the way the U.N. operated in the Congo. The New York Times, the New York Herald Tribune and the Washington Post sadly concluded that the U.N. was actually backing the Communists in the Congo. Stewart Alsop voiced his disillusionment in a Saturday Evening Post article when he questioned whether we ought to continue to support the U.N.

Many Americans have been confused by what took place in the Congo and by the strange cast of characters that moved on and off that chaotic stage. The Russians, as usual, contributed to the confusion by demanding that Dag Hammarskjold be fired for the part he played. This caused many Americans to jump to the conclusion that, since Khrushchev was against the Congo operation, it was ipso facto a meritorious action. Actually it was not that simple. Khrushchev was satisfied with the U.N.'s performance until his stooge Lumumba was captured by anti-Communists. Then, and only then, did he turn on Hammarskjold. Which was unfair, in a way, since obviously the Secretary General of the U.N. had done little to interfere with Lumumba and his forces.

Ideally, the U.N. force dispatched to restore order in the Congo should have functioned without fear or favor. That, after all, is the way idealists envision any U.N. police force. But in actual practice the U.N. force acted in a disillusioning manner. Troops and leadership reflected the political coloration of the various countries of origin, and that coloration was predominantly red, or at least a deep pink. Supposed to be neutral, the leaders of the U.N. forces seemed consistently neutral in favor of the Lumumba faction. Because of this, enraged anti-Communist Congolese on several occasions fought U.N. troops.

Chief target of the criticism was an Indian, Rajeshwar Dayal, sent to the Congo by Secretary General Hammarskjold as his personal representative. Admittedly the assignment was no easy one, but Dayal's pro-Communist bias aroused such a storm of protests that he had to be removed. And his actions are understandable when it is considered that he is a protege of Krishna Menon, India's Minister of Defense, who has shown little love for the West.

As this is written, the turmoil in the Congo has ceased, at least temporarily, while the leaders of the rival factions meet to discuss the formation of a coalition government, with the Communists' current favor-

ite, Gizenga, making unreasonable demands as the price of his cooperation.

The Congo crisis is only one of many U.N. actions that have caused deep concern over the implications of those actions. There are many who have excused and continue to excuse U.N. inaction by saying that the world organization does not have enough power to keep the peace. Their suggested remedy is that the U.N. be given a more powerful army, usually referred to as a police force. But now the disquieting thought arises as to how far the U.N. can be trusted with the power it already has, let alone greater power. Given a powerful body of troops, would the U.N. use this force as it did in the Congo, tempering its vaunted idealism to the political winds that blow in the halls of the U.N. Building, and bending to Russian threats and bluster?

This thought is especially disturbing when it is considered that the United States can no longer count on the support it once had, a fact that was demonstrated in the closing session of the General Assembly on April 22. On that occasion, the United States suffered a serious diplomatic defeat when the U.N. decided that the Cuban controversy should not be referred to the Organization of American States. At the same session, and with characteristic openhandedness, this country agreed to pay \$47 million, or nearly half of the entire cost of the Congo operation for 1961.

Up to now the United States has shown a curious compulsion to underwrite far more than its share of U.N. operating costs, on the assumption that we are paying for peace and getting it at a bargain price. Pro-U.N. lecturers and writers plug this idea by saying that the cost of the U.N. is equivalent to the price of a pack of cigarettes per person per year. This is so if you take one set of figures, but if you use those figures you are likely to be greatly misled about how much the U.N. really costs. And what the U.N. costs no one seems to know, including organizations that deal in information about the U.N. It may be for this reason that attempts to get specific information on U.N. finances met with a certain amount of vagueness and equivocation.

Following are figures supplied by U.N. press information on the Organization's 1960 budget:

General budget:	
U.N.-----cost-----	\$58,347,514
United States-----gave--	18,953,330
U.S.S.R.-----do-----	7,940,460
Albania-----do-----	23,320
Bulgaria-----do-----	93,280
Byelorussian S.S.R.-----do--	274,010
Czechoslovakia-----do-----	507,210
Hungary-----do-----	244,860
Poland-----do-----	798,710
Rumania-----do-----	198,220
Ukraine S.S.R.-----do-----	1,049,400
UNEF (Emergency Forces)	
(Middle East) budget:	
Cost-----	20,000,000
United States-----gave--	6,497,064
U.S.S.R.-----not paid--	2,721,932
Congo budget:	
Cost-----	48,500,000
United States-----gave--	15,745,211
U.S.S.R.-----not paid--	6,596,425

However, the U.S. mission to the U.N., quoting "a congressional document," reported that the total cost of all the U.N. for 1960, including assessments for the U.N. "family," was \$344 million—of which \$53 million was for the general U.N. budget, \$84 million for the Congo; \$20 million for UNEF.

The U.S. Committee for the U.N. came up with some different figures, saying that the United States had given \$192 million to the U.N. in 1960.

Things became a bit more confused when the American Association for the U.N. re-

ported that the total budget for the U.N. and 10 of its agencies for 1960 was \$128,211,450.

Whichever figure you choose, it is obvious that running the U.N. calls for much more than "cigarette money," as some would have you believe.

But that is only part of the picture, and American taxpayers are beginning to realize that they are paying far more than this. They know that one reason for the billions being given to other nations in foreign aid programs is to promote good will in the form of votes in the United Nations. Even those who feel that the realities of international life call for such vote-buying are beginning to feel that a large proportion of the billions voted for foreign aid since World War II has been money poorly invested, and this antagonism is evident in public reaction to the administration's latest demand for more billions for giveaway purposes.

There is no doubt that this reaction was caused in no small measure by the actions of many of the nations that were beneficiaries of money taken from the American taxpayer. An example of this can be found in the action of India, Yugoslavia, Ghana, Guinea, the United Arab Republic and Morocco. In the last fiscal year the United States gave those countries \$400 million and in addition arranged to give them \$500 million in surplus food. As a measure of their appreciation, these six nations voted against us in the U.N. more often than with us on such crucial issues as the seating of Red China.

Our leaders persist in referring to such nations as "neutralists," and this fallacy is reflected in our continuing efforts to give them whatever they want that might keep them friendly. At his meeting with President Kennedy in Geneva, Nikita Khrushchev proved himself to be far more realistic when he said that today there are no neutrals. Certainly if they are neutralists, they are, like the U.N. forces in the Congo, pretty consistently neutral on the side of the Kremlin. Despite this, the aid goes on. In May it was announced that the administration was going to lend India another billion dollars in the next 2 years, "to help meet the foreign exchange requirements of India's third 5-year plan." Completely overlooked was the annoying fact that in the last session of the U.N., India voted with us only six times and voted with the Soviet Union 50 times.

In the early days of the U.N. the United States could count on enough support to provide some sort of control in that body, but now control by the West has ended, and the balance of power is held by the neutralist nations of Europe and Asia, and the new nations of Africa. This is evident from some statistics. There are now 99 member nations of which 17 may be considered democratic while 11 comprise the Communist bloc. However, the latter group is buttressed by such nations as Ghana, Guinea, India, Indonesia, etc., who usually side with the Communists. This united front, helped out by the new nations, poses a serious threat. Next year it is expected that this coalition will vote for the admission of Red China, which will mean a showdown.

On the subject of China, Americans have made their position unmistakably clear, and their attitude is reflected in Congress' stand against admitting Red China to the U.N. The reasons for American opposition to Red China are readily apparent. That outlaw nation conducted a bloody, ruthless and undeclared war against us, a war in which tens of thousands of Americans were killed and hundreds of thousands wounded. Its brutalities against American prisoners of war violated all the rules of warfare, and its arrogant refusal to account for Americans it still holds has bred a deep resentment in all Americans. To cap all this, Red China is still at war with the United Nations.

Yet despite all this, strong pressures are being exerted to admit Red China into the

U.N., and certain American political figures are said to be conniving in the attempt. Most discussed of the maneuvers is a so-called two Chinas gambit which will offer representation to both Red China and Nationalist China. The promoters of this irresponsible action argue that Red China will surely refuse, in which case the West will be in the clear. This may be, but by conceding that Red China is worthy of a place in the U.N., we have gone a long way toward destroying at least the morale of a faithful ally, Nationalist China, one of the few dependable friends we have left in the Orient. The rest of the world would certainly interpret our acquiescence in the two Chinas gesture as notice that the United States is abandoning Nationalist China. For that matter, the fact that some of our political leaders even talk about the possibility or the "inevitability" of Red China's recognition has hurt us immeasurably by showing our allies, and neutrals, how undependable we often are.

Other actions in the U.N. have certainly made that point previously. The most dramatic recent example was the manner in which we antagonized a dependable ally, Portugal, by siding with the Soviet against her over Angola.

If there is any common denominator in all this, it may be found in our highly irrational and emotional aim to woo the new nations. We have contributed handsomely to the establishment of these nations, and already we have seen how they have repeatedly turned against us in the U.N. But despite this, we continue to seek to curry favor with them. This would be bad enough if it just meant that we continued to bribe them. It is reprehensible and foolish when we betray trusted allies to gain their good will. But probably worst of all is the way in which we permit our fetish for these primitive countries to determine our foreign policy. What earthly reason, for example, is there for worrying about what the pro-Communist politicians of Ghana, Guinea, and Mali think when it comes to decisions concerning our own security? Specifically, why should we allow these people to determine the fate of a loyal and trusted ally, Nationalist China? Yet there are rumors that that is precisely the strategy being readied by our global diplomats. We will, diffidently, step back and let the U.N. decide whether Red China will be admitted. The Reds plus the neutralists will vote to admit the outlaw, and we will accept the decision like good sports.

This raises another point that is troubling many Americans. If Red China gets into the U.N. it will be largely because of the one-nation one-vote policy of the world body. It is probably safe to say that most Americans have never heard of such new nations as Upper Volta, Somalia, Chad, Dahomey, and Gabon. But each of these has as much voting power in the General Assembly as the United States. This, to many, is as unrealistic as permitting Russia to have three votes to one for the United States. Indeed, years before the United Nations was founded, President Franklin D. Roosevelt discussed a new "League of Nations" in which the small nations were to have no voice whatsoever. The idea of giving small nations an equal voice with the big ones was, he said, ridiculous. His plan was to have a league made up of four nations, the United States, the Soviet Union, Great Britain, and China. This may have been an undemocratic proposal, but it makes as much sense as the present system.

Our lack of control is also causing concern in view of growing demands from African and Asian nations that the West give them huge grants of money for their internal development. The most ambitious scheme, called the Special United Nations Fund for Economic Development, or SUNFED for short, calls for \$55 billion, over a 10-year period, 70 percent of it to be contributed by the United States. This money would go to Asian,

African and Latin American countries with no control whatsoever by the United States.

The Soviet Government would certainly never put up with this sort of thing. Never, in its 44 years, has it shown any willingness to permit an impartial tribunal to pass on any of its actions. Khrushchev on July 11 conceded this when he said:

"Even if all the countries of the world adopted a decision which did not accord with the interests of the Soviet Union and threatened its security, the Soviet Union would not recognize such a decision but would uphold its rights, relying on force."

The Soviet has made liberal use of the veto in the U.N. to forestall any action it considered antagonistic or even critical. Meanwhile, we have permitted the U.N. to make many moves inimical to our national interest because we disdained to use the veto power. But now Khrushchev has come up with a new weapon for use in the U.N. and elsewhere. This is his famous "troika" proposal. A troika is a Russian sleigh pulled by three horses, and the term "troika" in Soviet terminology means a triumvirate. Khrushchev wants his rule of three applied to the implementation of Soviet foreign policy. The importance that he attaches to the application of the troika principle in the U.N. is evident from the way he pounded his shoe for emphasis when he expounded it, calling for Hammarskjold's dismissal at last fall's U.N. session.

To run the U.N., he wants a troika instead of a Secretary General, and this three-man committee (one Communist, one neutralist, and one pro-Westerner) would operate under a rule of unanimous consent, meaning any member could veto any action. How it would work in the U.N. is evident from the way this Russian principle has stymied any action in Laos and at the Geneva disarmament sessions. In the case of Laos, the neutralist nation was India, with Krishna Menon running the show. In view of Menon's record, what happened was predictable. Indeed, in view of the way most of the Afro-Asian nations have been voting, the use of the troika principle would come close to giving the Kremlin a two-to-one vote on any issue—with the veto power to back it up if necessary.

Another move by the Soviet bloc to load the dice in its favor is the current demand for more jobs in the Secretariat. A U.N. committee recently recommended the assignment of 100 more key positions to Communist-bloc personnel, jobs now held by U.S. and other anti-Red personnel. You may be sure that the people who get these jobs will be full-time employees of the Soviet Union, and working solely for U.S.S.R. interests, even though the United States will be paying the largest percentage of their salaries—approximately a third, contrasted with an approximate 13.62 percent by the Kremlin.

Few things in the history of the U.N. caused so strong a reaction against the organization in this country as the Red circus that the nabobs of communism staged last August when they descended on New York City en masse to meet at the U.N. But disturbing in the extreme to many Americans was the realization that the rulers of the Communist conspiracy, including some of the most despicable criminals in the world's history, could come without bidding to our shores to stage a mammoth Red demonstration. To add insult to injury, Americans had to spend millions to guard these monsters whose crimes against humanity made them logical targets for thousands of refugees who had good reason to hate them. This, plus the realization that this motley crew can return at any time it suits their fancy or whenever it will help advance the cause of world communism, caused many Americans to start using the slogan "Get the United States out of the U.N.; Get the U.N. out of the United States."

It is also irritating to know that, thanks to American hospitality, U.N. officials from Iron Curtain countries are permitted to go where they have no business, engage in actions that are reprehensible, and when caught they are turned loose unpunished because of so-called diplomatic immunity.

The sinister methods of Soviet agents in the United States have been demonstrated time and again. The case of Mme. Oksana Kasenkina, who risked death in escaping from the Soviet Embassy, in New York, 13 years ago, dramatized another facet of communism. And everyone is aware of the Soviet's operations in the field of blackmail, bribery, and general corruption. However, despite this, Americans were shocked at the strange death of a top U.N. diplomat, and at the callous proceedings that led to his death.

The man was Paul Bang-Jensen, a Dane, whose body was found on November 26, 1959, in a park near his home at Lake Success, N.Y. The autopsy report gave the cause of death as "Gunshot wound of the head; suicidal." Some maintained that he did not commit suicide since he had written a note to his wife in which he had said that "under no circumstances whatsoever would I ever commit suicide." But probably more important is the way he had been treated by U.N. officials prior to his death. Bang-Jensen was Danish Deputy Secretary of the U.N. Special Committee on the Problem of Hungary. In this capacity he had compiled a mass of material dealing with the Soviet's actions in that unfortunate country, and he became disturbed at the way the Hungarian situation was being used by the politicians of the U.N. In his efforts to keep the report on Hungary from being sabotaged, he aroused the antagonism of high U.N. officials, including Hammarskjold, and was suspended.

Some time later he was called on to turn over to the Secretariat some documents including a list of the anti-Communist Hungarians who had given him information with the understanding that their names would not be divulged. Fearful that this information would find its way to the Russians, with foreseeable consequences, Bang-Jensen refused. The lists were subsequently burned by him, in the presence of witnesses atop the U.N. Building. On July 3, 1958, the Secretary General notified him he was being dismissed for misconduct.

When his body was found less than a year later, the case had all the earmarks of a cloak-and-dagger thriller, and many still believe that he was murdered by Soviet agents. The manner of death is relatively unimportant. The significant point is that Bang-Jensen was ignominiously thrown out of the U.N. because he refused to compromise his principles.

What troubles thoughtful Americans even more than all the foregoing is the way in which our own Government has permitted the United Nations to formulate U.S. foreign policy. This peculiar kind of diplomat lunacy, which incidentally is bipartisan, takes many curious forms which require us to subordinate our own best interests to the interests of other nations. Through some strange process of reasoning our State Department goes on the assumption that, to be good, a policy must have U.N. endorsement. Keeping in mind the ministrations we can expect from the Soviet bloc and the treatment we are likely to get from such neutralists as Indonesia, India, Ghana, and Guinea, it is difficult to see much logic in this, but there it is.

An interesting example was the recent vote concerning Angola, Portugal's African territory. Siding with the Afro-Asian bloc we twice voted to condemn Portugal for "repressive acts" there. As a result we have alienated one of our NATO allies, and one that had proved highly dependable.

Curiously, on the same day that we went on record for the second time against Portu-

gal's colonial policy, the newspapers carried another story datelined United Nations. In this case we were accused by the United Nations of an unsatisfactory colonial policy in our handling of Micronesia, the Pacific Islands that we have had on our hands since we drove the Japanese out during World War II. The complaint was that we had not done enough for the islanders.

Another example of our undue and unrealistic concern for the new members of the U.N. is said to have been the reason the attempted invasion of Cuba by Cubans turned into a fiasco that made this country ridiculous in the eyes of the world. Those who took part in that ill-fated mission say that promised air cover which would have given them a fighting chance was withheld at the last moment. It has been reported, and it has not been denied, that this action was taken at the behest of our Ambassador to the United Nations, Adlai Stevenson, who told the President that such action would be offensive to the Afro-Asians and therefore embarrassing to us in the U.N.

Mr. Stevenson, with his talent for the ready quip, once made a speech about the United Nations in which he referred to the postponement of disarmament talks as "a considerable achievement of a negative sort." It would seem that this would apply also to Mr. Stevenson's contribution to the Cuban situation.

On the subject of Cuba, not long after the failure of the invasion, and while Americans were still indignant over that inexplicable performance, the United Nations approved the expenditure of \$3 million to help Castro with his agricultural problems. This scheme, concocted by the governing council of the United Nations Special Fund, called on the United States to contribute \$463,000. Attempts to learn from the U.N. if the United States had paid or was going to pay this money were unproductive. If a guess may be hazarded—we will pay.

The case of Red China was mentioned earlier, and reference was made to pressures being exerted to seat that nation in the U.N. It is no secret that much of the pressure comes from Great Britain. Lord Home not long ago laid it on the line when he advised us to wake up to "the facts of international life" and accept the inevitable by allowing Red China into the U.N. Certainly no one can accuse the British of letting idealism interfere with "the facts of international life" when trade and other matters important to the British are concerned. A thriving trade exists between Red China and Great Britain, and only recently it was announced that Canada, also extremely tolerant of Red China, had agreed to sell that famine-ridden country \$362 million worth of grain. An additional quantity of grain worth more than \$100 million was being sold to Red China by Australia. Obviously, what the nations of the British Commonwealth do is their own business, even though the grain deal helps to prop up a Communist regime that is in difficulties because of its inability to feed its own people. However, some skeptics cannot help but think that the U.N. figures in some of these British deals, as another aspect of "the facts of international life."

Unfortunately, we no longer have much bargaining power to cope with the realists and the opportunists in the United Nations. Our politicians have a strange compulsion to give our wealth away, and the idea of demanding something in return seems repulsive to them. For example, as one of his last official acts as President, Dwight D. Eisenhower appeared before the U.N. and assured members of U.S. aid without any strings attached. More recently, and indicative of the fact that such overwhelming generosity is bipartisan, Adlai Stevenson told representatives of the African nations that they

could have American help but they had to show "initiative." Unless there has been a drastic change of policy, however, this means only that they will have to show enough initiative to ask for help.

Since our foreign aid is dispensed on the premise that we do not insist on anything in return, the beneficiaries can, and do, feel at liberty to take any position they choose in the U.N. They know they are going to get American money, regardless, and if they happen to swing over to the Communist side they are likely to come up with something from the Kremlin to boot. However, the Soviet drives a harder bargain, Mr. Khrushchev being about as philanthropic as a pawnbroker.

It might also be pointed out the wily Mr. K. is also a good actor. Advocates of the U.N. point to his shoe-pounding act in that body as proof that he is trying to destroy the organization. As a clincher they cite his demands that Dag Hammarskjold be fired. If you study pictures of Khrushchev as he banged his shoe, you will find that he was having no tantrum, as some seemed to think, but was obviously enjoying himself. This was not the action of a man calling for the end of the U.N. but of one who was expressing his contempt for the organization and the people in it.

There is another reason why Khrushchev is not likely to order his robots out of the U.N. The Russians made that mistake once before, in 1950, when they walked out in a boycott aimed at getting rid of Trygve Lie. When the North Koreans then swarmed over the border into South Korea, the matter was presented to the Security Council and neither Russia nor any of its satellites were around to exercise the veto and thus forestall action against the Reds. The Communists quickly came back but too late to reverse the action that had been taken.

Why should they leave the U.N.? Through the political instrumentation of the organization they can accomplish many things. While they were not present to stop the United States from initiating action in Korea, it may logically be assumed that the Communists in the U.N. were not inactive when our military leaders in Korea found themselves being hamstrung by U.N. meddling. Some of this was doubtless or a high-level nature, but much of it could well have come from lower echelons. During the Korean war a committee of the Senate and a New York grand jury started studying Secretariat posts allotted to citizens of the United States to see how many Communists held those jobs. Some 200 American employees of the U.N. suddenly resigned and were not required to testify. Seventeen who were brought before the committee refused to answer questions about Communist Party membership, and, under pressure, Trygve Lie dismissed them. But in 1953 the U.N. Administrative Tribunal ruled that they should not have been dismissed; it awarded them heavy damages, and ordered them rehired.

There may be some question about these people and what they were doing at the time of the Korean war, but the record speaks for itself concerning what the U.N. has not done about Korea since the war ended. At the time the Communists attacked, the U.N. resolved that North and South Korea would eventually be reunited. Today, 11 years later, the country is still divided; Red China is still at war with the United Nations, and the Soviet Union, which organized, directed, and armed the invading Red armies, has not even been reprimanded.

Later there was the Hungarian revolt against communism. While the U.N. stalled, doing nothing while the Hungarians won their revolution, Khrushchev waited to see what the United States would do. We in turn waited to take our cue from the United Nations. When the U.N. did nothing, Khrushchev brutally struck down a revolt for

liberty that could have proved a turning point in history.

For more than a decade the United Nations has been passing resolutions ordering Israel to return to borders established by the U.N.—without result. It also adopted a resolution calling for Israel to internationalize Jerusalem. This brought from David Ben-Gurion the retort: "Jerusalem will be internationalized over our dead bodies." In 1948 the U.N. called on Israel to permit Arab refugees driven from their homes in Palestine to return, but the reply was a flat "No." Nor are the Arabs any more amenable to the U.N. Nasser was ordered to stop his blacklisting of Israel shipping in the Suez, but to date he has paid little attention.

When the Red Chinese moved into Tibet, slaughtering its peaceful citizens without cause, the U.N. viewed this barbarism with the greatest equanimity. And the dispute between India and Kashmir still goes on.

Little wonder that the U.N. is increasingly looked upon as an international debating society and a forum for making propaganda rather than as an effectual means of settling disputes. While this view may not be shared by speakers at PTA gatherings and at women's clubs, it certainly seems to reflect the view of first-string diplomats since they usually ignore it when there are important problems to be solved.

Soon after the U.N. was founded, in 1948, Stalin precipitated a crisis over Berlin. At that time the West took the problem to the Security Council. It is doubtful that the U.N. will even be called on in the current Berlin crisis even though Hammarskjold long ago made it clear that the U.N. wanted to be consulted. In the Laos crisis, too, the U.N. had no part. Nor was it called on to participate in the nuclear test negotiations conducted at Geneva.

Since every possible avenue that might lead to peace is being explored by President Kennedy, and was explored by President Eisenhower before him, their actions would indicate a definite lack of confidence on their part in the ability of the U.N. to do much good. Why a succession of summit meetings on questions that are the province of the United Nations? Why did we send our diplomats to Geneva, at the instigation of the British, to negotiate in a 14-nation conference on Laos when we had the U.N. here in the United States? A third question, flowing from these, is: If the United Nations is not capable of doing the job, why bother with a United Nations?

Advocates of the United Nations answer this by saying that the only way in which the U.N. can function properly is to give it more power, and subordinate ourselves still further to the global body. Such a view is currently being advocated by the National Council of Churches which, incidentally, also favors the admission of Red China to the U.N. Also in favor of giving still more of our sovereignty are the World Federalists.

If our aim is national suicide, then the national council and the World Federalists have the right prescription. That is evident from the way the votes are lining up against us on issues that have a powerful bearing on our national security. At the present time, an insidious move is underway to give the U.N. the power to intrude into our domestic affairs by extending the jurisdiction of the International Court of Justice or World Court, an organ of the U.N. Only 38 nations automatically accept that Court's jurisdiction while the other members of the U.N. may be made parties to World Court litigation only with their express consent. No Iron Curtain country has accepted the compulsory jurisdiction of the Court, even with reservations. The United States has up to now safeguarded its right to decide whether any case affecting American interests shall be admitted to adjudication by the

Court. Our safeguard has been in the so-called Connally amendment. But the internationalists are now working diligently to repeal this amendment, which would permit the World Court to inject itself into our affairs and force compliance with its decisions. At the present time four measures are up for consideration by the Senate Foreign Relations Committee which would serve to have the United States surrender sovereignty to the World Court. Two of these are resolutions. One, Senate Resolution 39, is sponsored by Senators HUMPHREY, MORSE, and JAVITS. Another, Senate Resolution 136, is sponsored by Senators JAVITS, HUMPHREY, and JOSEPH CLARK, Democrat, of Pennsylvania.

It does not seem to worry those who are pressuring to push these measures through that the World Court is headed by one Bohdan Winiarski, a jurist from Red Poland. Nor is the presence of Phillip C. Jessup on this lofty bench reassuring. Jessup, it will be recalled, played an important role in the malodorous Institute of Pacific Relations.

If we expect to maintain our existence, let alone our position of leadership, it is high time that we stop taking the United Nations as seriously as we have up to now. We should recognize, as the Soviet does, that the U.N. has its uses, and we should make use of it when its facilities can serve to advance American aims. However, we should not permit it to formulate U.S. foreign policy, and we most certainly should not allow it to get a foothold in our domestic affairs by such devices as repeal of the Connally amendment.

Since the beginning of the century, we have been embroiled increasingly in world politics and conflicts. In helping to establish the United Nations, our hope was that through this organization there would be an end to conflicts. But while the cry has been peace, the world has had a succession of blood baths, thanks to the same Communist clique which now sits in the conclave of the United Nations, and which is able to inject itself increasingly into our affairs through that organization.

There is a basic fallacy in this which, if understood, provides a clue as to what we should do. It is assumed that the United States is so strong that it can not only defend but subsidize half of the world. This is obvious from the demands that are made on us for military help and economic aid. Yet we ourselves make it appear that we are so weak that, unless we are propped up by the United Nations, we are helpless.

The time has come to show that we not only have the strength and decision necessary to assume once again the initiative in the world, but that we know how to use them. We have seen the delegates to the United Nations in action, and it certainly is not chauvinistic to say that this Nation can provide better leadership than seems to be available from that assemblage of global politicians. This is not to say that we ought to cut loose from the U.N. and go it alone. To repeat, where the U.N. can serve our national interests, let us use the U.N. But let it not be the other way around, as it has been, with the U.N. using the United States as a pawn. We can and must act like leaders, establish policies based primarily on what will be in the best interests of the United States of America—and then follow through on those policies without fear and without compromise.

A CALL FOR ARAB-ISRAEL PEACE

Mr. CELLER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

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

There was no objection.

Mr. CELLER. Mr. Speaker, on May 9, 1962, on the occasion of the 14th anniversary of the State of Israel, I had the privilege of presenting a statement on the floor congratulating Israel and calling for an Arab-Israel peace. That statement had attached to it 171 names of Members of the House. I am very happy to record here an additional 61 names of Members of the House who have subsequently joined in the signing of such statement, and I herewith present the full list of 232 names:

E. ROSS ADAIR, of Indiana.
 JOSEPH P. ADDABO, of New York.
 HUGH J. ADDONIZIO, of New Jersey.
 CARL ALBERT, of Oklahoma.
 JOHN B. ANDERSON, of Illinois.
 VICTOR L. ANFUSO, of New York.
 LESLIE C. ARENDS, of Illinois.
 THOMAS L. ASHLEY, of Ohio.
 WAYNE N. ASPINALL, of Colorado.
 JAMES C. AUCHINCLOSS, of New Jersey.
 WILLIAM H. AYRES, of Ohio.
 CLEVELAND M. BAILEY, of West Virginia.
 HOWARD H. BAKER, of Tennessee.
 WALTER S. BARING, of Nevada.
 WILLIAM A. BARRETT, of Pennsylvania.
 ROBERT R. BARRY, of New York.
 PERKINS BASS, of New Hampshire.
 WILLIAM H. BATES, of Massachusetts.
 FRANK J. BECKER, of New York.
 RALPH F. BEERMANN, of Nebraska.
 JOHN A. BLATNIK, of Minnesota.
 EDWARD P. BOLAND, of Massachusetts.
 RICHARD BOLLING, of Missouri.
 FRANK T. BOW, of Ohio.
 FRANK W. BOYKIN, of Alabama.
 JOHN BRADEMAS, of Indiana.
 JAMES E. BROMWELL, of Iowa.
 WILLIAM S. BROOMFIELD, of Michigan.
 CHARLES A. BUCKLEY, of New York.
 JAMES A. BURKE, of Massachusetts.
 JAMES A. BYRNE, of Pennsylvania.
 WILLIAM T. CAHILL, of New Jersey.
 CLARENCE CANNON, of Missouri.
 HUGH L. CAREY, of New York.
 ELFORD A. CEDERBERG, of Michigan.
 EMANUEL CELLER, of New York.
 CHARLES E. CHAMBERLAIN, of Michigan.
 J. EDGAR CHENOWETH, of Colorado.
 ROBERT B. CHIPERFIELD, of Illinois.
 MARGUERITE STITT CHURCH, of Illinois.
 FRANK M. CLARK, of Pennsylvania.
 MERWIN COAD, of Iowa.
 JEFFERY COHELAN, of California.
 HAROLD R. COLLIER, of Illinois.
 SILVIO O. CONTE, of Massachusetts.
 ROBERT J. CORBETT, of Pennsylvania.
 JAMES C. CORMAN, of California.
 WILLIAM C. CRAMER, of Florida.
 GLENN CUNNINGHAM, of Nebraska.
 LAURENCE CURTIS, of Massachusetts.
 THOMAS B. CURTIS, of Missouri.
 EMILIO Q. DADDARIO, of Connecticut.
 PAUL B. DAGUE, of Pennsylvania.
 DOMINICK V. DANIELS, of New Jersey.
 CLIFFORD DAVIS, of Tennessee.
 WILLIAM L. DAWSON, of Illinois.
 JAMES J. DELANEY, of New York.
 JOHN H. DENT, of Pennsylvania.
 WINFIELD K. DENTON, of Indiana.
 STEVEN B. DEROUNIAN, of New York.
 EDWARD J. DERWINSKI, of Illinois.
 CHARLES C. DIGGS, JR., of Michigan.
 JOHN D. DINGEL, of Michigan.
 PETER H. DOMINICK, of Colorado.
 HAROLD D. DONOHUE, of Massachusetts.
 EDWIN B. DOOLEY, of New York.
 THOMAS N. DOWNING, of Virginia.
 CLYDE DOYLE, of California.
 THADDEUS J. DULSKI, of New York.
 FLORENCE P. DWYER, of New Jersey.
 JOE L. EVINS, of Tennessee.
 GEORGE H. FALLON, of Maryland.
 LEONARD FARBSTAIN, of New York.
 DANTE B. FASCELL, of Florida.
 MICHAEL A. FEIGHAN, of Ohio.
 EDWARD R. FINNEGAN, of Illinois.

PAUL A. FINO, of New York.
 DANIEL J. FLOOD, of Pennsylvania.
 JOHN E. FOGARTY, of Rhode Island.
 GERALD R. FORD, JR., of Michigan.
 PETER FRELINGHUYSEN, JR., of New Jersey.
 SAMUEL N. FRIEDEL, of Maryland.
 JAMES G. FULTON, of Pennsylvania.
 CORNELIUS E. GALLAGHER, of New Jersey.
 PETER A. GARLAND, of Maine.
 EDWARD A. GARMATZ, of Maryland.
 J. VAUGHAN GARY, of Virginia.
 LEON H. GAVIN, of Pennsylvania.
 ROBERT N. GIAIMO, of Connecticut.
 JACOB H. GILBERT, of New York.
 MILTON W. GLENN, of New Jersey.
 HENRY B. GONZALEZ, of Texas.
 KATHRYN E. GRANAHAN, of Pennsylvania.
 KENNETH J. GRAY, of Illinois.
 EDITH GREEN, of Oregon.
 WILLIAM J. GREEN, JR., of Pennsylvania.
 ROBERT P. GRIFFIN, of Michigan.
 MARTHA W. GRIFFITHS, of Michigan.
 HARLAN HAGEN, of California.
 SEYMOUR HALPERN, of New York.
 RALPH R. HARDING, of Idaho.
 JAMES HARVEY, of Michigan.
 WAYNE L. HAYS, of Ohio.
 JAMES C. HEALEY, of New York.
 KEN HECHLER, of West Virginia.
 CHET HOLIFIELD, of California.
 ELMER J. HOLLAND, of Pennsylvania.
 CRAIG HOSMER, of California.
 W. R. HULL, JR., of Missouri.
 DANIEL K. INOUE, of Hawaii.
 CHARLES S. JOELSON, of New Jersey.
 HAROLD T. JOHNSON, of California.
 THOMAS F. JOHNSON, of Maryland.
 FRANK M. KARSTEN, of Missouri.
 JOSEPH E. KARTH, of Minnesota.
 ROBERT W. KASTENMEIER, of Wisconsin.
 ELIZABETH KEE, of West Virginia.
 HASTINGS KEITH, of Massachusetts.
 EDNA F. KELLY, of New York.
 EUGENE J. KEOGH, of New York.
 CLARENCE E. KILBURN, of New York.
 CARLETON J. KING, of New York.
 CECIL R. KING, of California.
 DAVID S. KING, of Utah.
 MICHAEL J. KIRWAN, of Ohio.
 JOHN C. KLUCZYNSKI, of Illinois.
 FRANK KOWALSKI, of Connecticut.
 JOHN C. KUNKEL, of Pennsylvania.
 THOMAS J. LANE, of Massachusetts.
 RICHARD E. LANKFORD, of Maryland.
 ROLAND V. LIBONATI, of Illinois.
 JOHN V. LINDSAY, of New York.
 J. CARLTON LOSER, of Tennessee.
 JOHN W. MCCORMACK, of Massachusetts.
 GORDON L. McDONOUGH, of California.
 HARRIS B. McDOWELL, JR., of Delaware.
 JOHN J. McFALL, of California.
 CLIFFORD G. McINTIRE, of Maine.
 TORBERT H. MACDONALD, of Massachusetts.
 CLARK MACGREGOR, of Minnesota.
 PETER F. MACK, JR., of Illinois.
 RAY J. MADDEN, of Indiana.
 DON MAGNUSON, of Washington.
 DAVID T. MARTIN, of Nebraska.
 JOSEPH W. MARTIN, JR., of Massachusetts.
 CHARLES McC. MATHIAS, JR., of Maryland.
 CHESTER E. MERROW, of New Hampshire.
 ROBERT H. MICHEL, of Illinois.
 GEORGE P. MILLER, of California.
 WILLIAM E. MILLER, of New York.
 WILLIAM E. MINSHALL, of Ohio.
 WALTER H. MOELLER, of Ohio.
 JOHN S. MONAGAN, of Connecticut.
 JOSEPH M. MONTOYA, of New Mexico.
 ARCH A. MOORE, JR., of West Virginia.
 WILLIAM S. MOORHEAD, of Pennsylvania.
 THOMAS E. MORGAN, of Pennsylvania.
 THOMAS G. MORRIS, of New Mexico.
 F. BRADFORD MORSE, of Massachusetts.
 JOHN E. MOSS, of California.
 ABRAHAM J. MULTER, of New York.
 WILLIAM T. MURPHY, of Illinois.
 LUCIEN N. NEDZI, of Michigan.
 ANCHER NELSEN, of Minnesota.
 ROBERT N. C. NIX, of Pennsylvania.
 LEO W. O'BRIEN, of New York.
 THOMAS J. O'BRIEN, of Illinois.
 BARRATT O'HARA, of Illinois.

JAMES G. O'HARA, of Michigan.
 ALVIN E. O'KONSKI, of Wisconsin.
 THOMAS P. O'NEILL, JR., of Massachusetts.
 FRANK C. OSMERS, of New Jersey.
 HAROLD C. OSTERTAG, of New York.
 THOMAS M. PELLY, of Washington.
 PHILIP J. PHILBIN, of Massachusetts.
 OTIS G. PIKE, of New York.
 ALEXANDER PIRNIE, of New York.
 MELVIN PRICE, of Illinois.
 ROMAN C. PUCINSKI, of Illinois.
 WILLIAM J. RANDALL, of Missouri.
 BEN REIFEL, of South Dakota.
 HENRY S. REUSS, of Wisconsin.
 GEORGE M. RHODES, of Pennsylvania.
 R. WALTER RIEHLMAN, of New York.
 RALPH J. RIVERS, of Alaska.
 HOWARD W. ROBISON, of New York.
 PETER W. RODINO, JR., of New Jersey.
 BYRON G. ROGERS, of Colorado.
 JOHN J. ROONEY, of New York.
 JAMES ROOSEVELT, of California.
 BENJAMIN S. ROSENTHAL, of New York.
 DAN ROSTENKOWSKI, of Illinois.
 HAROLD M. RYAN, of Michigan.
 WILLIAM FITTS RYAN, of New York.
 KATHARINE ST. GEORGE, of New York.
 FERNAND J. ST. GERMAIN, of Rhode Island.
 ALFRED E. SANTANGELO, of New York.
 D. S. SAUND, of California.
 RICHARD S. SCHWEIKER, of Pennsylvania.
 WILLIAM W. SCRANTON, of Pennsylvania.
 HORACE SEELY-BROWN, JR., of Connecticut.
 JOHN F. SHELLEY, of California.
 GARNER E. SHRIVER, of Kansas.
 ABNER W. SIBAL, of Connecticut.
 B. F. SISK, of California.
 JOHN M. SLACK, JR., of West Virginia.
 BRENT SPENCE, of Kentucky.
 WILLIAM L. SPRINGER, of Illinois.
 ROBERT T. STAFFORD, of Vermont.
 HARLEY O. STAGGERS, of West Virginia.
 SAMUEL S. STRATTON, of New York.
 LEONOR KRETZER SULLIVAN, of Missouri.
 FRANK THOMPSON, JR., of New Jersey.
 HOMER THORNBERRY, of Texas.
 HERMAN TOLL, of Pennsylvania.
 THOR C. TOLLEFSON, of Washington.
 STANLEY R. TUPPER, of Maine.
 MORRIS K. UDALL, of Arizona.
 CHARLES A. VANIK, of Ohio.
 JAMES E. VAN ZANDT, of Pennsylvania.
 JOE D. WAGGONER, JR., of Louisiana.
 GEORGE M. WALLHAUSER, of New Jersey.
 JOHN C. WATTS, of Kentucky.
 PHIL WEAVER, of Nebraska.
 JESSICA McC. WEIS, of New York.
 J. IRVING WHALLEY, of Pennsylvania.
 J. ERNEST WHARTON, of New York.
 WILLIAM B. WIDNALL, of New Jersey.
 BOB WILSON, of California.
 SIDNEY R. YATES, of Illinois.
 CLEMENT J. ZABLOCKI, of Wisconsin.
 HERBERT ZELENKO, of New York.

ARCHITECT OF CAPITOL CITED FOR SAFETY PROGRAM

Mr. STEED. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. STEED. Mr. Speaker, the Architect of the Capitol, Mr. J. George Stewart, was cited for honorable mention for the President's Safety Award at a presentation ceremony held June 8 at the Executive Offices Building.

It is good to see this evidence of the success of the safety and fire prevention program carried on at the Capitol for the last 4 years under the administration of Mr. Stewart. The House Legislative Ap-

propriations Subcommittee originally approved this work, and I trust it will be carried on and appropriately implemented in the future.

I also take this opportunity to pay tribute to the safety programs of the Departments of the Treasury and the Army and of the Federal Power Commission, which won the President's Safety Awards for 1961, presented by Vice President LYNDON B. JOHNSON.

At this point I wish to insert the remarks of the Architect in response to the presentation of the award:

REMARKS OF J. GEORGE STEWART, ARCHITECT OF THE CAPITOL

Mr. Vice President, Mr. Secretary, honored guests, ladies, and gentlemen, I would like to introduce three of my assistants who accompany me: Mr. Thomas F. Clancy, Supervising Engineer, Capitol Building; Mr. Robert F. Dalrymple, Safety Engineer; and Mr. William C. Justice, Chief Engineer at the Capitol Power Plant.

Just 4 years ago I appeared before the Appropriations Committees of the House and Senate and put forth a proposal to establish a small Safety and Fire Prevention Department on Capitol Hill.

I was granted funds at that time for a safety engineer and this force has since been augmented by safety inspectors. We are proud of this department and the work it has accomplished in this brief period.

Our buildings, which include the Capitol—the "Workshop of Congress" and a building of great importance and interest to the American people—are constantly being improved from a safety standpoint. Last fall the Congress appropriated \$475,000 for elimination of fire hazards in the Capitol and this work is proceeding.

Many of our supervisors have received special training in safety and these employees in turn have trained men under their control. And above all else, today we are all safety conscious.

The Congress can justly be proud of this program and as I accept this award today, I do so in the name of the Congress, as well as my staff and myself, whose combined efforts have made this program and this award possible.

And while we are infants in this program, having started late, I now serve notice on all departments of the Government that we will be back later competing for a higher award.

WALNUT VENEER INDUSTRY

The SPEAKER pro tempore (Mr. LIBONATI). Under previous order of the House, the gentleman from Illinois [Mr. O'HARA] is recognized for 60 minutes.

Mr. O'HARA of Illinois. Mr. Speaker, the black walnut tree is as American as "Yankee Doodle Dandy," as Uncle Sam himself.

It is grown chiefly in five or six Middle Western States, is one of the few products exclusively American and it furnishes one of the world's most precious timbers for the manufacture of fine furniture. Its extinction would be no less than a national calamity, resulting from the careless dissipation of a rich heritage and neglect of its protection.

Sentiment, I presume, has much to do with the patterns of our lives and the direction of our interests. It is the sentiment of a long ago boyhood that brings me to the well in this historic Chamber to join with my colleagues from the few States where the black walnut grows to alert the House and the Nation to an

alarming situation that threatens the extinction of this uniquely American tree.

The black walnut tree was the constant companion of my boyhood as it was that of most boys of the period in the Middle West. It was part and parcel of the America I knew, growing up as a boy in the village of Berrien Springs, then county seat of Berrien County in Michigan, 10 miles distant from the nearest town by horse and buggy over very sandy or very muddy roads.

But on the outskirts of our village we had our black walnut trees, and they were our pride and joy. Natives of our soil—no imports and transplantings these—we sensed that they were part of the history of our country and when we played games of war it always was a black walnut tree that served as the American fortress when hostile redskins or British redcoats were on simulated attack.

On Saturdays and other days after school in picking time I and my schoolmates would compete at gathering walnuts, shucking them and leaving them on roofs and elsewhere to dry out. Shucking black walnuts with the bare hands leaves a deep yellow stain. In our school the boy with lily white hands in walnut time was thought a bit of a sissy. The boy with the deepest yellow stain on his hands was the leader and the champion. Youth in the Middle West in those days measured American manhood by the depth of the yellow stain of the black walnut.

This was 70 or more years ago. It was not long after the close of the Civil War, and there were living then many who had fought in the war with Mexico and a few veterans of the War of 1812. America was growing up, and as it had been from the very first the native American black walnut tree was growing up with America, an inseparable part of what we call Americana.

Yes, Mr. Speaker, the black walnut tree is as American as Yankee Doodle Dandy; as Uncle Sam himself. This is the reason I have asked this time to discuss the plight of a unique American industry. Unique in fact for the entire world, because in our great Midwest are the last stands of that most beautiful of hardwoods, the American black walnut tree.

Unless we do something in the very near future to prevent the rapid depletion of this valuable natural resource, this loveliest of furniture woods soon will be gone, and it will take generations to replace it, if, indeed, it can be replaced at all.

Here are the simple facts:

Countries abroad, short of hardwood which they have squandered on their own soil, are buying increasing quantities of black walnut veneer logs in this country, driving up the price to astronomical figures and threatening the very existence of our domestic industry.

Exports of American black walnut veneer logs have increased from 600,000 board feet in 1954 to over 10 million board feet in 1960, and a comparable rate last year. Unless some curb is placed on these exports, they will go higher. These exports, plus reasonable

domestic usage—far less than the domestic usage in the twenties—have started a net drain; have upset the growth-drain balance necessary to the maintenance of black walnut as an American natural resource. If something is not done to stop this drain, black walnut will disappear—it will become a curio, like the American buffalo—in a few short years.

The export price of this most valuable hardwood log native to the United States has increased from \$425 per thousand feet—the 1955–58 range—to about \$825 per thousand board feet last year; in 1962, the average has been \$970—certainly an inflationary trend.

The walnut veneer industry is centered in the midwest—in the States of Illinois, Indiana, Iowa, Missouri, Ohio, Kentucky, and Tennessee, and to some extent in Pennsylvania and West Virginia.

The industry has taken two steps to preserve this natural resource:

The first is its program, now in its 33d year, for conservation and replanting of black walnut trees here at home. I shall discuss this in a moment, while pointing out that it takes 50 years or more to get a walnut tree to usable size; much longer for a prime veneer quality tree.

Second, the industry has made a direct application to the Secretary of Commerce for relief under the Export Control Act of 1949. By that act, the Congress declared it to be the policy of the United States to impose export controls "to protect the domestic economy from the excessive drain of scarce materials and to reduce the inflationary impact of abnormal foreign demand."

Certainly, Mr. Speaker, the present plight of the walnut veneer industry comes under this provision. Although a hearing was held in the Department of Commerce last November, attended by officials from all interested Government departments, there has been no action.

You will note that no tariff problem is involved here, and no interference whatever with President Kennedy's proposal for increasing the flow of trade.

As a matter of fact, preservation of black walnut veneer logs for use by domestic industry, would indeed be of assistance, because it would stimulate export of veneer or manufactured veneer products, whose value has been enhanced by the incorporation of substantial American labor. The same dollar export value of walnut veneer represents only one-third the volume of logs it takes to create that same export value.

Now, of course, these walnut logs—the raw material of the domestic veneer industry—are being shipped overseas because these foreign countries can pay more than twice as much for high quality American logs due to lower wage and production costs.

As examples, the average hourly wage rate in the American walnut veneer industry is \$1.57, which contrasts sharply with rates of 52 cents in West Germany, 26 cents in Italy, and 20 cents in Japan, the three countries to which the great bulk of exported walnut veneer logs are being shipped.

No wonder these foreign manufacturers can buy our precious logs at double what our domestic manufacturers can afford to pay. They manufacture the veneer abroad, with their cheaper labor and costs, and ship finished plywood and furniture back to the United States for sale. This is no idle thought. It is being done. Most of the American black walnut logs exported in the last few years have been consumed abroad as the European economy has prospered, but some is now finding its way back to the United States, where it is being sold in competition with the products of American industry, at lower prices than American manufacturers can afford.

The American walnut veneer industry is not an integrated one—90 percent of the product of the industry is walnut veneer, for use by plywood and furniture manufacturers. Several of the companies are located in areas which the Secretary of Labor has designated as areas of substantial unemployment. All of the manufacturers have curtailed or postponed plans for modernization or upgrading of their facilities. Some have already curtailed operations—all as a result of the crisis occasioned by this abnormal foreign demand. To further withhold the relief to which the Export Control Act entitles them would be to intensify the unemployment problems of these already distressed areas and to aggravate the economic problems of the industry—to consign American black walnut to the status of a curio—a relic of what once was great—and uniquely American.

As I said, Mr. Speaker, the industry is active in its efforts to conserve and develop the supply of black walnut trees in the areas where they can be grown.

Black walnut, unlike other hardwoods, is not found and will not grow in large stands, but it grows sparsely, in small farm woodlots among other species and as scattered field and pasture trees. The industry has cooperated in Federal and State forestry programs designed to encourage the planting, management and proper harvesting of black walnut trees. Each year with the help of civic organizations, 4-H Clubs, Boy Scouts, and county agents, it supplies thousands of bushels of seed walnuts to State nurseries, which process and distribute seedlings and stratified seed walnuts to landowners for planting. The industry has cooperated with State and Federal forestry agencies in conducting and financing experiments to improve the growth and quality of walnut trees. It provides for the publication and distribution of educational pamphlets, strip films on proper planting of walnuts and seedlings and the proper care and harvesting of walnut trees in order to obtain the maximum yield of high quality wood.

In summing up, Mr. Speaker, may I point out again that this sharp increase in foreign demand for high-quality walnut logs, skimming the cream, if you please, will soon exhaust the limited supply of logs available to this and even future generations unless we stop it.

The abnormal foreign demand has driven up prices paid by domestic veneer producers and this increase has led in turn to higher retail prices which Ameri-

can consumers must pay for furniture, paneling, and other products made from walnut.

Continued depletion of high-quality walnut logs will compel domestic producers to curtail or cease operation, resulting in the loss of investment and increase in unemployment in areas already found to have substantial unemployment.

In order to protect the domestic economy from the excessive drain of this great natural resource, the industry has asked that exportation be cutback at least to the 1955–59 average annual export volume which would be about 2 million board feet.

This would help promote the domestic economy and would not injure our foreign trade policies.

I suggest this request is a very reasonable one. I hope it will get prompt and sympathetic attention from our Government.

This is a unique and pressing problem and I deemed it wise to bring it to the attention of the House.

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

Mr. O'HARA of Illinois. I am glad to yield to my distinguished colleague, the gentleman from Indiana.

Mr. DENTON. Mr. Speaker, I want to compliment the gentleman from Illinois for bringing to the attention of the Congress the serious problem of depletion of our domestic supply of walnut timber and I wish to associate myself with the statement which he has made.

I have a number of constituents, principally in New Albany, Ind., who are engaged in the walnut veneer manufacturing business and they advise me that during the last 10 years there has been a tremendous increase in the exportation of walnut logs to other countries, principally Germany, Italy, and Japan. This has made it very difficult for walnut veneer manufacturers to secure walnut logs, but if this rate of export continues, the entire source of their supply of walnut veneer logs in this country will be used up and destroyed.

It seems to me that this is a clear case for relief under provisions of the Export Control Act.

Mr. O'HARA of Illinois. I thank my friend from Indiana for his valuable contribution. He realizes, as do most of us in the Middle West, the importance of this industry. The black walnut tree is a native of our country. It is only grown here. To ship the unprocessed logs to other countries is bad for American industry and destructive of a great American raw material.

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

Mr. O'HARA of Illinois. I yield.

Mr. McCULLOCH. I have listened with a great deal of interest and some nostalgia to my distinguished colleague's story of his boyhood and his roaming of the woods. I too have long been a lover of trees in general and of the walnut tree in particular, because in that part of Ohio from which I come is found some of the finest walnut trees that grow in all the world. The burls and figures in the walnut wood are the envy of the best cabinet makers all over the world. It is the type of walnut which

was used on the walls of this Chamber and it is the type of the beautiful paneling in the Members' reception room in the Capitol, which was just completed this year.

I am happy indeed that my colleague from Illinois has taken time to let the Members of the House know what is happening to our walnut trees.

Whenever I think of trees, of course, I think of that immortal poem of Joyce Kilmer, and without objection from the House I would like to read it into the Record at this point.

Mr. O'HARA of Illinois. I wish the gentleman would.

Mr. McCULLOCH. It is as follows:

TREES

"I think that I shall never see
A poem lovely as a tree.
"A tree whose hungry mouth is pressed
Against the earth's sweet-flowing breast;
"A tree that looks at God all day,
And lifts her leafy arms to pray;
"A tree that may in summer wear
A nest of robins in her hair;
"Upon whose bosom snow has lain;
Who intimately lives with rain.
"Poems are made by fools like me,
But only God can make a tree."

As my distinguished colleague has said, it takes a long time to grow almost any kind of tree, but it takes a particularly long time to grow a walnut tree for veneer use. Seventy or more years. We have had important statistics from our distinguished colleagues. I would like to add one. From 1954 to 1960 exportation of walnut logs increased seventeenfold while domestic use has increased barely 3 percent.

Logs are now bought in Ohio and shipped to New Orleans, down the Gulf of Mexico, through the Panama Canal and across thousands of miles of the Pacific, and there made into veneer, one sixty-second of an inch thick where it may be processed by the delicate and loving hands of the Japanese and then becomes a part of the best furniture, or as good furniture as is made in all the world. We cannot process veneer by hand, our wages are too high. We must process veneer by mechanical abrasion, and for that reason we cannot cut and economically use veneer much, if any less, than one thirty-second of an inch thick.

So we are constantly outbid by our friends in three, four, or five countries in the world, though all the while most nations have export controls on the lumber that is in scarce supply in their countries.

As our distinguished colleague from Indiana has said, the material facts are before the responsible Departments, Commerce and State, and the justification for invoking the law is clear and convincing. I hope with what the gentleman from Illinois has said, and what others will say from these five, six, or seven Midwestern States, those who are responsible for the safety and welfare of this country will act pursuant to law in accordance with the evidence before them.

I had intended, Mr. Speaker, to end here, but in addition to the use of walnut lumber for fine furniture, panels, and cabinetwork, there has never been

found a material that is better for use in gunstocks, both in army rifles and in sporting weapons, than walnut.

Walnut gunstocks have stopped the bullets and shrapnel of many an enemy before they tore into the flesh of American soldiers. Furthermore, they have withstood the wind, the rain, the freezing, the cold of the North and the heat and steam of the jungle, and when properly cared for by the soldier who depended upon it for his protection always responded with a reliability and a smoothness and a warmth that no other wood has ever shown.

So I hope, Mr. Speaker, that those who have never been in the country, who have never planted a walnut tree, will reconsider the record and have the courage to do that which should be done.

I thank the gentleman for yielding to me so much of his time.

Mr. O'HARA of Illinois. I thank my beloved friend from Ohio. I appreciate his reading of that beautiful poem, his tribute to trees in general, and especially the American black walnut tree.

It may be sentiment, but it seems to me that all worthwhile things of this world are grounded in sentiment—love of family, love of nation, and love of native trees. To me the black walnut tree stands for my country. It was here and here only before Columbus came to America, it was here when the Indians were roaming this country, it was here in the morning years of our Republic, a great and a noble tree grown only in the United States. It is not a transplanted tree. It is ours, our only uniquely American tree. Now it is threatened with being wiped out because of a lack of understanding that we cannot export excessive quantities of these native trees to be processed abroad.

Mr. Speaker, I speak with deep emotion. I would speak with the same deep emotion if Yankee Doodle Dandy were under attack and there was danger of Yankee Doodle Dandy being sent out of the United States. So, with the same sentiments and the same emotion I speak for the American black walnut tree.

Mr. Speaker, I ask unanimous consent to revise and extend my remarks and that all Members may have 5 legislative days in which to extend their remarks on this subject.

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

There was no objection.

PLIGHT OF THE TEXTILE INDUSTRY

The SPEAKER pro tempore. Under previous order of the House, the gentleman from North Carolina [Mr. JONAS] is recognized for 15 minutes.

Mr. JONAS. Mr. Speaker, soon after taking office in 1961, Secretary of Agriculture Freeman announced an increase in the price supports for cotton. Since this increase in the domestic price support level pushed the world price of cotton still higher than the domestic price, the Secretary increased the cotton export subsidy to 8½ cents per pound.

Recently I received a letter from the president of one of the most modern yarn mills in the country. He points out in

this letter that the increase in the domestic price support level caused the price of the type of cotton he uses to go up from 32.50 cents to 37.33 cents per pound, and that the increase in the export subsidy to 8½ cents make it possible for his competitors abroad to buy American-grown cotton for \$42.50 a bale less than he has to pay for the same type of cotton.

The following is quoted from the letter of this textile manufacturer. It points up with stark reality the difficulties faced by the domestic textile producers under current policies of the U.S. Government:

We have one of the most modern textile spinning mills in the world; it was completed in early 1961. The plant employs 101 people including myself; it has all new machinery, new production methods, and strict quality control. Our manufacturing space is all refrigerated, clean, and is ideal for employee comfort and manufacturing. Our yarn quality is excellent and our customers are pleased with our quality. We all feel that we have done everything humanly possible to build an efficient plant to employ personnel who were left without work when a previous spinning mill closed down on the same location.

We have been in a relatively bad market since we made our first pound of yarn. The cotton cost has risen from 32.50 cents to 37.33 cents per pound and the yarn prices have declined. Our product is all cotton carded knitting yarns from 14/1 to 30/1; we spin Memphis Territory Cotton.

Last week I was in southern Germany and Switzerland looking at the newest Swiss textile machinery and methods in production. The mills there were spinning cotton from Pakistan. The management informed me that they could buy cotton from Pakistan and other countries other than the United States for 3 cents per pound cheaper than they could buy cotton from the United States—even with our 8½ cents per pound subsidy.

When I came back last Thursday, I called on my knitting customers in New York. I could not procure any new business because they frankly showed me Portuguese yarn that they were buying for 11 cents per pound cheaper delivered than our costs.

This two-price system for cotton, under which the taxpayers of the United States are subsidizing foreign textile producers to the extent of \$42.50 per bale of cotton, will destroy the domestic textile industry unless prompt relief is granted. Not only is there a substantial disparity in production costs by reason of low-wage rates abroad, but our Government is actually increasing this disparity by making American-grown cotton available to foreign producers at 8½ cents a pound cheaper than U.S. mills have to pay for it.

In view of these facts, it is not surprising that the Carded Yarn Association reports that the "March 1962 monthly total of cotton yarn imports represents an alltime peak following a pattern of steadily increasing volume."

Although 901—a yarn imports into this country were supposed to be frozen in the short term Geneva pact at 8,336,000 pounds for the base year, 12,811,000 pounds have already entered this country during the first 6 months of the agreement and there are still 6 more months to go. In other words, imports of carded single yarns in the period from

October 1961 through April of 1962 already exceed by 175 percent the entire base year quantity allowed under the Short Term Geneva Agreement of last year.

The Southern Textile News reported in its March 31, 1962, issue that "textile imports gain sharply during the last quarter of 1961" and quotes from figures released by the U.S. Department of Commerce which indicate that imports of cotton broadwoven cloth for January 1962 amounted to 48.7 million square yards, which was an increase of 70 percent over the December 1961 imports of 34.3 million square yards. The January total was at an annual rate of 584.4 million square yards.

This substantial increase in textile imports since the Short Term Geneva Agreement was made is not only alarming in itself but the danger is compounded by the fact that imports during the period from October 1, 1961, to October 1, 1962 will form the basic levels which will go into effect with the start of the "long-term"—5-year—Geneva agreement, October 1, 1962.

If imports continue to increase as they have increased during the first 6 months of the short-term agreement, the import figures that will be used to form the basis of the long-term agreement will be substantially higher than the domestic producers were led to believe when the Geneva agreement was made.

I respectfully request prompt action on the part of our Government to take such steps as may be necessary to halt this tremendously increasing flow of textile products into this country. The Government has the ability to take such action. The only question is whether the necessary steps will be taken and how soon. The Interagency Textile Administrative Committee announced on April 10 that action had been taken which resulted in the cessation of the exportation of certain cotton textiles from Spain to the United States.

An April 10, 1962, news release from the Office of the Secretary of Commerce, announcing the cessation of certain cotton textile exports from Spain to the United States, clearly shows that our Government is not powerless to protect the textile industry against disruption from unrestricted imports from abroad. The tremendous increase in shipments of certain categories of cotton textiles since October 1, 1961, is a sufficient danger signal to cause our Government to act in the interest of protecting the hundreds of thousands of people who derive their livelihood from the domestic textile industry, as well as those who have their money invested in that industry. The following quotation is taken from the news release just mentioned:

Under the terms of the agreement, a participating country, if unrestricted imports of cotton textiles are causing or threatening to cause disruption of its domestic market, may request the participating country responsible to restrain, at a specified level not longer than the level prevailing for the 12-month period ending June 30, 1961, its exports of those cotton textiles causing or threatening to cause such disruption. The arrangement provides for a 30-day discussion period in which the governments concerned may reach an agreement on the matters in-

involved. Failing to achieve such an agreement, the requesting country may decline to accept imports at a level higher than the specified level, and in critical circumstances, action may be taken provisionally by either country involved while the request is under discussion.

Unless the Government takes steps immediately to stabilize textile imports at the 1961 levels, the injury and damage done to the domestic textile industry, and to the hundreds of thousands of U.S. citizens who derive their livelihood from that industry, will be irreparable. The extent of this damage cannot even be calculated because it will be projected far into the future.

As a Member of Congress who has supported the efforts of the textile industry to obtain relief from the inexcusable and unreasonable two-price cotton system, I would most respectfully urge the U.S. Tariff Commission to hand down its decision without further delay in the section 22 proceeding that was instituted before that Commission on November 21, 1961. The Commission completed hearings in the case on February 23, 1962, and final briefs were filed on March 26. Surely sufficient time has elapsed since March 26 for the Tariff Commission to render a decision on such a vital matter. It is now June 12 and soon 3 months will have elapsed since final briefs were filed. Certainly that should have been sufficient time to enable the Commission to render a decision in view of the emergency nature of the problem and the urgency for prompt and favorable action.

In my humble judgment, it would be unconscionable for the 8½ cents per pound cotton export subsidy to be continued without an equalizing fee to protect the textile industry against such unreasonable competition.

The need for immediate action should be obvious to all concerned and I sincerely hope that a favorable decision will be rendered by the Tariff Commission and that the decision will not longer be delayed.

I conclude my remarks on this subject today by including the text of a resolution adopted on June 6, 1962, by the Carded Yarn Association, Inc., and a similar resolution adopted on June 7, 1962, by the North Carolina Textile Manufacturers Association:

RESOLUTION ADOPTED BY THE MEMBERS OF THE CARDED YARN ASSOCIATION, INC., JUNE 6, 1962

Whereas under Government policy, the U.S. manufacturers of cotton yarns must pay 8½ cents per pound or \$42.50 per bale more for their raw cotton than do the foreign manufacturers of yarn; and

Whereas this differential, resulting from the two-price cotton system, gives to the foreign manufacturer a grossly unfair advantage in selling his products in the U.S. markets in competition with the U.S. manufacturer; and

Whereas the profit windfall so created for the foreign manufacturer provides a tremendous stimulus to greatly increase the shipments of yarns to the U.S. markets, resulting in imports of carded single yarns in the period October 1961 through April 1962 which already exceed 175 percent of the entire 1961 base year quantity under the Short Term Geneva Agreement; and

Whereas this excess of imports will have the effect of raising permissive yarn imports

under the long-term Geneva agreements to a level far higher than contemplated in the Geneva negotiations; and

Whereas President Kennedy, under point 4 of his program for textiles, directed that the Secretary of Agriculture find a method of eliminating or offsetting the disadvantage the American cotton mill has, compared to the foreign mill, in respect to its raw material cost; and

Whereas action was initiated before the Tariff Commission, under section 22 of the Agricultural Adjustment Act to implement such directive, with the Department of Agriculture urging the imposition of an 8½-cent offset fee on the raw cotton content of cotton textile imports; and

Whereas because cotton yarn represents the first major semimanufactured product in processing cotton, and raw cotton constitutes an extremely high percentage of total cost, the domestic yarn industry will be destroyed unless the cotton differential is offset: Now, therefore, be it

Resolved, That the Carded Yarn Association, speaking in behalf of every cotton spinner and every cotton mill employee, calls on each Member of Congress to express his vigorous support, for the imposition of an offset fee of 8½ cents per pound raw cotton content, to President Kennedy and to the Tariff Commission; and, to all others who have a concern in, and responsibility for, the correction of this gross injustice.

RESOLUTION ADOPTED BY THE NORTH CAROLINA TEXTILE MANUFACTURERS ASSOCIATION, JUNE 7, 1962

American-grown cotton can be purchased by foreign textile plants for \$42.50 per bale less than the price American mills must pay for identical cotton. This phenomenal differential places domestic mills in a serious noncompetitive position.

President Kennedy on May 2, 1961, announced a textile program which included a key point to eliminate or offset this two-price cotton differential. Secretary of Agriculture Freeman, on November 13, 1961, requested the President to have the Tariff Commission investigate under section 22 of the Agricultural Adjustment Act the need for an offset import fee on cotton textile commodities to equalize the raw cotton cost differential between foreign and American mills.

Following the President's request of November 21, the Tariff Commission held hearings, which were completed February 23, 1962, and received final briefs on March 26.

Since that time no action has been taken.

Meanwhile, the flood of imports of textiles continues and is rising. The delay of the Tariff Commission's decision is fostering confusion and uncertainty in an already volatile market. It has halted incentive for purchases of capital equipment and is nullifying plans for plant expansion.

We, the textile manufacturers of North Carolina, urgently and respectfully request the Tariff Commission to make a prompt decision in this vitally important case. We believe the vast textile industry and many Members of Congress who have demonstrated an interest in this subject have a right to know the result.

Mr. JONAS. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous matter.

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

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. THOMPSON of New Jersey (at the request of Mr. MORRISON), for today, June 12, 1962, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. WRIGHT, for 45 minutes, on Thursday, June 14.

Mr. MICHEL, for 15 minutes, on Wednesday, June 13.

Mr. ALEXANDER (at the request of Mr. ALBERT), for 1 hour, on Thursday next.

Mr. JONAS (at the request of Mrs. MAY), for 15 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. JOHN W. DAVIS and to include an address by Mr. THORNBERRY.

Mr. MADDEN to include testimony before the Committee on Interstate and Foreign Commerce yesterday.

Mr. ROOSEVELT in two instances, and to include extraneous matter.

Mr. ASPINALL, his remarks in the Committee of the Whole, and to include certain letters and other material pertinent to the issue under consideration.

Mr. SAYLOR, his remarks in the Committee of the Whole, and to include extraneous matter, including certain tables.

Mr. CHENOWETH, his remarks in the Committee of the Whole, and to include extraneous matter and communications.

(The following Members (at the request of Mr. ALBERT) and to include extraneous matter:)

Mr. KOWALSKI.

Mr. THOMAS.

Mr. MULZER.

Mr. GONZALEZ.

Mr. BOLAND.

(The following Members (at the request of Mrs. MAY) and to include extraneous matter:)

Mr. GOODLING.

Mr. TOLLEFSON.

Mr. CONTE.

Mr. ROUSSELOT.

BILLS PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on June 11, 1962, present to the President, for his approval, bills of the House of the following titles:

H.R. 2833. An act for the relief of Franziska Aloisia Fuchs;

H.R. 3247. An act to amend section 2385 of title 18 of the United States Code to define the term "organize" as used in that section;

H.R. 3595. An act for the relief of Anna Isernia Alloca;

H.R. 3633. An act for the relief of Angelina Rainone;

H.R. 3714. An act for the relief of Janina Maciejewska;

H.R. 4655. An act for the relief of Adele Anis Mansour;

H.R. 6330. An act for the relief of Vincent Edward Hughes, his wife, Carmel Philomena Hughes, and their alien children;

H.R. 6695. An act to amend title 39 of the United States Code with respect to the trans-

portation of mail by highway post office services, and for other purposes;

H.R. 7061. An act to amend title 39 of the United States Code to provide for payment for unused compensatory time owing to deceased postal employees, and for other purposes;

H.R. 7416. An act to authorize the Bureau of the Census to make appropriate reimbursements between the respective appropriations available to the Bureau, and for other purposes; and

H.R. 7559. An act to amend title 39 of the United States Code to provide for additional writing or printing on third- and fourth-class mail.

ADJOURNMENT

Mr. HAGAN of Georgia. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 37 minutes p.m.) the House adjourned until tomorrow, Wednesday, June 13, 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:

2173. A communication from the President of the United States, transmitting amendments to the budget for the fiscal year 1963 involving a net decrease in the amount of \$16,700,000 for the Agency for International Development (H. Doc. No. 430); to the Committee on Appropriations and ordered to be printed.

2174. A communication from the President of the United States, transmitting a proposed amendment to the budget for the fiscal year 1963 involving an increase in the amount of \$750,000 for the Department of the Interior (H. Doc. No. 431); to the Committee on Appropriations and ordered to be printed.

2175. A letter from the Administrator, Federal Aviation Agency, transmitting a report on violations of administrative control of funds procedures promulgated by this Agency in accordance with section 3679 of the Revised Statutes, as amended; to the Committee on Appropriations.

2176. A letter from the Commissioner, Immigration and Naturalization Service, U.S. Department of Justice, transmitting copies of orders entered in cases where the authority contained in section 212(d)(3) of the Immigration and Nationality Act was exercised in behalf of such aliens, pursuant to the Immigration and Nationality Act; to the Committee on the Judiciary.

2177. A letter from the Secretary of Agriculture, transmitting a draft of a proposed bill entitled "A bill to facilitate the work of the Department of Agriculture, and for other purposes"; to the Committee on Agriculture.

2178. 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 is submitted to the Speaker of the House of Representatives pursuant to rule XL 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. BOLLING: Committee on Rules. House Resolution 685. Resolution providing for the consideration of H.R. 11990, a bill to provide for a temporary increase in the public debt limit set forth in section 21 of the Second Liberty Bond Act; without amendment (Rept. No. 1806). Referred to the House Calendar.

Mr. PHILBIN: Committee on Armed Services. H.R. 7278. A bill to amend the act of June 5, 1952, so as to remove certain restrictions on the real property conveyed to the Territory of Hawaii by the United States under authority of such act; without amendment (Rept. No. 1807). Referred to the Committee of the Whole House on the State of the Union.

Mr. PHILBIN: Committee on Armed Services. H.R. 10263. A bill to authorize the Secretary of the Air Force to adjust the legislative jurisdiction exercised by the United States over lands within Eglin Air Force Base, Fla.; without amendment (Rept. No. 1808). Referred to the Committee of the Whole House on the State of the Union.

Mr. PHILBIN: Committee on Armed Services. H.R. 10825. A bill to repeal the act of August 4, 1959 (73 Stat. 280); without amendment (Rept. No. 1809). Referred to the Committee of the Whole House on the State of the Union.

Mr. PHILBIN: Committee on Armed Services. H.R. 11251. A bill to authorize the Secretary of the Army to relinquish to the State of New Jersey jurisdiction over any lands within the Fort Hancock Military Reservation; without amendment (Rept. No. 1810). Referred to the Committee of the Whole House on the State of the Union.

Mr. O'BRIEN of Illinois: Committee on Ways and Means. H.R. 8824. A bill to modify the application of the personal holding company tax in the case of consumer finance companies; with amendment (Rept. No. 1811). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILLS: Committee on Ways and Means. H.R. 12061. A bill to extend the Renegotiation Act of 1951; without amendment (Rept. No. 1812). Referred to the Committee of the Whole House on the State of the Union.

Mr. ROGERS of Texas: Committee on Interstate and Foreign Commerce. H.R. 11244. A bill to supplement certain provisions of Federal law incorporating the Texas & Pacific Railway Co. in order to give certain additional authority to such company; with amendment (Rept. No. 1813). Referred to the House Calendar.

Mr. BENNETT of Florida: Committee on Armed Services. H.R. 12037. A bill to authorize the loan of naval vessels to friendly foreign countries and the extension of certain naval vessel loans now in existence; without amendment (Rept. No. 1814). Referred to the Committee of the Whole House on the State of the Union.

Mr. COOLEY: Committee of conference. H.R. 10788. A bill to amend section 204 of the Agricultural Act of 1956 (Rept. No. 1817). Ordered to be printed.

Mr. MILLS: Committee on Ways and Means. H.R. 11970. A bill to promote the general welfare, foreign policy, and security of the United States through international trade agreements and through adjustment assistance to domestic industry, agriculture, and labor, and for other purposes; with amendment (Rept. No. 1818). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the

Clerk for printing and reference to the proper calendar, as follows:

Mr. FEIGHAN: Committee on the Judiciary. H.R. 1304. A bill for the relief of Jung Hae; with amendment (Rept. No. 1799). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. H.R. 1488. A bill for the relief of Clara G. Maggiora; without amendment (Rept. No. 1800). Referred to the Committee of the Whole House.

Mr. CHELF: Committee on the Judiciary. H.R. 2371. A bill for the relief of Ali Khosrowkhab; without amendment (Rept. No. 1801). Referred to the Committee of the Whole House.

Mr. POFF: Committee on the Judiciary. H.R. 2604. A bill for the relief of Pietro Dattoli; without amendment (Rept. No. 1802). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H.R. 2664. A bill for the relief of Mrs. Irena Ratajczak; without amendment (Rept. No. 1803). Referred to the Committee of the Whole House.

Mr. POFF: Committee on the Judiciary. H.R. 3000. A bill for the relief of Lea Min Wong; without amendment (Rept. No. 1804). Referred to the Committee of the Whole House.

Mr. MORSE: Committee on the Judiciary. H.R. 3501. A bill for the relief of Mrs. Hasmik Arzoo; with amendment (Rept. No. 1805). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. H.R. 4718. A bill for the relief of Bogdan Kusulja; with amendment (Rept. No. 1815). Referred to the Committee of the Whole House.

Mr. CHELF: Committee on the Judiciary. H.R. 9186. A bill for the relief of Eladio Aris (also known as Eladio Aris Carvallo); with amendment (Rept. No. 1816). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BASS of Tennessee:

H.R. 12068. A bill to amend the U.S. Warehouse Act to prohibit kickbacks in connection with the storage of agricultural products, and for other purposes; to the Committee on Agriculture.

By Mr. CELLER:

H.R. 12069. A bill to extend authority for the waiver of nonimmigrant visas; to the Committee on the Judiciary.

By Mr. GIAIMO:

H.R. 12070. A bill to provide assistance in the field of special education to institutions of higher education, and to the States, for training personnel and undertaking research and demonstration projects, and to establish, for consultation in connection therewith, an advisory council and technical advisory committees; and to amend the Vocational Rehabilitation Act to provide services to determine rehabilitation potential, to expand vocational rehabilitation services, and to make grants for construction of rehabilitation facilities and workshops; to the Committee on Education and Labor.

By Mr. QUIE:

H.R. 12071. A bill to provide assistance in the field of special education to institutions of higher education, and to the States, for training personnel and undertaking research and demonstration projects, and to establish, for consultation in connection therewith, an advisory council and technical advisory committees; and to amend the Vocational Rehabilitation Act to provide services to determine rehabilitation potential, to expand vocational rehabilitation services, and to

make grants for construction of rehabilitation facilities and workshops; to the Committee on Education and Labor.

By Mr. GRAY:

H.R. 12072. A bill to amend the Tariff Act of 1930 to provide a uniform rate of duty for all grades of fluorspar at \$7.50 per short ton (\$8.40 per long ton); to the Committee on Ways and Means.

By Mr. KASTENMEIER:

H.R. 12073. A bill to amend section 605 of the Communications Act of 1934 as it relates to unauthorized publication of communications; to the Committee on Interstate and Foreign Commerce.

By Mr. KOWALSKI:

H.R. 12074. A bill to amend title 38 of the United States Code in order to provide a 1-year period during which certain veterans may be granted national service life insurance; to the Committee on Veterans' Affairs.

By Mr. MAILLIARD:

H.R. 12075. A bill to amend section 5 of the War Claims Act of 1948 to provide detention and other benefits to citizens of the United States who were captured in China by the armed forces of Japan during World War II and were interned by the Imperial Japanese Government; to the Committee on Interstate and Foreign Commerce.

By Mr. MONTOYA:

H.R. 12076. A bill to provide for the establishment of Valle Grande National Park in the State of New Mexico, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. NORBLAD:

H.R. 12077. A bill to provide for the medical and hospital care of the aged through a system of voluntary health insurance, and for other purposes; to the Committee on Ways and Means.

By Mr. O'BRIEN of New York:

H.R. 12078. A bill to provide for the settlement of claims of certain residents of the Trust Territory of the Pacific Island; to the Committee on Interior and Insular Affairs.

By Mr. PIKE:

H.R. 12079. A bill for the relief of Suffolk County, N.Y.; to the Committee on the Judiciary.

By Mr. SPENCE:

H.R. 12080. A bill to permit domestic banks to pay interest on time deposits of foreign governments at rates differing from those applicable to domestic depositors; to the Committee on Banking and Currency.

By Mr. TEAGUE of California:

H.R. 12081. A bill to authorize the Secretary of the Army to convey certain land and easement interests at Hunter-Liggett Military Reservation for construction of the San Antonio Dam and Reservoir project in exchange for other property; to the Committee on Armed Services.

By Mr. WALTER:

H.R. 12082. A bill to amend the Internal Security Act of 1950; to the Committee on Un-American Activities.

By Mr. BENNETT of Michigan:

H.R. 12083. A bill to authorize the addition of certain donated lands to the administrative headquarters site, Isle Royale National Park; to the Committee on Interior and Insular Affairs.

By Mr. BRUCE:

H.R. 12084. A bill to amend the Internal Revenue Code of 1954 to encourage individual responsibility in the field of medical care by expanding the present deduction for medical expenses to include all such expenses incurred by a taxpayer (regardless of the amount thereof and regardless of the person on whose behalf they are paid), and to provide comparable encouragement for individuals electing to take the standard deduction; to the Committee on Ways and Means.

By Mr. GONZALEZ:

H.R. 12085. A bill to assist the States in providing necessary instruction for adults

not proficient in basic educational skills through grants to States for pilot projects, improvement of State services, and programs of instruction, and through grants to institutions of higher learning for development of materials and methods of instruction and for training of teaching and supervisory personnel; to the Committee on Education and Labor.

H.R. 12086. A bill to amend the Civil Service Retirement Act to provide for the adjustment of inequities and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 12087. A bill to adjust the rates of basic compensation of certain officers and employees of the Federal Government, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. MACGREGOR:

H.R. 12088. A bill to amend the Internal Revenue Code of 1954 so as to provide for scheduled personal and corporate income tax reductions, and for other purposes; to the Committee on Ways and Means.

By Mr. PUCINSKI:

H.R. 12089. A bill to provide Federal assistance to local educational agencies to assist them to meet the financial burden resulting from the entry into their school systems of children from outside the State; to the Committee on Education and Labor.

By Mr. BREEDING:

H.J. Res. 734. Joint resolution deferring until July 15, 1962, the issuance of a proclamation with respect to a national wheat acreage allotment; to the Committee on Agriculture.

By Mr. HORAN:

H.J. Res. 735. Joint resolution requesting the President to enter into negotiations with Canada with respect to imports of softwood, and authorizing the establishment of temporary import quotas for softwood; to the Committee on Ways and Means.

By Mr. WESTLAND:

H.J. Res. 736. Joint resolution to provide for the acquisition and operation of the Freedom Train II by the Archivist of the United States, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. BELL:

H.J. Res. 737. Joint resolution extending recognition to the International Exposition for Southern California in the year 1966 and authorizing the President to issue a proclamation calling upon the several States of the Union and foreign countries to take part in the exposition; to the Committee on Foreign Affairs.

By Mr. GREEN of Pennsylvania:

H.J. Res. 738. Joint resolution to authorize the President to designate Philadelphia, Pa., as the site of a World's Fair commemorating the 200th anniversary of the signing of the Declaration of Independence; to the Committee on Foreign Affairs.

By Mr. MONTOYA:

H. Con. Res. 481. Concurrent resolution to favor the establishment of an International Living Museum of Anthropology and Ethnography; to the Committee on Foreign Affairs.

By Mr. HAYS:

H. Res. 686. Resolution expressing the sense of the House of Representatives with respect to non-Federal installation of electric generating facilities at Hanford, Wash.; to the Joint Committee on Atomic Energy.

MEMORIALS

Under clause 4 of rule XXII.

The SPEAKER presented a memorial of the Legislature of the State of New Jersey, memorializing the President and the Congress of the United States to authorize and provide for additional accommodations for veterans in the veterans' hospitals in East Orange and Lyons, N.J., which was referred to the Committee on Veterans' Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BATES:

H.R. 12090. A bill for the relief of James Comeau; to the Committee on the Judiciary.

By Mr. COHELAN:

H.R. 12091. A bill for the relief of Miss Helena Hilda Butterfield; to the Committee on the Judiciary.

By Mr. DAGUE:

H.R. 12092. A bill for the relief of Arthur H. Brackbill; to the Committee on the Judiciary.

H.R. 12093. A bill for the relief of Joseph Wolf, Jr.; to the Committee on the Judiciary.

H.R. 12094. A bill for the relief of Wilmer R. Bricker; to the Committee on the Judiciary.

H.R. 12095. A bill for the relief of William C. Doyle; to the Committee on the Judiciary.

By Mr. FARBSTEIN:

H.R. 12096. A bill for the relief of Mariano Fagone; to the Committee on the Judiciary.

H.R. 12097. A bill for the relief of John Houmis; to the Committee on the Judiciary.

By Mr. GAVIN:

H.R. 12098. A bill for the relief of Suh Hyang Hee; to the Committee on the Judiciary.

By Mr. HOLLAND:

H.R. 12099. A bill for the relief of Mrs. Zorka Boskov; to the Committee on the Judiciary.

By Mr. LINDSAY:

H.R. 12100. A bill for the relief of Mrs. Milagros Elizaga Jacoby (nee Uy); to the Committee on the Judiciary.

H.R. 12101. A bill for the relief of Mrs. Nathalie Iline; to the Committee on the Judiciary.

By Mr. MILLER of New York:

H.R. 12102. A bill for the relief of Jose Domenech; to the Committee on the Judiciary.

H.R. 12103. A bill for the relief of Dr. Sayed Ahmad Madani and Shami H. Madani; to the Committee on the Judiciary.

By Mr. POWELL:

H.R. 12104. A bill for the relief of Ging Sze Chin; to the Committee on the Judiciary.

By Mr. SHELLEY:

H.R. 12105. A bill for the relief of Alexei Bogdanoff; to the Committee on the Judiciary.

H.R. 12106. A bill for the relief of Avangella Karas; to the Committee on the Judiciary.

By Mr. MOELLER:

H. Res. 687. Resolution providing for sending the bill H.R. 11894 and accompanying papers to the Court of Claims; to the Committee on the Judiciary.

Thy patience as we labor on in the hope that sends a shining ray far down the future's broadening way.

Solemnize us with the consciousness that beyond the appraisals of men regarding what is said and done here, there falls upon the record of Thy servants who here serve the Republic, the searching light of Thy judgments.

We ask it in the name of the Master of all good workmen. Amen.

THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the reading of the Journal of the proceedings of Monday, June 11, 1962, was dispensed with.

MESSAGES FROM THE PRESIDENT—
APPROVAL OF BILLS AND JOINT
RESOLUTIONS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on June 8, 1962, the President had approved and signed the following acts and joint resolutions:

S. 971. An act for the relief of Salvatore Briganti;

S. 2132. An act to approve the revised June 1957 reclassification of land of the Fort Shaw division of the Sun River project, Montana, and to authorize the modification of the repayment contract with Fort Shaw Irrigation District;

S. 3157. An act to repeal subsection (a) of section 8 of the Public Buildings Act of 1959, limiting the area in the District of Columbia within which sites for public buildings may be acquired;

S.J. Res. 88. Joint resolution authorizing the issuance of a gold medal to Bob Hope; and

S.J. Res. 151. Joint resolution permitting the Secretary of the Interior to continue to deliver water to lands in the Third Division, Riverton Federal reclamation project, Wyoming.

REPORT ON MUTUAL SECURITY
PROGRAM—MESSAGE FROM THE
PRESIDENT (H. DOC. NO. 432)

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which, with the accompanying report, was referred to the Committee on Foreign Relations:

To the Congress of the United States:

Transmitted herewith is the final annual report on the operations of the mutual security program for the period ending June 30, 1961. The report was prepared under the direction of the Administrator of the Agency for International Development as coordinator of the foreign assistance program, with participation by the Department of State and the Department of Defense.

This report marks the end of one decade in our aid programs and the beginning of another; the transition from what was primarily a decade of defense to a decade of development. The past decade has seen the strengthening of many of our friends and allies so that they have been enabled not only to thrive

without our grant assistance, but also to bear an increasing share of the responsibility of helping the less-developed nations.

Fiscal year 1961 can perhaps best be characterized as a year of reevaluation for the foreign assistance program. A Presidential task force was set up early in 1961 to review the program thoroughly—from basic policy to future objectives. The work of this task force, and subsequently the constructive efforts of the Congress, resulted in the Foreign Assistance Act of 1961, which created the Agency for International Development and in effect inaugurated the decade of development.

For the new decade, new tools have been forged to implement the changes in program emphasis toward economic and social progress through self-help, long-range development, and a shift from grant assistance to loans. These objectives can be realized, however, only if the strength and will of the free world against overt aggression and subversion from within are maintained. We must continue, therefore, to carry forward an effective military assistance program to sustain the safeguards and defensive arrangements necessary for the peaceful development of the free world.

JOHN F. KENNEDY.

THE WHITE HOUSE, June 11, 1962.

LIMITATION OF DEBATE DURING
MORNING HOUR

On request of Mr. MANSFIELD, and by unanimous consent, statements during the morning hour were ordered limited to 3 minutes.

COMMITTEE MEETINGS DURING
SENATE SESSION

On request of Mr. MANSFIELD, and by unanimous consent, the following committees and subcommittees were authorized to meet during the session of the Senate today:

The Judiciary Committee.

The Permanent Subcommittee on Investigations, of the Committee on Government Operations.

The Internal Security Subcommittee, of the Judiciary Committee.

The Finance Committee.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of executive business, to consider the nominations on the Executive Calendar.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

SENATE

TUESDAY, JUNE 12, 1962

The Senate met at 12 o'clock meridian, and was called to order by the Vice President.

The Chaplain, Rev. Frederick Brown Harris, D.D., offered the following prayer:

O Thou who art from everlasting to everlasting, give us, we pray, as we come, an elevated vision of the long years, with the constant realization that a lifetime here is but a second in the eternal plan of the God of the ages.

So may we toil in these fields of time in the sense of the eternal. Undiscouraged and undismayed by the imperfections of mankind, barely emerging from the nursery of his final destiny, teach us